
GPE GRANT NUMBER TF0B5504

Global Partnership for Education

Grant Agreement

**(Additional Financing for General Education
Quality Improvement Program for Equity for Refugees Integration)**

between

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND INTERNATIONAL DEVELOPMENT ASSOCIATION**

(acting as Grant Agent for the Global Partnership for Education)

GPE GRANT NUMBER TF0B5504

GRANT AGREEMENT

AGREEMENT dated as of the Signature Date between FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA (“Recipient”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as Grant Agent for the Global Partnership for Education, for the purpose of assisting in providing additional financing (“AF”) to the operation described in Schedule 1 of this Agreement (the “Operation”).

The Recipient and the Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in the Appendix to this Agreement.

**Article II
The Operation**

- 2.01. The Recipient declares its commitment to the objectives of Operation described in Schedule 1 to this Agreement. To this end, the Recipient shall carry out the Operation, through MoE in accordance with the provisions of Article II of the Standard Conditions and, Schedule 2 to this Agreement.

**Article III
The Grant**

- 3.01. The Bank agrees to extend to the Recipient, a grant in an amount not to exceed nineteen million six hundred thousand Dollars (USD 19,600,000) (“Grant”) to assist in financing the program described in Part 1 of Schedule 1 to this Agreement (“Program”), and the project described in Part 2 of Schedule 1 to this Agreement (“Project”) (collectively referred to as the “Operation”).
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank’s payment obligations in

connection with this Agreement are limited to the amount of funds made available to it by donor(s) under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Additional Remedies

- 4.01. The Additional Events of Suspension referred to in Section 4.02(k) of the Standard Conditions consist of the following:
- (a) The Recipient has adopted a successor program to ESDP V, which will materially and adversely affect the ability of the Recipient to achieve the objective of the Operation or perform any of its obligations under this Agreement.
 - (b) The Bank shall have suspended in whole or in part the right of the Recipient to make withdrawals under the IDA Financing Agreement.

Article V
Effectiveness; Termination

- 5.01 This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied:
- (a) The execution and delivery of this Agreement on behalf of the have been duly authorized or ratified by all necessary governmental action; and
 - (b) The IDA Financing Agreement has been declared effective.
- 5.02 As part of the evidence to be furnished pursuant to Section 5.01(a), there shall be furnished to the Bank an opinion or opinions satisfactory to the Bank of counsel acceptable to the Bank, showing on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.
- 5.03 This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient's Representative; Addresses

6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its minister in charge of finance.

6.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

Ministry of Finance
PO Box 1905
Addis Ababa
Federal Democratic Republic of Ethiopia

Telex:	Facsimile:
21147	(251-111) 551355

6.03. The Bank's Address referred to in Section 7.01 of the Standard Conditions is:

International Bank for Reconstruction and Development
and International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Telex:	Facsimile:
248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By:



Authorized Representative

Name: H.E. Yasmin Wohabrebbi

Title: State Minister of Finance

Date: 01-Jul-2021

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT and INTERNATIONAL
DEVELOPMENT ASSOCIATION
(acting as Grant Agent for the Global Partnership for
Education)**

By:



Authorized Representative

Name: Ousmane Dione

Title: Country Director

Date: 09-Jun-2021

SCHEDULE 1

Operation Description

The objective of the Operation is to improve internal efficiency, equitable access, and quality in general education (O-Class to Grade 12).

The Operation consists of the Original Operation, and the Program and the Project as follows:

Part 1: The Program

1. The Program will provide incentives for harmonization of services for refugee education at primary level and integration of refugee education at secondary level. It will consist of the following activities:
 - (a) Extending key services, identified by MoE as priorities for quality education to refugee primary schools through MoE, REBs, and Woreda-level education officials.
 - (b) Improving integration of secondary-level refugee education into mainstream MoE education systems through: (i) transferring existing refugee secondary schools to MoE-REB administration; and (ii) supporting the integration and inclusion of refugee students into existing REB secondary schools.
 - (c) Addressing key challenges to education such as low levels of educational attainment and transition to secondary schools for refugee girls and learning loss as a result of the COVID-19 pandemic through, *inter alia*: (i) providing classes and other activities for girls' empowerment, and appointment of refugee learner guides; and (ii) ICT-based interventions for self-directed learning to enable COVID-19 recovery.

Part 2: The Project

The Project consists of the following activities to assist with implementation of the Program and to mitigate implementation risks:

- (a) Developing capacity within MoE for refugee education through the setting up of a National Refugee Integration Sub-Units at MoE, and Regional Refugee Integration Sub-Units at agreed refugee-hosting REBs; and
- (b) Enhancing capacity for harmonization and integration activities relating to refugee students by supporting:

- (i) capacity building to create: (A) improved coordination and planning of refugee education activities and deepening of relevant expertise in government ministries and agencies; (B) improved service delivery at the regional and woreda level to refugee schools; (C) improved support by ARRA at the zonal level to MoE and REBs for delivery of services to refugee schools and protection of refugees; and (D) integration of secondary refugee schools to REB administration; and
 - (ii) capacity building activities, improving WASH facilities, improving availability of medical, sanitation, and protective equipment, to enable safe reopening of refugee schools and recovering from the learning loss associated with school closures resulting from the COVID-19 pandemic.
- (c) Providing immediate response to an Eligible Crisis or Emergency, as needed.

SCHEDULE 2

Operation Execution

Section I. Implementation Arrangements

A. Operation Institutions

1. The Recipient shall maintain, during the period of implementation of the Operation, a National Refugee Education Steering Committee, co-chaired by MoE, MoF, and ARRA, to oversee the overall coordination and monitoring, and to verify the progress of the implementation, of the Program and the Project.
2. The Recipient shall maintain, during the period of implementation of the Operation, in each of the main refugee-hosting Regions, Regional Refugee Education Steering Committees, co-chaired by the REB and ARRA, with participation from BoFED, to oversee regional-level coordination and monitoring of the Program and the Project.
3. The Recipient shall maintain, during the period of implementation of the Operation, the following with staffing and resources appropriate to fulfill their respective functions under the Program or the Project or both:
 - (a) the Program Coordination Office, established under the Planning and Resource Mobilization Directorate of MoE;
 - (b) the agencies, offices, directorates, units, branches and universities within or under MoE, and within or under other relevant ministries, with implementation responsibilities and the powers, functions, capacity, staffing and resources appropriate to fulfill their respective functions under the Program and the Project;
 - (c) the Channel One Program Coordination Directorate within MoF, with a mandate, adequate resources and staff satisfactory to the Bank, to be responsible for financial coordination of the Program and the consolidation of financial reports related to the Program from the agencies, office, units and branches implementing the Program; and
 - (d) at regional, *Woreda*, and community levels, Operation implementation arrangements (including by Colleges of Teacher Education and public schools), satisfactory to the Bank, and as shall be further detailed in the Operations Manual.
4. The Recipient, through MoE, shall, within ninety (90) days of the Effective Date, establish a National Refugee Integration Sub-Unit within MoE with such staffing, resources, and facilities as may be acceptable to the Bank. The Recipient shall

ensure that the responsibility for day-to-day management of the Program and the Project rests with the National Refugee Integration Sub-Unit.

5. The Recipient, through the REBs of Afar, Benishangul-Gumuz, Somali, Gambella and Tigray regions, shall, within ninety (90) days of the Effective Date, establish Regional Refugee Integration Sub-Units within each REB with staffing and facilities as may be acceptable to the Bank. The Recipient shall ensure that the responsibility for regional and Woreda-level implementation of the Program and Project rests with the Regional Refugee Integration Sub-Units.
6. The Recipient, through the REBs of Afar, Benishangul-Gumuz, Somali, Gambella and Tigray regions, shall, from the Effective Date until the Closing Date, ensure that refugees have access on a preferential basis to secondary schools transferred from ARRA's oversight to the REB's administration.
7. The Recipient shall ensure that, ARRA shall, within forty-five (45) days from the Effective Date, create a line item in its accounts to adequately reflect the activities being conducted under the Program, in form and substance satisfactory to the Bank.

B. Additional Program Implementation Arrangements

1. The Recipient shall carry out the Program Action Plan, or cause the Program Action Plan to be carried out, in accordance with the schedule set out in the said Program Action Plan in a manner satisfactory to the Bank.
2. The Recipient shall:
 - (a) Appoint and thereafter maintain, at all times during the implementation of the Program, independent verification agents under terms of reference acceptable to the Bank ("Verification Agents"), to verify the data and other evidence supporting the achievement of one or more DLIs as set forth in the table in Section IV.A.2 of this Schedule 2 and recommend corresponding payments to be made, as applicable.
 - (b) (i) Ensure that the Verification Agents carry out verification and process(es) in accordance with the Verification Protocol; and (ii) submit to the Bank the corresponding verification reports in a timely manner and in form and substance satisfactory to the Bank.
 - (c) In the event that there is a need for verification services prior to the appointment of the Verification Agents in accordance with sub-paragraph (a) above, put in place adequate interim arrangement satisfactory to the Bank and approved in writing by the Bank for verification of the DLIs.

3. The Recipient shall ensure that no government secondary school is opened under, or transferred to, the ownership or oversight of ARRA from the Effective Date until the completion of the Project.

C. Operations Manual

1. The Recipient, through MoE and ARRA, shall no later than thirty (30) days after the Effective Date of this Agreement, update (in consultation with Channel One Program Coordination Directorate) and furnish to the Bank for its review, the Operations Manual, and thereafter, implement the Operation in accordance with the Operations Manual.
2. The Recipient shall not amend, abrogate or suspend, or permit to be amended, abrogated or suspended any provision of the Operations Manual without the prior written agreement of the Bank. Notwithstanding the foregoing, if any provision of the Operations Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail.

D. Environmental and Social Standards for the Project

1. The Recipient, through MoE and ARRA, shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and
 - (d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Bank shall otherwise agree in writing and the Recipient has, thereafter, disclosed the revised ESCP.

In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Bank determines that there are measures and actions

specified in the ESCP which will not be completed by the Closing Date, the Recipient shall: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Bank, an action plan satisfactory to the Bank on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Bank.

4. The Recipient shall:

- (a) take all measures necessary on its part to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the management tools and instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
- (b) promptly notify the Bank of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including explosions, spills, and any workplace accidents that result in death, serious or multiple injury, pollution, or any violent labor unrest or dispute between the Recipient or security forces (assigned to protect the Project) and local communities, any case of gender-based violence and violence against minors, in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.

5. The Recipient shall maintain and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.

E. Annual Work Plans and Budget for the Project

1. For purposes of implementation of the Project, the Recipient shall:
 - (a) prepare a draft annual work plan and budget (“AWPB”) for each EFY, setting forth, *inter alia*: (i) a detailed description of the planned activities under the Project for the following EFY; (ii) the sources and proposed use of funds therefor; (iii) procurement arrangements therefor; and (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity;
 - (b) not later than April 30 of each EFY, and after considering comments provided by the Refugee Education Steering Committee (referred to in Section I.A.1 above), furnish the draft AWPB to the Bank for its review, and promptly thereafter finalize the AWPB, taking into account the Bank’s comments thereon; and
 - (c) by June 15 of each EFY, adopt and implement the final AWPB after obtaining the Bank’s approval thereon.

F. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 2(c) of the Project (“Contingent Emergency Response Part”), the Recipient shall ensure that:
 - (a) a manual (“CERC Manual”) is prepared and adopted in form and substance acceptable to the Bank, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;
 - (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Bank;

- (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
 - (d) neither the CERC Manual or the Emergency Action Plan is amended, suspended, abrogated, repealed or waived without the prior written approval by the Bank.
- 2. The Recipient shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Bank.
- 3. The Recipient shall ensure that:
 - (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Bank; and
 - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Bank.
- 4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

Section II. Excluded Activities

- 1. The Recipient shall ensure that the Program excludes any activities which:
 - (a) in the opinion of the Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
 - (b) involve the procurement of: (1) works, estimated to cost \$75,000,000 equivalent or more per contract; (2) goods, information technology, and non-consulting services estimated to cost \$50,000,000 equivalent or more per contract; or (3) consultants' services, estimated to cost \$20,000,000 equivalent or more per contract.

Section III. Operation Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Bank each Program Report and Project Report not later than two (2) months after the end of each EFY semester, covering the EFY semester.

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of Article III of the Standard Conditions, this Section, and such additional instructions as the Bank may specify from time to time by notice to the Recipient to finance: (a) with respect to the Program, Program Expenditures (inclusive of Taxes), on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Recipient/Program Implementing Entity, as measured against specific indicators (“Disbursement Linked Indicators” or “DLIs”) in the amount allocated against Categories (1), (2), and (3); and (b) with respect to the Project, finance Eligible Expenditures in the amounts allocated, and if applicable up to the percentage set forth against Category (4); all as set forth in the table in paragraph 2 of this Part A.

2. The following table specifies each category of withdrawal of the proceeds of the Grant (including the Disbursement Linked Indicators as applicable) (“Category”), the Disbursement Linked Results for each Category (as applicable), and the allocation of the amounts of the Grant to each Category:

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
(1) DLI 11: Harmonization of services for refugee primary schools				Not applicable
	DLR 11.1 The Recipient has achieved	\$3,000,000	Allocation (2021/22): US\$1 million	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
	<p>the Agreed Target for provision of Basic School Grants by MoE and REBs to refugee primary schools.</p> <p>2021/22: By March 31, 2022</p> <p>2022/23: By March 31, 2023</p> <p>2023/24: By March 31, 2024</p> <p>2024/25: By March 31, 2025</p>		<p>on achievement of the Agreed Target.</p> <p>Agreed Target (2021/22): MoE has adopted and ARRA has endorsed, a policy and institutional framework, and a detailed and costed implementation plan, for provision of Basic School Grants to refugee primary schools by MoE and REBs, both acceptable to the Bank.</p> <p>Allocation (2023/24): US\$ 1 million on achievement of the Agreed</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>Target or an amount pro-rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2023/24): MoE and/or REBs have provided Basic School Grants to seventy (70)% of Eligible Refugee Primary Schools.</p> <p>Allocation (2024/25): US\$ 1 million on achievement of the Agreed Target or an amount pro-rated in terms of the percentage of achievement</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>of the Agreed Target.</p> <p>Agreed Target (2024/25): MoE and/or REBs have provided Basic School Grants to ninety (90)% of Eligible Refugee Primary Schools.</p>	
	<p>DLR 11.2: The Recipient has achieved the Agreed Target for provision of improved in-service upgrading training for refugee incentive teachers.</p> <p>2021/22: By March 31, 2022</p>	\$3,000,000	<p>Allocation (2021/22): US\$1 million on achievement of the Agreed Target.</p> <p>Agreed Target (2021/22): The Recipient has developed an in-service skill upgrading and accreditation program for refugee incentive</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
	<p>2022/23: By March 31, 2023</p> <p>2023/24: By March 31, 2024</p> <p>2024/25: By March 31, 2025</p>		<p>teachers and MoE has adopted and MoP has endorsed a policy and institutional framework and a detailed and costed implementatio n plan for provision of the program, all acceptable to the Bank.</p> <p>Allocation (2023/24): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2023/24): Seventy</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>(70)% of Eligible Refugee Incentive Teachers have received a year's program of in-service skill upgrading training.</p> <p>Allocation (2024/25): US\$ 1 million on achievement of the Agreed Target or an amount pro-rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2024/25): Ninety (90)% of Eligible Refugee Incentive Teachers have received</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			a year's program of in- service skill upgrading training.	
	<p>DLR 11.3: The Recipient has achieved the Agreed Target for provision of textbooks to refugee primary schools with REB or Woreda procurement, distribution, and monitoring.</p> <p>2021/22: By March 31, 2022</p> <p>2022/23: By March 31, 2023</p> <p>2023/24: By March 31, 2024</p>	\$3,000,000	<p>Allocation (2021/22): US\$1 million on achievement of the Agreed Target.</p> <p>Agreed Target (2021/22): MoE has adopted and MoP has endorsed a policy and institutional framework, and detailed and costed implementatio n plan, for provision of books to refugee schools with REB and Woreda procurement, distribution and</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
	2024/25: By March 31, 2025		<p>monitoring, both acceptable to the Bank.</p> <p>Allocation (2023/24): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2023/24): Seventy (70)% of Eligible Refugee Primary Schools have received the Standard Package of textbooks from REBs or Woreda.</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>Allocation (2024/25): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target</p> <p>Agreed Target (2024/25): Ninety (90)% of Eligible Refugee Primary Schools have received the Standard Package of textbooks from REBs or Woreda.</p>	
(2) DLI 12: Integration of refugee secondary education				Not applicable

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
	<p>DLR 12.1: The Recipient has achieved the Agreed Target for transfer of refugee secondary schools to MoE or REB administration .</p> <p>2021/22: By March 31, 2022</p> <p>2022/23: By March 31, 2023</p> <p>2023/24: By March 31, 2024</p> <p>2024/25: By March 31, 2025</p>	<p>\$ 3,000,000</p>	<p>Allocation (2022/23): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2022/23): Two (2) Eligible Refugee Secondary Schools have been transferred to MoE/REB administratio n.</p> <p>Allocation (2023/24): US\$ 1 million on achievement of the Agreed Target or an</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>amount pro-rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2023/24): Eight (8) Eligible Refugee Secondary Schools have been transferred to MoE/REB administration (cumulative).</p> <p>Allocation (2024/25): US\$ 1 million on achievement of the Agreed Target or an amount pro-rated in terms of the percentage of achievement</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			of the Agreed Target. Agreed Target (2024/25): Thirteen (13) Eligible Refugee Secondary Schools have been transferred to MoE/REB administratio n (cumulative).	
	DLR 12.2: The Recipient has achieved the Agreed Target for payment of Top-up School Grants to MoE secondary schools in areas with large refugee populations. 2021/22: By March 31, 2022	\$2,000,000	Allocation (2023/24): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target. Agreed Target (2023/24):	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
	<p>2022/23: By March 31, 2023</p> <p>2023/24: By March 31, 2024</p> <p>2024/25: By March 31, 2025</p>		<p>One hundred (100) % of MoE/REB Secondary Schools With Large Refugee Populations receive Top- Up School Grants.</p> <p>Allocation (2024/25): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2024/25): One hundred (100) % of MoE/REB Secondary Schools With Large</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			Refugee Populations receive Top- Up School Grants.	
(3) DLI 13: Implementing innovations to address key challenges in refugee education				Not applicable
	DLR 13.1: The Recipient has achieved the Agreed Target for implementatio n of activities for girls' empowerment and learning. 2021/22: By March 31, 2022 2022/23: By March 31, 2023 2023/24: By March 31, 2024	\$2,600,000	Allocation (2022/23): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target. Agreed Target (2022/23): The Girls' Empowerment and Learning	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
	2024/25: By March 31, 2025		<p>Program is implemented in two (2) of the Main Refugee-Hosting Areas with eligible students in at least eighty percent of Eligible Refugee Primary Schools in the respective areas having access to at least ten sessions per school.</p> <p>Allocation (2023/24): US\$ 0.8 million on achievement of the Agreed Target or an amount pro-rated in terms of the percentage of achievement of the Agreed Target.</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>Agreed Target (2023/24): The Girls' Empowerment and Learning Program is implemented in four (4) of the Main Refugee-Hosting Areas with eligible students in at least eighty percent of Eligible Refugee Primary Schools in the respective areas having access to at least ten sessions per school.</p> <p>Allocation (2024/25): US\$ 0.8 million on achievement of the Agreed Target or an amount pro-rated in terms of the</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2024/25): The Girls' Empowerment and Learning Program is implemented in six (6) of the Main Refugee-Hosting Areas with eligible students in at least eighty percent of Eligible Refugee Primary Schools in the respective areas having access to at least ten sessions per school.</p>	
	DLR 13.2: The Recipient has achieved the Agreed	\$3,000,000	Allocation (2022/23): US\$ 1 million on	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursemen t Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
	<p>Target for implementation of activities for self-directed learning for COVID-19 recovery.</p> <p>2021/22: By March 31, 2022</p> <p>2022/23: By March 31, 2023</p> <p>2023/24: By March 31, 2024</p> <p>2024/25: By March 31, 2025</p>		<p>achievement of the Agreed Target or an amount prorated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2022/23): The Self-Directed Learning Program is implemented in two (2) of the Main Refugee-Hosting Areas with eligible students in at least eighty percent of Eligible Refugee Primary Schools in the respective areas having access to at least ten sessions per school.</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>Allocation (2023/24): US\$ 1 million on achievement of the Agreed Target or an amount pro- rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2023/24): The Self- Directed Learning Program is implemented in four (4) of the Main Refugee- Hosting Areas with eligible students in at least eighty percent of Eligible Refugee Primary Schools in the respective</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			<p>areas having access to at least ten sessions per school.</p> <p>Allocation (2024/25): US\$ 1 million on achievement of the Agreed Target or an amount pro-rated in terms of the percentage of achievement of the Agreed Target.</p> <p>Agreed Target (2024/25): The Self-Directed Learning Program is implemented in six (6) of the Main Refugee-Hosting Areas with eligible students in at least eighty</p>	

Category (including Disbursement Linked Indicator, as applicable)	Disbursement Linked Result	Amount of Grant (expressed in USD)	DLR allocation and Disbursement Formula (expressed in USD)	Percentage of Eligible Expenditures to be financed (inclusive of Taxes)
			percent of Eligible Refugee Primary Schools in the respective areas having access to at least ten sessions per school.	
(4) Emergency Expenditures under Part 2.3 of the Project	Not applicable	0	Not applicable	100%
TOTAL AMOUNT		19,600,000		

B. Withdrawal Conditions for the Program

1. Notwithstanding the provisions of Part A of this Section, with respect to Categories (1), (2), and (3), no withdrawal shall be made:
 - (a) for any DLR until and unless the Recipient has furnished evidence satisfactory to the Bank that said DLR has been achieved, including verification reports from the Verification Agent, based on reports prepared by the Recipient certifying the achievement of the DLRs in accordance with the Verification Protocol.
2. Notwithstanding the provisions of Part B.1(b) of this Section, with respect to the Program, the Recipient may withdraw an amount not to exceed USD 1,960,000 as an advance; provided, however, that if the DLRs in the opinion of the Bank, are

not achieved (or only partially achieved) by the Closing Date, the Recipient shall refund such advance (or portion of such advance as determined with reference to the Verification Protocol) to the Bank promptly upon notice thereof by the Bank. Except as otherwise agreed with the Recipient, the Bank shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the Bank shall specify by notice to the Recipient.

3. Notwithstanding the provisions of Part B.1(b) of this Section, with respect to the Program, if any of the DLR has not been achieved by the date by which the said DLR is set to be achieved, the Bank may, by notice to the Recipient:
 - (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to said Category which, in the opinion of the Bank, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with the Disbursement Formula; and/or
 - (b) reallocate all or a portion of the proceeds of the Financing then allocated to said DLR to any other DLR; and/or
 - (c) cancel all or a portion of the proceeds of the Financing then allocated to said DLR.

C. Withdrawal Conditions for the Project

Notwithstanding the provisions of Part A of this Section:

- (a) with respect to Category (4), no withdrawal shall be made for payments made in respect of the Project prior to the Signature Date; and
- (b) for Emergency Expenditures under Category (4), no withdrawal shall be made, all of the following conditions have been met in respect of said expenditures:
 - (i) (A) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Financing amounts under Category (5); and (B) the Bank has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.

D. Withdrawal Period for the Operation

The Closing Date is April 8, 2025.

Section V. Other Undertakings

Notwithstanding any provision to the contrary, Emergency Expenditures required for Part 2(c) of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CERC Operations Manual.

APPENDIX

Definitions

1. “Agreed Target” means either the target agreed between the Bank and the Recipient as specified for the corresponding DLR: (a) in the table in Section IV.A.2 of Schedule 2 of this Agreement, or (b) further elaborated and defined in the Operations Manual.
2. “Anti-Corruption Guidelines” means: (a) for the purposes of paragraph 2 of the Appendix to the Program Standard Conditions, the Bank’s “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015; and (b) for the purposes paragraph 2 of the Appendix to the Project Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. “ARRA” means the Recipient’s Agency for Refugee and Returnee Affairs established and operating under the Ministry of Peace pursuant to The Definition of Powers and Duties of the Executive Organs of the Federal Democratic Republic of Ethiopia Proclamation No.1097/2018.
4. “Basic School Grants” means grants funds provided by MoE/REBs to refugee schools in the Recipient’s country, based on the number of students enrolled in O-Class to Grade 12.
5. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
6. “CERC Manual” means the manual referred to in Section I.F of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Bank, and which is an integral part of the Operations Manual.
7. “Channel One Program Coordination Directorate” means a directorate referred to in Section I.A(2)(c) of Schedule 2 to the Original Financing Agreement and Section I.A(3)(c) of Schedule 2 to this Agreement, established within MoF, for overall financial coordination of the Program.
8. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 2(c) of the Project to respond to an Eligible Crisis or Emergency.
9. “Disbursement Formula” means the formula set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.

10. “Disbursement Linked Indicator” or “DLI” means in respect of a given Category, the indicator related to said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
11. “Disbursement Linked Result” or “DLR” means in respect of a given Category, the result under said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement, on the basis of the achievement of which, the amount of the Financing allocated to said result may be withdrawn in accordance with the provisions of said Section IV.
12. “EFY” means the Ethiopian Fiscal Year, the fiscal year of the Recipient which commences on July 8 and ends on July 7.
13. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
14. “Eligible Refugee Incentive Teachers” mean the refugee incentive teachers deemed eligible to receive in-service skill upgrading Training on an annual basis: (i) in line with the eligibility criteria elaborated in the Operations Manual; and (ii) based on data received from UNHCR.
15. “Eligible Refugee Primary Schools” mean refugee primary schools which are operational in the five main refugee-hosting regions, based on data received from UNHCR, on an annual basis as further elaborated in the Operations Manual.
16. “Eligible Refugee Secondary Schools” mean refugee secondary schools which are operational in the five main refugee-hosting regions, based on data received from UNHCR, on an annual basis as further elaborated in the Operations Manual.
17. “Emergency Action Plan” means the plan referred to in Section I.F of Schedule 2 to this Agreement, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
18. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.F of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
19. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the Recipient’s environmental and social commitment plan acceptable to the Bank, dated March 29, 2021, including the Recipient’s Labor Management Plan (“LMP”) dated November, 2020, and Stakeholder Engagement Plan (“SEP”) dated January 1, 2021, which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the Project, including

the timing of the actions and measures, institutional, staffing, Training, monitoring and reporting arrangements, and any instruments to be prepared thereunder; as the ESCP may be revised from time to time, with prior written agreement of the Bank, and such term includes any annexes or schedules to such plan.

20. “Environmental and Social Standards” means, collectively: (a) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (b) “Environmental and Social Standard 2: Labor and Working Conditions”; (c) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (d) “Environmental and Social Standard 4: Community Health and Safety”; (e) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (f) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (g) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (h) “Environmental and Social Standard 8: Cultural Heritage”; (i) “Environmental and Social Standard 9: Financial Intermediaries”; and (j) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank at <http://www.worldbank.org/en/projects-operations/environmental-and-social-framework>.
21. “ESDP V” means the Education Sector Development Program covering years 2015 through 2020 adopted by the Ministry of Education in 2015, setting out an overarching education framework for the country.
22. “ESDP VI” means the Education Sector Development Program covering years 2020-21 through 2024-25 adopted by the Ministry of Education in July 2020, setting out an overarching education framework for the country.
23. “Girls’ Empowerment and Learning Program” means a design, implementation arrangements, and costed implementation plan for innovation activities for girls’ empowerment and learning.
24. “IDA Financing Agreement” means the agreement between the Republic of Ethiopia and the International Development Association for Grant No. D808-ET, and amending Credit No. D262-ET providing additional financing to the Operation.
25. “Incremental Operating Costs” mean operating expenditures incurred by the Recipient on account of the Project implementation, management, monitoring and evaluation, including salaries of contractual staff (but excluding salaries of officials of the Recipient’s civil service) and the associated Social Charges, office rent, office materials and supplies, utilities, communication costs, transport and vehicle maintenance and insurance costs, support for information systems,

translation costs, bank charges and travel and per diem costs of the associated staff and other reasonable expenditures directly associated with implementation of the Project activities, all based on an annual budget acceptable to the Bank.

26. “Main Refugee Hosting Areas” mean the areas of Assosa, Dollo Ado, Gambella, Jijiga, Samara, and Shire.
27. “Main Refugee Hosting Regions” mean the five main refugee-hosting regions of Afar, Benishangul-Gumuz, Gambella, Somali, and Tigray.
28. “MoE/REB Secondary Schools with Large Refugee Populations” means MoE/REB-administered secondary schools identified by agreement between MoE and ARRA, as satisfying certain criteria and including large numbers of refugee students, and listed in the Operations Manual.
29. “MoE” means the Recipient’s Ministry of Education, or any successor thereto.
30. “MoF” means the Recipient’s Ministry of Finance, or any successor thereto.
31. “O-Class” means the one-year reception class (nine-month program) based in government primary schools for children aged 6 years, before formal schooling starts at age 7.
32. “Operation” means, collectively, all activities described under the Program and the Project in Schedule 1 to this Agreement.
33. “Operations Manual” means the operations manual to be prepared and adopted in accordance with Section I.C of Schedule 2 to this Agreement.
34. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Project Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
35. “Program” means the activities described in Part 1 of Schedule 1 to this Agreement.
36. “Program Action Plan” means the Recipient’s Program Action Plan referred to in Section I.B.1 of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the Bank.
37. “Program Coordination Office” means the office referred to in Section I.A(2)(a) of Schedule 2 to the Original Financing Agreement and Section I.A(3)(a) of Schedule 2 to this Agreement, established under MoE, to oversee the implementation of the Operation.

38. “Program Standard Conditions” means the International Bank for Reconstruction and Development and International Development Association Standard Conditions for Program-for-Results Financing Made by the Bank out of Trust Funds”, dated December 14, 2019.
39. “Program Steering Committee” means the committee referred to in Section I.A(1) of Schedule 2 to the Original Financing Agreement, established within MoE to oversee the coordination, monitoring, and verify the progress of implementation of the Original Operation.
40. “Project Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019.
41. “Project” means the activities described in Part 2 of Schedule 2 to this Agreement.
42. “REBs” means the Regional Education Bureaus constituted for each Region of the Recipient responsible for implementing the respective Region’s education policy, or any successor thereto.
43. “Refugee Education Steering Committee” means a legally or administratively constituted body referred to in Section I.A.2 of Schedule 2 to this Agreement, meeting regularly, co-chaired by MoE, MoF, and ARRA, with authority to oversee and make decisions regarding the operation of refugee education and the AF, and established either within the MoE (in the case of National Refugee Education Steering Committee) or within each of the Main Refugee Hosting Areas (in the case of Regional Refugee Education Steering Committee).
44. “Refugee Integration Plans” mean the plans for integration of refugee students into MoE/REB secondary schools, developed by MoE and REBs for Selected Schools for Refugee Integration.
45. “Refugee Integration Sub-Unit” means an office or unit, with full-time staff dedicated to refugee education, established within either the Planning and Resource Mobilization Directorate of MoE (in the case of the National Refugee Integration Sub-Unit) or within Regional Education Bureaus (in the case of the Regional Refugee Integration Sub-Unit).
46. “Region” means the second tier of government in the Recipient’s administrative system as established under the Recipient’s Constitution.
47. “Self-Directed Learning Program” means a design, implementation arrangements, and costed implementation plan for innovation activities for self-directed learning for COVID-19 recovery.

48. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the Standard Conditions.
49. “Social Charges” means any payments or contributions for health benefits, unemployment benefits, disability insurance, workers’ compensation benefits, retirement (pension or social security) benefits, and life insurance, or any other benefits according to the Recipient’s legislation.
50. “Standard Conditions” means the Program Standard Conditions or the Project Standard Conditions or both.
51. “Standard Package” means the set of textbooks from REB/Woreda received by refugee primary schools as further defined in the Operations Manual.
52. “Top-up Grants” means grant funds provided by MoE/REBs to MoE/REB Secondary Schools in Areas with Large Refugee Populations for the implementation of Refugee Integration Plans.
53. “Training” means expenditures (other than those for consulting services) incurred in connection with study tours, training courses, seminars, workshops and other training activities, not included under goods or service providers’ contracts, including costs of training materials, space and equipment rental, travel, per diem costs for trainees and trainers and trainers’ fees (as applicable), all based on an annual budget satisfactory to the Bank.
54. “UNHCR” means the United Nations High Commissioner for Refugees.
55. “Verification Agents” means independent entities to be engaged by the Recipient for the purposes of certifying the achievement of the DLRs as referred to in Section I.B.2 of Schedule II to this Agreement.
56. “Verification Protocol” means the Recipient’s Verification Protocol, acceptable to the Bank, setting forth the means by which the achievement of DLRs will be verified under the Program, as such Verification Protocol may be amended from time to time with the prior written agreement of the Bank.
57. “WASH” means water, sanitation, and hygiene.
58. “Woreda” means the lowest administrative unit of government in the Recipient’s territory as established pursuant to the relevant Regional legislation.