

OFFICIAL
DOCUMENTS

CR 5791-LR

CREDIT NUMBER 5791-LR

Financing Agreement

(Social Safety Nets Project)

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated September 19, 2016

CREDIT NUMBER 5791-LR

FINANCING AGREEMENT

AGREEMENT dated September 19, 2016, entered into between REPUBLIC OF LIBERIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”).

WHEREAS (A) The Recipient, having satisfied itself as to the feasibility and priority of the Project described in Schedule 1 to this Agreement (“Project”), has requested the Association to extend a credit to assist in the financing of the Project; and

(B) the Recipient has also requested the Association, acting as an administrator of funds provided by the U.S. Agency for International Development (USAID) (USAID Trust Fund), to provide additional assistance towards the financing of the Project, and the Association has agreed to make available a grant to the Recipient from the USAID Trust Fund to assist in the co-financing of the Project, pursuant to an agreement to be entered into between the Recipient and the Association acting as an administrator of the USAID Trust Fund (“USAID Grant Agreement”).

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing, to extend a credit to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE, 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 or in the Appendix to this Agreement.

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 seven million three hundred thousand Special Drawing Rights (SDR 7,300,000) (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 April 1 and October 1 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 Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. 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 consists of the following, namely that the USAID Grant Agreement has failed to become effective by July 31, 2016, or such later date as the World Bank has established by notice to the Recipient (“USAID Grant Deadline”), unless the Recipient has established to the satisfaction of the Association that adequate funds for the Project are available from other sources on terms and conditions consistent with its obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) The Project Operational Manual, in form and substance satisfactory to the Association, has been adopted by the Recipient.
 - (b) The Recipient has established the National Social Safety Nets Secretariat in a form and with functions and adequate staffing satisfactory to the Association.
 - (c) The Inter-Ministerial MOU has been entered into by each party to it.

- 5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 5.03. 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 (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Recipient's Representative is its Minister of Finance and Development Planning.

- 6.02. The Recipient's Address is:

Ministry of Finance and Development Planning
P.O. Box 10-9013
Broad Street
Monrovia, Liberia

E-mail: bkamara@mfdp.gov.lr

- 6.03. The Association's Address is:

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

Telex: Facsimile:

248423 (MCI) 1-202-477-6391

AGREED at Monrovia, Republic of Liberia, as of the day and year first above written.

REPUBLIC OF LIBERIA

By



Authorized Representative

Name: BOIMA S. KAMARA

Title: MINISTER

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Larisa Leshchenko

Title: Country Manager

SCHEDULE 1

Project Description

The objective of the Project is to establish the key building blocks of a basic national safety net delivery system and provide income support to households who are both extremely poor and food insecure in the Republic of Liberia.

The Project consists of the following parts:

Part 1: Strengthening of the National Social Safety Net System

Support for strengthening the Recipient's national social safety net system through the development of the basic building blocks of a social safety net delivery system, through, *inter alia*, the following activities:

- A. **Social Registry Database architecture.** (a) Development of a database architecture for a social registry (SR) of households in the Republic of Liberia; and (b) development of a comprehensive plan to manage, share and update the SR's data.
- B. **Data Collection and Household Registration.** (a) Development of household assessment tools to intake data into the SR; (b) support for the collection and intake of data to enable household registration in the SR; and (c) and carrying out public awareness and information campaigns to foster awareness and citizen engagement on the data intake and household registration process.
- C. **Eligibility Screening.** Development of an eligibility screening mechanism to classify households and identify potential Beneficiaries.
- D. **Management Information System.** Development of an integrated Management Information system (MIS) for the Recipient's safety net programs.
- E. **Payments System.** Designing a secure and cost-effective payment system, exploring different payment delivery methods, such as electronic payments and manual payment methods, and introducing and testing innovations to reduce costs, improve data security and increase transparency, including file encryption procedures and clearer accountability and oversight mechanisms in the manual payment processes.
- F. **Monitoring and Evaluation System.** (a) Integration of a customized monitoring and evaluation system within the MIS; (b) support for carrying out process evaluations of the SR and Social Cash Transfer Program; and (c) support for carrying out of spot checks of Beneficiary Communities to verify the accuracy of

data entered into the MIS and for providing recommendations for improvement of data collection, processing and analysis, as needed.

- G. **Information, Education and Communication (IEC) Mechanism.** Designing and implementing a communications strategy on the Project.
- H. **Grievance Redress Mechanism (GRM).** Development and implementation of a grievance redress mechanism for the Recipient's social protection programs to provide beneficiaries and non-beneficiaries a channel to raise concerns or complaints about the process of development of the SR and the implementation of the Social Cash Transfer Program.

Part 2: Cash Transfers to Extremely Poor and Food Insecure Households

- A. **Cash Transfers.** Implementation of a Social Cash Transfer Program through Cash Transfers to Beneficiaries in Beneficiary Communities.
- B. **Food Security and Nutrition Accompanying Measures.** Carrying out of awareness and information activities to sensitize Beneficiaries on aspects of food security and nutrition through, *inter alia*, carrying out of educational workshops on cultivation of home gardens and increasing food diversity and nutritional content in household members' diets.

Part 3: Project Management and Capacity Building

- A. **Project Management.** Support for: (a) operational implementation of the SR, MIS, Social Cash Transfer Program and Cash Transfers; and (b) general Project management including through financing of equipment, vehicles, consultant services (including financing of audits), Operating Costs and Training.
- B. **Capacity Building.** Capacity building to stakeholders at the national and local level, including through: (a) Training on, *inter alia*: (i) community communication and sensitization; (ii) implementation and operationalization of the GRM; (iii) roll-out of the activities to be carried out under Part 2.B of the Project; (iv) use of the tools and systems developed under Part 1 of the Project; (v) Social Cash Transfer Program operations; and (vi) respective responsibilities at national and regional level; (b) carrying out of studies to enhance the dialogue on social protection in the Republic of Liberia; and (c) strengthening coordination among Project stakeholders.

SCHEDULE 2

Project Execution

Section I. Institutional and Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall ensure that the Project is carried out in coordination with its relevant ministries, committees, divisions and agencies, as further set forth in the MOUs and the POM (including the Cash Transfer Handbook); the MGCSP shall have overall responsibility for policy guidance, implementation and coordination of the Project.
2. The Recipient shall:
 - (a) maintain, at all times during the implementation of the Project, the PFMU within the MFDP, to be responsible for financial management under the Project, and shall take all actions, including, the provision of funding, personnel and other resources necessary to enable the PFMU to perform said function. The PFMU shall carry out its function in accordance with this Agreement and the POM;
 - (b) maintain, at all times during the implementation of the Project, the NSSNS, in a form, composition and with functions, membership and responsibilities satisfactory to the Association; the NSSNS shall: (A) be responsible for the implementation and coordination of the Project under MGSCP, including the following functions: Liaising with the PFMU on all Project-related financial management activities; (ii) procurement; (iii) collating and submitting annual work plans and budgets, quarterly reports and procurement plans; (iv) developing and updating the POM and related handbooks and establishing appraisal mechanisms; (v) providing general technical support for Project implementation; and (vi) working with its SCTU and SRU to ensure consistent and regular flow of information between internal and external audiences, all as further set forth in the POM; and (B) include the following two units:
 - (AA) the SCTU, in a form and with functions, staffing, (under terms of reference, qualifications and scope of responsibilities) and adequate resources, all satisfactory to the Association and as further set forth in the POM; the SCTU shall be responsible for key implementation functions, particularly related to the implementation of the Social Cash Transfer Program, including inter alia, the following: Designing and updating Social Cash Transfer Program guidelines and operational procedures;

generating evidence and utilizing such evidence to inform policy; receiving and addressing grievances that have been escalated to the national level; preparing annual work plans, budgets, and quarterly reports for the SCTU; and facilitating training at various levels, all as further set forth in the POM; and

- (BB) the SRU, to be established by the Recipient no later than August 30, 2016, and to be in a form and with functions, staffing, (under terms of reference, qualifications and scope of responsibilities) and adequate resources, all satisfactory to the Association and as further set forth in the POM; the SRU shall be responsible for the development of an effective safety net delivery system, including the SR and MIS under Part 1 of the Project, and including the following functions: Data intake and household registration, eligibility screening, payments, and grievance redress; managing the Social Cash Transfer Program data through the MIS; designing and updating the SR and MIS guidelines and operational procedures; receiving and addressing grievances that have been escalated to the national level; preparing annual work plans, budgets, and quarterly reports for the SRU; and facilitating training at various level, all as further set forth in the POM.
- (c) maintain, at all times during the implementation of the Project, the SPSC, in a form, composition and with functions, membership and responsibilities satisfactory to the Association, to support the MGCSP to provide overall policy guidance on social protection, all as further set forth in the POM;
- (d) maintain the SPTC, in a form, composition and with functions, membership and responsibilities satisfactory to the Association, to function as the lead coordination platform that will, on behalf of SPSC: Oversee policy dialogue at the national level; conduct periodic progress reviews; ensure adherence to project operational guidelines; ensure inter-ministerial and inter-agency coordination and cooperation; approve social protection program plans, budgets and implementation progress reports; and source funding; all as further set forth in the POM;
- (e) ensure that at the county level, functions satisfactory to the Association exist to carry out the Project at the county level including ensuring that: (i) country superintendents are responsible for overseeing and coordinating implementation of the Recipient's programs at the county level, including social protection activities, all as further set forth in the POM; and (ii) county development steering committees and county social protection technical committees serve as discussion and coordinating fora at the county level, all as further set forth in the POM;

- (f) ensure that at the district level, functions satisfactory to the Association exist to carry out the Project at the district level including ensuring that:
 - (i) District commissioners or superintendents are responsible for overseeing and coordinating implementation of the Recipient's programs at the district level, including social protection activities, all as further set forth in the POM; and
 - (ii) sector staff, the SCTU's regional coordinators, civil society organizations' field staff and service providers coordinate social protection activities such as information dissemination and awareness creation, targeting, registration and payment of beneficiaries, and reporting on the progress in implementation of the Project at the district level, all as further set forth in the POM; and

- (g) ensure that at the community level, functions satisfactory to the Association exist to carry out the Project at the community level including ensuring that community social protection committees with membership satisfactory to the Association are responsible for: Leading community sensitization about the Social Cash Transfer Program's aims, objectives and entitlements; educating household representatives on the terms of Project participation including communicating payment period dates, modality, redress mechanisms to beneficiaries; keeping records and informing SRU and SCTU field staff/enumerators of any changes in the household condition (such as household exiting, death, migration); educating beneficiaries to adhere to their co-responsibilities; participating in targeting including identifying eligible and validating beneficiaries; ensuring that beneficiaries receive their transfers; mobilizing community members for introductory meetings; attending committee meetings; and ensuring that the Beneficiaries and stakeholders are aware of and participating in Project meetings (including regarding data collection, program enrollment, payment delivery, grievance redress processes, and information sessions on the activities to be carried out the Part 2 B of the Project), and such other functions as further set forth in the POM.

B. Implementation Arrangements

1. The Recipient shall, by no later than December 31, 2016, enter into the LACC MOU, satisfactory to the Association, with the LACC, setting forth the coordination mechanism between the Recipient and LACC under the Project and clarifying LACC's role and involvement in the Project.

2. The Recipient shall ensure that the Project is carried out in a manner satisfactory to the Association and in compliance with the POM including the Cash Transfer Handbook and the MOUs, and shall ensure that the POM, including the Cash Transfer Handbook and the MOUs are not amended and none of their provisions are waived without the prior written agreement of the Association; notwithstanding the foregoing, in the event of any inconsistency between the provisions of the POM

(including the Cash Transfer Handbook) and/or the MOUs and those of this Agreement, the provisions of this Agreement shall prevail.

C. Social Cash Transfer Program

1. The Recipient shall determine and select Beneficiaries under the Social Cash Transfer Program in accordance with eligibility criteria and selection processes acceptable to the Association, as elaborated in the POM and Cash Transfer Handbook.
2. The Recipient shall retain one or more Payment Agents, satisfactory to the Association, to assist the Recipient in administering payments for Cash Transfers under the Social Cash Transfer Program, all in accordance with the provisions of the POM and Cash Transfer Handbook.
3. The Recipient shall monitor and evaluate, under terms of reference satisfactory to the Association, the implementation of the Social Cash Transfer Program, so as to ensure that payments made under the Social Cash Transfer Program are made exclusively to Beneficiaries in accordance with the applicable screening mechanism and eligibility criteria set forth in the Cash Transfer Handbook and for productive purposes consistent with the objectives of the Project.

D. Annual Work Plans

1. The Recipient shall prepare and furnish to the Association for its approval, not later than September 30 in each year during the implementation of the Project, an annual work plan covering all activities proposed to be carried out in the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of such activities; and (b) a proposed budget and financing plan for such activities, including counterpart funding required for the purpose.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with it on such proposed plan and budget, and shall implement or cause to be implemented the Project during such following calendar year in accordance with such annual work plan, and on the basis of such budget, as shall have been approved by the Association.

E. Anti-Corruption

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

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 indicators acceptable to the Association as further set forth in the POM. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

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. The Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, 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 (6) months after the end of such period.
4. The Recipient shall, by not later than four (4) months after the Effective Date, hire an external auditor with terms of reference and qualifications satisfactory to the Association.

Section III. Procurement

A. General

1. **Goods and Non-consulting Services.** All goods and non-consulting 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 Section I of the Procurement Guidelines, and with the provisions of this Section.
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 Section.

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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding

2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding, subject to the additional provisions set forth in paragraph 3 immediately below; (c) Shopping; and (d) Direct Contracting; and (e) Procurement from UN Agencies.

3. **Exceptions to National Competitive Bidding Procedures.** The following provisions shall apply to the procurement of goods, and non-consulting services under National Competitive Bidding procedures:

- (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures;
- (b) bidders shall be given adequate time but not less than four (4) weeks to prepare and submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later;
- (c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and
- (d) in accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.16 (a)(v) of the Procurement Guidelines.

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, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least-Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. 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 Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), 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 Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

| Category | Amount of the Credit Allocated (expressed in SDR) | Percentage of Expenditures to be Financed (inclusive of Taxes) |
|---|--|---|
| (1) Goods, non-consulting services, consultants' services, Training and Operating Costs under Parts 1, 2.B and 3 of the Project | 1,400,000 | 100% |
| (2) Cash Transfers under Part 2.A of the Project | 5,900,000 | 100% |
| TOTAL AMOUNT | 7,300,000 | |

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 150,000 may be made for payments made prior to this date but on or after February 1, 2016, for Eligible Expenditures.
2. The Closing Date is December 31, 2021.

SCHEDULE 3

| Date Payment Due | Principal Amount of the Credit repayable (expressed as a percentage)* |
|---|--|
| On each October 1 and April 1, commencing October 1, 2022, to and including April 1, 2054 | 1.5625% |

* 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

Section I. Definitions

1. “Annual Work Plan” means the work plan prepared for each year of implementation of the Project, in accordance with Section I.D of Schedule 2 to this Agreement.
2. “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, and revised in January 2011.
3. “Beneficiary” means a household which is eligible to receive a Cash Transfer under the Social Cash Transfer Program in accordance with the eligibility criteria set forth in the Cash Transfer Handbook and is duly registered for the purpose; and “Beneficiaries” mean, collectively, two or more such households.
4. “Beneficiary Community” means each of the following counties of the Recipient: Bomi, Maryland, Grand Kru and River Gee, and such other counties of the Recipient that may be selected in agreement with the Association, and “Beneficiary Communities” means, collectively, two or more such counties.
5. “Cash Transfer” means the cash payment to be made to a Beneficiary under the Social Cash Transfer Program, and “Cash Transfers” mean, collectively, two or more such cash payments.
6. “Cash Transfer Handbook” means the handbook for the Social Cash Transfer Program, referred to in Section I.C of Schedule 2 to this Agreement, setting forth the requirements for the provision of Cash Transfers to Beneficiaries, including eligibility criteria, screening mechanisms, and required selection, payment and verification procedures and processes.
7. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
8. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
9. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
10. “Inter-ministerial MOU” means a memorandum of understanding to be entered into pursuant to Section 5.01 (c) between the MGCSP, MOA and MOH setting forth the respective roles of these ministries in the implementation of the Project.

11. "LACC" means the Liberia Anti-Corruption Commission, established and operating pursuant to the Recipient's Anti-Corruption Commission Act (2008).
12. "LACC MOU" means the memorandum of understanding to be entered into pursuant to Section I.B.1 of Schedule 2 to this Agreement between the Recipient and LACC, setting forth the role of the LACC in the implementation of the Project.
13. "Ministry of Finance and Development Planning" or "MFDP" means the Recipient's Ministry of Finance and Development Planning; or any successor thereto.
14. "Ministry of Gender, Children and Social Protection" or "MGCSPP" means the Recipient's Ministry of Gender, Children and Social Protection; or any successor thereto.
15. "Ministry of Agriculture" or "MOA" means the Recipient's Ministry of Agriculture; or any successor thereto.
16. "Ministry of Health" or "MOH" means the Recipient's Ministry of Health; or any successor thereto.
17. "MOU" means each of the Inter-ministerial MOU and the LACC MOU, and "MOUs" means both of them.
18. "National Social Safety Nets Secretariat" or "NSSNS" means the Recipient's National Social Safety Nets Secretariat, to be established pursuant to Section 5.01(b) of this Agreement and referred to in Section I.A.2 (b) of Schedule 2 to this Agreement.
19. "Operating Costs" means incremental recurrent expenditures incurred on account of Project implementation, based on periodic budgets acceptable to the Association, including, *inter alia*: travel expenditures and other travel-related allowances such as per diems and reasonable accommodation costs; equipment rental and maintenance; vehicle operation (including fuel), maintenance, insurance and repair; office rental and maintenance; office materials and supplies; consumables; utilities; internet service charges; media information campaigns and communications' expenses; advertising expenses; banking charges and local contractual support staff salaries, but excluding the salaries of officials and public servants of the Recipient's civil service.
20. "Payment Agents" means competitively selected financial institutions, satisfactory to the Association, including, *inter alia*, banks, microfinance institutions and mobile phone companies, said financial institutions and companies duly established and operating under the Recipient's laws and regulations, for the

purpose of making Cash Transfers to Beneficiaries under the Social Cash Transfer Program.

21. "PFMU" means the Project Financial Management Unit within the MFDP to be responsible for financial management under the Project.
22. "Project Operational Manual" or "POM" means the implementation manual for the Project adopted by the Recipient pursuant to Section 5.01(a) of this Agreement, containing detailed procedures and arrangements with respect to: (a) administration; (b) procurement; (c) financial management; (d) monitoring and evaluation, including indicators therefor; (e) coordination among the stakeholders and (f) including the Cash Transfer Handbook, as such manual may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules and annexes of said manual.
23. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).
24. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 2, 2016, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
25. "Social Cash Transfer Program" means the program referred to in Section I.C of Schedule 2 to this Agreement.
26. "SCTU" means the Recipient's Social Cash Transfer Unit, established by the Recipient in 2012 and referred to in Section I.A.2(b) (AA) of Schedule 2 to this Agreement.
27. "SPSC" means the Recipient's Social Protection Steering Committee, established by the Recipient in 2012 and referred to in Section I.A.2(c) of Schedule 2 to this Agreement.
28. "SPTC" means the Recipient's Social Protection Technical Committee, established by the Recipient in 2012 and referred to in Section I.A.2(d) of Schedule 2 to this Agreement.
29. "SRU" means the Recipient's Social Registry Unit, to be established pursuant to Section I.A.2(b)(BB) of Schedule 2 to this Agreement.
30. "Training" means the training provided under the Project, including seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence expenditures and other

travel-related allowances for training participants such as per diems and reasonable accommodation costs, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation, all based on periodic budgets acceptable to the Association.

31. "USAID Grant Agreement" means the agreement to be entered into between the Recipient and the Association, acting as an administrator of funds provided by the U.S. Agency for International Development (USAID) (USAID Trust Fund) to provide additional assistance towards the financing of the Project in an amount not less than five million and eight hundred thousand United States Dollars (US\$5,800,000) to assist in the co-financing of the Project.