

CONFORMED COPY

CREDIT NUMBER 4363-TA

Financing Agreement

(Performance Results and Accountability Project)

between

UNITED REPUBLIC OF TANZANIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated December 7, 2007

CREDIT NUMBER 4363 -TA

FINANCING AGREEMENT

AGREEMENT dated December 7, 2007, entered into between UNITED REPUBLIC OF TANZANIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral 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 General Conditions.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to twenty six million two hundred thousand Special Drawing Rights (SDR 26,200,000) (variously, “Credit” and “Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are March 15 and September 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is the Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension shall be that a situation has arisen which shall make it improbable that the Program, or a significant part thereof, will be carried out.

ARTICLE V — TERMINATION

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 5.02. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its Minister responsible for finance.

6.02. The Recipient's Address is:

Ministry of Finance
P. O. Box 9111
Dar es Salaam
Tanzania

Facsimile:

(255) 222 11 77 90

6.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at Dar es Salaam, United Republic of Tanzania, as of the day and year first above written.

UNITED REPUBLIC OF TANZANIA

By: **/s/ Ramadhani Mussa Khijjah**
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: **/s/ John Murray McIntire**
Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to support the Recipient's efforts to enhance the capacity, performance and accountability of its MDAs in use of public resources and service delivery to levels consistent with timely and effective implementation of the strategic and priority programs under the MKUKUTA.

The Project constitutes the second phase of the Program, and consists of the following parts:

Part A: Systems to Support Service Delivery

Carrying out of Subprograms to support the Recipient's public service reform programs in the following areas:

1. Institutionalization of Performance Management Systems

Deepening application of the performance management system, including: (a) a monitoring framework for executive agencies; (b) good practice tools for MDAs; (c) higher quality strategic plans for MDAs; (d) effective application of an open performance review and appraisal system by MDAs; (e) more relevant service delivery charters, and better utilized by clients; and (f) timely and quality monitoring, evaluation and reporting by MDAs.

2. Restructuring MDAs and re-engineering service delivery

Encouraging MDAs to decentralize services to enhance cost efficiency and effectiveness in service delivery, through: (a) creation of additional executive agencies; (b) outsourcing non-core services to private sector; and (c) re-engineering business processes.

3. Promoting e-Government and knowledge management systems

Developing: (a) a robust, cost-effective and appropriately-funded program for rolling out e-Government applications in the public service; and (b) institutional environment and capacity to encourage wide application of e-Government within the public service, and to enhance efficiency and quality of public service.

4. Improving record management

Increasing transparency and efficiency in management and provision of information, including supporting the construction of a building to house the National Records Center.

Part B: Policy Development

Carrying out of a Subprogram for: (a) strengthening central MDAs and the Cabinet Secretariat in the respective policy making roles, including development, implementation and monitoring; (b) enhancing the capacity of the policy development and regulatory units within MDAs; and (c) improving the climate for participatory policy development by MDAs.

Part C: Pay, Incentives and Rewards

Carrying out of a Subprogram for: (a) implementing the recommendations of the Presidential Commission on Salary Review for the Public Service, including the outcome of the technical application of the recommendations; (b) supporting PO-PSM to develop and implement a central performance-based rewards and incentives systems; (c) supporting MDAs to develop and implement non-salary rewards and incentive systems; (d) supporting review the planning and budgeting framework to maximize opportunity for strategically allocating and utilizing wage bill resources transparently; and (e) establishing clear guidelines for use of allowances to remove distortions.

Part D: Accountability and Responsiveness to the Public

Carrying out of Subprograms to support responsiveness and accountability in the public service in the following areas:

1. Strengthening the demand side of accountability for service delivery

Supporting: (a) creation of fora to encourage proactive exchange of views and interaction among the citizens, the Recipient's government, and civil society; (b) the development of capacity of MDAs for information, education and communication as a mechanism for effective dissemination of information to the public; and (c) introduction of a mandatory performance reporting framework for implementation by the MDAs.

2. Creating and enhancing channels for feedback from citizens and clients

Supporting: (a) roll-out of a complaints and grievances handling mechanism in all MDAs; and (b) provision of training to staff of MDAs on use of the complaints and grievances handling mechanism.

3. Developing and Operationalizing an institutional accountability framework for use by MDAs

Strengthening the capacity of ethics oversight institutions within the MDAs, and rationalizing their respective functions.

4. Strengthening internal accountability mechanisms within government

Developing an institutional accountability framework for use by MDAs to report on agreed indicators, including rewards and sanctions.

5. Enhancing the capacity of the Public Service Commission for effective performance of oversight role and functions.

6. Promoting ethical conduct in the public service.

Part E: Systems for Managing Public Servants

Carrying out of Subprograms to support human resources management of public service in the following areas:

1. Strengthening and decentralizing human resources management processes and systems

Carrying out of reviews of the current management capacities, defining areas for decentralization and improving the human resources processes and regulatory environment including, recruitment, planning, training and appraisal to meet the expectations of clients and the public.

2. Combating HIV/AIDS in the workplace

Supporting specific, gender-based interventions to reduce the high level of attrition and wastage among public servants.

3. Managing diversity

Supporting affirmative measures in support of disadvantaged groups in the public service, including encouraging: (a) diversity interventions, including expansion of gender mainstreaming; and (b) MDAs to implement policies and programs to support physically challenged employees within the public service.

4. Strengthening the human capital management information system.
5. Transforming human resources administrators in MDAs and local government authorities into human resources managers.
6. Strengthening local training institutions to provide effectively programs needed for improving public service performance

Strengthening and expanding the capacity of local training institutions.

Part F: Leadership Development

Carrying out of Subprograms for:

1. Identifying, developing, and nurturing leadership capacities of public service managers

Creating and developing a cadre of leaders for the public service that will have vision and commitment to participate actively in the transformation of the public service, including: (a) operationalizing a leadership competence framework; (b) implementing competence-based leadership development programs; and (c) implementing a leadership succession scheme.

2. Recognizing and rewarding exemplary leadership

Developing and implementing a scheme for rewarding exemplary performance within the public service.

3. Organizing and delivering top leadership training programs

Identifying and developing leaders and recognition of exemplary leaders, including developing competency-based leadership training programs, exposing top leaders to strategic contemporary issues and operationalizing a mechanism to coordinate training for top leadership.

Part G: Change Management and Reform Coordination

Carrying out Subprograms for:

1. Supporting implementation of the Project and Program

(a) Developing the capacity of PO-PSM for oversight, coordination, facilitation and leadership for implementation of the Project; and (b) Supporting day-to-day administration and management of the Project, and enhancing management of the Program, including strengthening the capacity for procurement, financial management and retooling PO-PSM.

2. Promoting the effective integration of reforms at MDA level

Building the institutional capacity of the MDAs to ensure integration of crosscutting reforms with sector development programs and service delivery initiatives.

3. Strengthening the capacity for reforms coordination

Supporting the establishment of a reform coordination unit.

4. Enhancing knowledge, participation and commitment to Program at all levels

Supporting: (a) development of a communication strategy to inform and gain the support for the public service reforms at all levels; (b) development of the capacity of key executive agencies to communicate more clearly with government and the public; and (c) information dissemination campaign, and initiating consensus building for public service reforms.

5. Assisting the initial development of public service reforms for the Revolutionary Government of Zanzibar

Carrying out diagnostic work, and/or policy development, and/or supporting the implementation of low-cost identified interventions for the Revolutionary Government for Zanzibar.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Implementation Arrangements

A. Institutional Arrangements

1. **Public Sector Reforms Steering Committee**

- (a) The Recipient shall maintain, at all times until the completion of the Project, an Public Sector Reforms Steering Committee chaired by the Chief Secretary, and including in its membership the Permanent Secretaries of all MDAs, with a composition, mandate and resources satisfactory to the Association.
- (b) Without limitation to sub-paragraph (a) of this paragraph, the Public Sector Reforms Steering Committee shall meet at least two times in a Fiscal Year, and shall be responsible for, *inter alia*: (i) policy guidance, and facilitating coordination of the activities of among MDAs; and (ii) reviewing the progress made towards achieving the Project's objectives.

2. **PSRP Management Committee**

- (a) The Recipient shall maintain, at all times during the implementation of the Project the PSRP Management Committee: (i) chaired by the Permanent Secretary PO-PSM, and including in its membership the Deputy Permanent Secretaries, or senior officers appointed by the Permanent Secretaries of the MDAs; and (ii) with a composition, mandate and resources satisfactory to the Association.
- (b) Without limitation to sub-paragraph (a) of this paragraph, the PSRP Management Committee shall be responsible for: (i) technical coordination of the Project; (ii) providing overall strategic guidance, monitoring and reviewing progress and results of program implementation; and (iii) reviewing and endorsing for joint approval by the Recipient, the Association and the Co-financiers of the Annual Work Plans and Budgets.

3. **Reform Coordination Unit**

- (a) The Recipient shall establish and maintain at all times during the implementation of the Project, the Reform Coordination Unit under the Chief Secretary with adequate staffing and resources.

- (b) Without limitation to sub-paragraph (a) of this paragraph, the Reform Coordination Unit shall be responsible for, *inter alia*: (i) periodic review of Program design and implementation to identify any overlap, conflict, or areas of synergy; (ii) monitoring and evaluation of the progress of implementation of the respective MDA towards achieving the Project's objectives; and (iii) acting as the secretariat to the Public Sector Reforms Steering Committee.

4. **Implementing Agencies**

- (a) Without limitation upon the provisions of Parts A.1 A.2 and A.3 of this Section, the Recipient shall ensure that PO-PSM is maintained at all times during the implementation of the Project with functions, staffing and resources satisfactory to the Association, for the purpose of ensuring the prompt and efficient implementation of the Project.
- (b) Without limitation to sub-paragraph (a) of this paragraph: (i) each MDA shall be responsible for identifying its respective needs and priorities, making the decision as to the activities for implementation, and the method for implementing such activities, financial management, procurement, monitoring, evaluation, reporting and accountability for the results of its respective activities, and participate in review of the Program design and implementation arrangements; and (ii) PO-PSM shall be responsible for the overall planning, coordination, financial management, procurement, monitoring, evaluation, reporting and accountability for the results of the Projects by the respective MDAs.

B. Implementation Arrangements

1. **Operations Manual**

The Recipient shall carry out the Project in accordance with the arrangements and procedures set out in the Operations Manual (provided, however, that in case of any conflict between the arrangements and procedures set out in the Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail) and, except as the Association shall otherwise agree, shall not amend, abrogate or waive any provision of the Operations Manual, if such amendment, abrogation or waiver may, in the opinion of the Association, materially or adversely affect the implementation of the Project.

2. **Memorandum of Understanding**

- (a) The Recipient shall implement the Subprograms in accordance with the arrangements and procedures set out in the Memorandum of Understanding; provided, however, that in case of any conflict between

the provisions of the Memorandum of Understanding and of this Agreement, the provisions of this Agreement shall prevail.

- (b) Except as the Association shall otherwise agree, the Recipient shall not amend, abrogate or waive any provision of the Memorandum of Understanding, if such amendment, abrogation or waiver may, in the opinion of the Association, materially or adversely affect the implementation of the Project.

3. Annual Work Plans and Budgets; Subprograms

- (a) The Recipient shall prepare and furnish to Association for its joint approval with the Co-financiers, not later than June 1 of each year during the implementation of the Project, or such later date as the Association may agree in consultation with the Co-financiers, the Annual Work Plans and Budgets containing all proposed Subprograms to be carried out in the following Fiscal Year, modified in a manner satisfactory to the Association, taking into account the Association's comments and views on the matter.
- (b) The Recipient shall cause each MDA to implement, monitor and evaluate its respective Subprogram in accordance with the provisions set forth in this Agreement and in more detail in the Operations Manual, and shall not make or allow to be made any material change to any Subprogram included in the approved Annual Work Plans and Budgets without consultation and approval of the Association.

C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

D. Environmental and Social Safeguards

- 1. The Recipient shall carry out Part A.4 of the Project in accordance with the environmental, social and resettlement guidelines, rules and procedures defined in the Environmental and Social Management Framework and the Resettlement Policy Framework and, if applicable, prepare and implement a Resettlement Action Plan in accordance with the RPF and in form and substance acceptable to the Association, defining a program of actions, measures and policies for compensation and resettlement of Affected Persons, including the magnitude of displacement, proposed compensation and resettlement arrangements, budget and cost estimates, and sources of funding, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, the RAP.

2. The Recipient shall not amend or waive, or permit to be waived, the ESMF, RPF and RAP, or any provision thereof, in a manner which, in the opinion of the Association, may materially and adversely affect the implementation of Part A.4 of the Project.
3. The Recipient shall ensure that: (i) all measures for carrying out the recommendations of the ESMF, RPF and RAP are taken in a timely manner; and (ii) the Project Reports referred to in Section II.A of this Schedule shall include adequate information on monitoring the measures defined in the ESMF, RPF and RAP.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in paragraph 2. Each Project Report shall cover the period of six months, and shall be furnished to the Association not later than sixty days after the end of the period covered by such report.
2. The performance indicators referred to above in paragraph 1 consist of the following:
 - (a) percentage of MDAs using performance management systems and structures (strategic plans, rapid results, results-based monitoring) to enhance service delivery;
 - (b) annual exit rate (in percentage) of public servants with Masters degree or higher;
 - (c) weighted average of actual salaries to target salaries in the medium-term pay policy;
 - (d) percentage of MDAs using information, education and communication feedback from clients to improve service delivery; and
 - (e) percentage of MDAs with operational/effective policy review processes that include stakeholders.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. Without limitation on the provisions of Part A.1 of this Section, the Recipient shall prepare and furnish to the Association, not later than 60 days after the end of six calendar months, interim un-audited financial reports for the Project covering the six months, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Schedule.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Schedule.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Works.** The following methods of procurement, other than International Competitive Bidding, may be used for goods and works under the circumstances specified in the Procurement Plan for each such method: (a) National Competitive Bidding; and (b) Shopping.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods of procurement, other than Quality and Cost-based Selection, may be used for consultants' services under the circumstances specified in the Procurement Plan for each such method: (a) Quality Based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection Based on Consultants' Qualifications; (e) Single-source Selection; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Sole Source Procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

1. Except as the Association shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the Association: (a) each contract for works estimated to cost the equivalent of \$500,000 or more procured on the basis of International Competitive Bidding or National Competitive Bidding; (b) each contract for goods estimated to cost the equivalent of \$250,000 or more procured on the basis of International Competitive Bidding; (c) each contract for consultants' services provided by a firm estimated to cost the equivalent of \$200,000 or more; (d) each contract for consultants' services provided by an individual estimated to cost the equivalent of \$100,000 or more; and (e) each contract for consultants' services procured on single source basis.
2. All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of this Section and such additional instructions as the Bank may specify by notice to the Recipient, to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
Subprograms	26, 200,000	Such percentage of Eligible Expenditures as the Association shall determine for each Fiscal Year
TOTAL AMOUNT	26, 200,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A.1 of this Section no withdrawal shall be made:
 - (a) for payments made prior to the date of this Agreement; and
 - (b) Eligible Expenditures under the Category, unless: (i) the Memorandum of Understanding has been executed on behalf of the Recipient and the Association and has entered into effect in accordance with its terms; and (ii) the Annual Work Plan and Budget for the respective Fiscal Year has been approved by the Association in accordance with Part B.3 of Section I of this Schedule.
2. The Closing Date is December 31, 2012.

Section V. Other Undertakings

A. Procurement Audits and Appointment of Procurement Auditors

1. The Recipient shall, not later than six months after the Effective Date, put in place arrangements, satisfactory to the Association, including the appointment of independent procurement auditors acceptable to the Association, in accordance with the provisions of Section III of this Schedule, for reviewing the procurement of goods, works and consultants' services financed under the Project, including the reviewing of procurement procedures and processes.
2. The Recipient shall, not later than six months after the end of each Fiscal Year, or such later date as the Association may agree, furnish to the Association an audit report on the procurement of goods, works and consultants' services carried out under the Project, prepared by the independent procurement auditors referred to in Part A.1 of this Section.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each March 15 and September 15:	
commencing March 15, 2018 to and including September 15, 2027	1%
commencing March 15, 2028 to and including September 15, 2047	2%

*The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.

APPENDIX

Definitions

1. “Affected Persons” means persons who, on account of the execution of Part a.4 of the Project had or would have their: (i) standard of living adversely affected; or (ii) right, title, interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; (iii) access to productive assets adversely affected, temporarily or permanently; or (iv) business, occupation, work or place of residence or habitat adversely affected.
2. “Annual Work Plan and Budget” means the work plan and budget prepared annually by PO-PSM for the Project, in accordance with Section I.B.3 of Schedule 2 to this Agreement.
3. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “Cabinet Secretariat” means an office within Office of the President charged with the responsibility for Secretariat to the Cabinet of the Recipient.
6. “Co-financiers” means each and any co-financier (other than the Recipient and the Association) that has extended or is to extend the Co-financing (as hereinafter defined) to the Recipient pursuant to the Co-financing Agreement (as hereinafter defined), and that has signed the Memorandum of Understanding.
7. “Co-financing” means, for the purposes of Section 6.02 (g) (ii) and (iii) and Section 6.06 (c) of the General Conditions, each and any credit or grant extended or to be extended to the Recipient by the Co-financiers for the purpose of assisting in the joint co-financing of Subprograms under the Project, in accordance with the provisions of the Co-financing Agreement and the Memorandum of Understanding.
8. “Co-financing Agreement” means, for the purposes of Section 6.02 (g) (ii) and (iii) and Section 6.06 (c) of the General Conditions, each and any agreement entered or to be entered into between the Recipient and the Co-financiers providing for the Co-financing.

9. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.
10. “Environmental and Social Management Framework” or “ESMF” means the document of the Recipient dated October, 2005 as the said document may be amended and/or supplemented from time to time with the prior concurrence of the Association, setting forth the modalities for environmental screening and procedures for the preparation and implementation of environmental assessments and management plans under Part A.4 of the Project pursuant to Section I.D.2 of Schedule 2 to this Agreement.
11. “Executive Agencies” means the executive agencies established pursuant to the Executive Agencies Act, No. 30 of 1997, of the laws of the Recipient.
12. “e-Government” means a proposed system intended to increase application of information and communication technologies within the Recipient’s government.
13. “Fiscal Year” means the Recipient’s fiscal year commencing on July 1 and ending on June 30 of the following year.
14. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).
15. “MDAs” means the Recipient’s ministries, departments and agencies.
16. “Memorandum of Understanding” means the memorandum of understanding between the Recipient, the Association and the Co-financiers, as the same may be amended from time to time, providing for common arrangements and procedures on procurement, disbursement, accounting, monitoring, reporting, auditing, coordination and exchange of information required for the implementation of the Project.
17. “MKUKUTA” means the Recipient’s National Strategy for Growth and Reduction of Poverty, dated June 2005.
18. “Operations Manual” means the Recipient’s manual, in form and substance satisfactory to the Association, containing or referring to detailed arrangements and procedures for the Project, including: (i) institutional coordination and day-to-day execution of respective Subprogram activities; (ii) disbursement and financial management; (iii) procurement; (iv) monitoring, evaluation, reporting, and public information, education and communication; and (v) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

19. "PO-PSM" means the President's Office – Public Service Management of the Recipient.
20. "Presidential Commission on Salary Review for the Public Service" means a commission established pursuant to a Presidential directive to operate during the period July to December 2006, and charged with the responsibility for review of salary and other benefits for employees of the public service.
21. "PSRP Management Committee" means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement.
22. "Public Service Commission" means the commission established and operating pursuant to the Public Service Act No. 8 of 2002, of the laws of the Recipient.
23. "Public Sector Reforms Steering Committee" means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.
24. "Procurement Guidelines" means the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the Bank in May 2004 and revised in October, 2006.
25. "Procurement Plan" means the Recipient's procurement plan for the Project, dated August 17, 2007, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
26. "Program" means the program set forth or referred to in the letter from the Recipient to the Association dated October 28, 1999, and as confirmed in the letter dated August 20, 2007, describing a set of objectives, policies and actions designed to ensure sustainable structural and institutional reform of the public service of the Recipient, and declaring the Recipient's commitment to the execution of the Program.
27. "Reform Coordination Unit" means the unit referred to in Section 1.A.3 of Schedule 2 to this Agreement.
28. "Resettlement Action Plan" or "RAP" means the plan referred to in Section I.D.1 (a) of Schedule 2 to this Agreement.
29. "Resettlement Policy Framework" or "RPF" means the Resettlement Policy Framework of the Recipient dated October 2005, as the said framework may be amended and/or supplemented from time to time with the prior concurrence of the Association, setting forth the modalities for resettlement and compensation of Affected Persons under Part A.4 of the Project and referred to in Section I.D.1 of Schedule 2 to this Agreement.

30. “Revolutionary Government of Zanzibar” means the government established and operating pursuant to the Constitution of the Recipient, as the administrative authority over the island of Zanzibar within the territory of the Recipient.
31. “Subprogram” means a program of activities under the Project and included in the Annual Work Program and Budget.