Financing Agreement

(RMI Education and Skills Strengthening Project)

between

REPUBLIC OF THE MARSHALL ISLANDS

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER D760-MH

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF THE MARSHALL ISLANDS ("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) 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 General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to seven million Special Drawing Rights (SDR 7,000,000) ("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 III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Payment Dates are April 15 and October 15 in each year.
- 2.05. 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 through the Ministry of Education, Sports

and Training all in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.02. For purposes of Section 10.05 (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 Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its minister at the time responsible for finance.
- 5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient's address is:

Ministry of Finance P.O. Box D Majuro Republic of the Marshall Islands 96960; and

(b) the Recipient's Electronic Address is:

E-mail:

secfin.rmi@gmail.com

5.03. For purposes of Section 11.01 of the General Conditions: (a) The Association's address is:

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

(b) the Association's Electronic Address is:

Facsimile:E-mail:1-202-477-6391cdpngpacific@worldbank.org

AGREED as of the Signature Date.

REPUBLIC OF THE MARSHALL ISLANDS

By:

Authorized Representative

Name: <u>Honorable</u> Alfred Alfred Jr

Title: <u>Minister of Finance</u>

_____Date: _____

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:

and		
Malle 1		

Authorized Representative Paul Vallely Name:

Title: ______ Acting Country Director, PNG and Pacific

09-Feb-2021

SCHEDULE 1

Project Description

The objective of the Project is to improve equitable access to quality secondary, post-secondary technical and vocational education and training, and employment intermediation services.

The Project consists of the following parts:

Part 1: Access to and Quality of Foundational and Vocational Secondary Education Education

- 1.1 <u>Foundational Skills in Secondary Schools</u>. Supporting the use of differentiated instruction strategies and tutoring through: (a) developing or adapting student assessments, pedagogical strategies, guidelines and training materials; (b) equipping schools with relevant teaching materials and equipment, including provision and maintenance of computer hardware and software; (c) delivering outside tutoring of school hours; and (d) training and coaching of teachers.
- 1.2 <u>Vocational and Island Skills in Secondary Schools</u>. Delivering vocational and island skills training programs in secondary schools including: (a) developing and revising curricula; (b) equipping schools with relevant materials, equipment, and tools and upgrading facilities and classrooms; (c) training and coaching of teachers; and (d) recruiting of external technical experts and master craftsmen in the development of curricula and delivery of training.
- 1.3 <u>Equitable access to secondary education</u>. Improving secondary school accommodation for outer islands students through: (a) constructing or renovating secondary school dormitories; (b) technical assistance to improve policies and processes for service provision for such accommodation, including in relation to supervision and support arrangements for students; and (c) developing criteria and processes for allocation of accommodation to students.

Part 2: Access to and Quality of Technical and Vocational Skills Development

2.1 <u>Market-relevant TVET and Skills Development Programs</u>. Designing and delivering demand-driven skills development programs through: (a) providing Training Grants to Training Providers for Training Activities; and (b) construction, rehabilitation and equipping of training facilities.

2.2 <u>Equitable Access to TVET and to Skills Development Programs</u>. Supporting students to participate in short-term skills programs developed under Part 2.1 of the Project.

Part 3: Strengthening Institutions for Workforce Development

- 3.1 <u>Improved Labor Market Information</u>. Facilitating and supporting training of NTC staff to carry out collection and analysis of labor market information, including data sharing with stakeholders, through technical assistance and equipping such staff with relevant hardware and software.
- 3.2 <u>Career Counselling and Job Matching Services</u>. Enhancing career counselling and employment services targeting students and jobseekers through: (a) developing and adapting relevant tools for academic and career guidance and job coaching; (b) rehabilitating and improving employment centers and outreach facilities; (c) equipping such facilities and career counsellors with relevant hardware, software, materials and furnishings; (d) training, networking and coaching for career counsellors; and (e) communications and awareness raising activities.
- 3.3 <u>Recognition of Prior Learning</u>. Establishing a system for recognition of prior learning through: (a) developing such system; (b) communication campaigns to raise awareness of the value and existence of recognition of prior learning; and (c) financing assessments costs associated with recognition of prior learning.
- 3.4 <u>Work Placement Program</u>. Supporting work placements through: (a) designing a work placement program; (b) providing Work Placement Payments to Work Placement Beneficiaries under such program; and (c) monitoring and evaluation of such program.

Part 4:Project Implementation Support, Planning and Monitoring and
Evaluation

Providing technical and operational assistance on Project implementation and management, and selected cross-cutting planning, capacity building and monitoring and evaluation activities.

SCHEDULE 2

Project Execution

Section I. <u>Implementation Arrangements</u>

A. Institutional Arrangements

Ministry of Education, Sports and Training

- 1. The Recipient shall vest responsibility for the overall management and implementation of the Project in the Ministry for Education, Sports and Training, including coordinating with other government ministries/agencies and relevant stakeholders on all aspects of Project implementation.
- 2. Within the Ministry of Education, Sports and Training, responsibility for carrying out day-to-day management and implementation will be delegated to sub-agencies as follows:
 - (a) Part 1 of the Project will be delegated to the Public-School System;
 - (b) Parts 2 and 3 of the Project will be delegated to the National Training Council; and
 - (c) Part 4 will be delegated jointly to the Public-School System and National Training Council.

Project Implementation Unit

- 3. Without limitation to the generality of Section I.A.1 above, the Recipient shall establish and maintain a Project Implementation Unit within Ministry of Education, Sports and Training, with terms of reference, composition and resources satisfactory to the Association, which shall be responsible for, *inter alia*, carrying out overall Project coordination, monitoring and evaluation.
- 4. Without limitation to the generality of the foregoing, the Recipient shall:
 - (a) by not later than two (2) months after the Effective Date (or such other date which the Association has confirmed in writing to the Recipient is reasonable and acceptable under the circumstances, as determined by the

Association in its sole discretion) recruit or appoint the following positions within the Project Implementation Unit: two Project directors (one appointed from each of the Public School System and the National Training Council), a Project manager, three component coordinators (one for Part 1 of the Project, one for Parts 2 and 3 of the Project and one for Kwajalein atoll), a program assistant and a monitoring and evaluation specialist, each with terms of reference, qualifications and experience satisfactory to the Association; and

(b) thereafter maintain such positions as needed throughout the Project implementation period.

Central Implementation Unit

- 5. The Recipient shall, through the Ministry of Finance, maintain its Central Implementation Unit throughout the Project implementation period which shall be responsible for supporting the Ministry of Education, Sports and Training in relation to the fiduciary aspects of Project management and implementation, including procurement, financial management, accounting, disbursement, monitoring and evaluation, implementation of environmental and social mitigation measures, stakeholder coordination and compliance with reporting requirements, in accordance with the provisions of this Agreement and the Project Operations Manual.
- 6. The Recipient shall provide Ministry for Education, Sports and Training and the Central Implementation Unit at all times with adequate funds and other resources, mandate/functions, and with qualified and experienced personnel in adequate numbers, as shall be necessary to accomplish the Project objective as further detailed in the Project Operations Manual.

Project Steering Committee

- 7. The Recipient shall provide oversight, coordination, and support for Project implementation through the Project Steering Committee in accordance with the provisions of this Agreement and the Project Operations Manual.
- 8. To this end, by not later than one (1) month after the Effective Date, the Recipient shall establish, and thereafter maintain throughout the Project implementation period, the Project Steering Committee, chaired by the Minister of Education, Sports and Training (or such other person which the Association has confirmed in writing to the Recipient as acceptable to the Association), comprised of the Chief Secretary to Cabinet and representatives, from, *inter alia*, Ministry of Finance,

National Board of Education, Public School System, the Board of the National Training Council, University of the South Pacific, College of the Marshall Islands, the Division of Labor of the Ministry of Justice, Immigration and Labor, public employers including the Public Service Commission, and private employers, and with a structure, functions, and resources satisfactory to the Association as shall be required for the Project.

B. Project Operations Manual

- 1. By not later than three (3) months after the Effective Date (or such other date which the Association has confirmed in writing to the Recipient is reasonable and acceptable under the circumstances, as determined by the Association in its sole discretion), the Recipient shall:
 - (a) prepare and furnish to the Association, for its review and no-objection, a Project Operations Manual, which shall set forth, inter alia, the following detailed arrangements and procedures for the implementation of the Project: (i) institutional arrangements for the day to day execution of the Project including the division of roles and responsibilities between the Project Steering Committee, Central Implementation Unit, Project Implementation Unit, Ministry of Finance, Ministry of Education, Sports and Training, the National Training Council, and the Public School System; (ii) the preparation and successive updates of the Procurement Plan and its implementation arrangements; (iii) implementation arrangements for the Environmental and Social Commitment Plan ("ESCP"); (iv) budgeting, disbursement, financial management and auditing arrangements; (v) Project monitoring, reporting, evaluation and communication arrangements; (vi) Personal Data collection and processing arrangements; (vii) communication arrangements; (viii) eligibility, ranking and other criteria for the selection of Work Placement Beneficiaries, work placement employers, students, and selected individuals under the relevant parts of the Project; (ix) criteria and arrangements, including administration of payments, for the financing of Stipends, Tutoring Costs and Work Placement Payments to Work Placement Beneficiaries; and (x) any other administrative, financial, technical and organizational arrangements and procedures as shall be necessary for the implementation of the Project and the achievement of its development objective;
 - (b) afford the Association a reasonable opportunity to review the proposed Project Operations Manual; and
 - (c) adopt the Project Operations Manual as accepted by the Association.

- 2. The Recipient shall ensure that the Project is implemented in accordance with the provisions of the Project Operations Manual, and except as the Association may otherwise agree in writing, the Recipient shall not amend or waive, or permit to be amended or waived, any provision of the Project Operations Manual.
- 3. In the event of any conflict between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

C. Training Grants

Training Grant Guidelines

- 1. The Recipient shall, by not later than five (5) months after the Effective Date (or such other date which the Association has confirmed in writing to the Recipient is reasonable and acceptable under the circumstances, as determined by the Association in its sole discretion):
 - (a) prepare and provide to the Association for its review and no-objection, Training Grant guidelines, which shall set forth, *inter alia*, detailed arrangements and procedures for the Training Grants, including: (i) the eligibility criteria, procedures, guidelines and templates for the selection, approval, administration and supervision of Training Activities; and (ii) any other administrative, financial, technical and organizational arrangements and procedures as shall be necessary for the implementation of Part 2.1(a) of the Project ("Training Grant Guidelines");
 - (b) afford the Association a reasonable opportunity to review the proposed Training Grant Guidelines; and
 - (c) adopt the Training Grant Guidelines as accepted by the Association.
- 2. The Recipient shall thereafter ensure that Part 2.1(a) of the Project is carried out in accordance with the Training Grant Guidelines, and except as the Association may otherwise agree in writing, the Recipient shall not amend or waive, or permit to be amended or waived, any provision of the Training Grant Guidelines.

Training Grants

- 3. The Recipient shall provide Training Grants to Training Providers, all in accordance with eligibility criteria and procedures acceptable to the Association and set forth in the Training Grant Guidelines.
- 4. The Recipient shall provide each Training Grant under a Training Agreement with the respective Training Provider, on terms and conditions approved by the Association, which shall include the following: (a) each Training Grant shall be provided to the respective Training Provider on a grant basis; and (b) each Training Grant shall be denominated in Dollars.
- 5. The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to:
 - (a) suspend or terminate the right of the Training Provider to use the proceeds of the Training Grant, and/or obtain a refund of all or any part of the amount of the Training Grant then withdrawn, upon the Training Provider's failure to perform any of its obligations under the Training Agreement; and
 - (b) require each Training Provider to:
 - (i) carry out its Training Activities with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Training Grant Guidelines, the Procurement Regulations, the ESCP and those provisions of the Anti-Corruption Guidelines applicable to recipients of financing proceeds other than the Recipient;
 - (ii) provide, promptly as needed, the resources required for the Training Activity;
 - (iii) procure the goods and services to be financed out of the Training Grant in accordance with the provisions of the General Conditions, and utilize such goods and services exclusively in carrying out its Training Activity and for the objectives thereof;

- (iv) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Training Activity and the achievement of its objectives;
- (v) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Training Activity; and (B) at the Association's request have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;
- (vi) enable the Recipient and the Association to inspect the Training Activity, the Training Provider's operation and any relevant records and documents; and
- (vii) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

D. Work Placement Program

- 1. The Recipient shall provide Work Placement Payments to Work Placement Beneficiaries to finance all or a portion of the costs of participation in the work placement program under Part 3.4(b) of the Project in a manner acceptable to the Association and in accordance with the eligibility criteria and procedures and on terms and conditions as further detailed in the Project Operations Manual.
- 2. The Recipient shall ensure that the Work Placement Payments are carried out with due diligence and efficiency and in accordance with eligibility criteria, sound technical, financial, and managerial standards and practices acceptable to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to the Work Placement Beneficiaries.

E. Annual Work Plans and Budgets

1. The Recipient shall prepare and furnish to the Association not later than:

- (a) three (3) months after the Effective Date (or such later date as the Association may agree); and
- (b) August 31 of each year for every subsequent year during the implementation of the Project (or such later date as the Association may agree);

for the Association's no-objection, an Annual Work Plan and Budget containing all eligible Project activities and corresponding expenditures, inclusive of Operating Costs, Training, Stipends, Work Placement Payments, Tutoring Costs and Training Grants proposed to be included in the Project in the Recipient's following calendar year, including a specification of the source or sources of financing for all corresponding expenditures, and environmental and social mitigation measures taken or planned to be taken in accordance with the provisions of Section I.F of this Schedule.

- 2. The Recipient shall ensure that the Project is implemented in accordance with the Annual Work Plan and Budget accepted by the Association for the Recipient's respective calendar year; provided, however, that in the event of any conflict between the Annual Work Plan and Budget and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 3. The Recipient shall not make or allow to be made any change to the Annual Work Plan and Budget unless the Association has provided its prior no-objection of such change in writing.

F. Environmental and Social Standards

- 1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
- 2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the ESCP, in a manner acceptable to the Association. 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 provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;

- (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
- (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, 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) the Association is promptly notified 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, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 6. The Recipient shall ensure that all bidding documents and contracts for any civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce

codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

Section II. <u>Project Monitoring, Reporting and Evaluation</u>

1. The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

2. <u>Mid-Term Review</u>

The Recipient shall: (a) not later than three (3) years after the Effective Date (or such other date as the Association may agree in writing), prepare and furnish to the Association a mid-term report, in such detail as the Association shall reasonably request, documenting progress achieved in the carrying out of the Project during the period preceding the date of such report, taking into account the monitoring and evaluation activities performed pursuant to paragraph 1 of this Section II, and setting out the measures recommended to ensure the continued efficient carrying out of the Project and the achievement of its objective during the period following such date; and (b) review with the Association such mid-term report, on or about the date one month after its submission, carry out a mid-term review of the Project, and thereafter take all measures required to ensure the continued efficient implementation of the Project and the achievement of its objectives, based on the conclusions and recommendations of the mid-term report and the Association's views on the matter.

Section III. <u>Withdrawal of the Proceeds of the Financing</u>

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to: (a) finance Eligible Expenditures; and (b) repay the Preparation Advance; in the amount allocated and,

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
 (1) Goods, works, non- consulting services, consulting services, Operating Costs, and Training for the Project, Stipends for Part 2.2 of the Project and Work Placement Payments for Part 3.4(b) of the Project 	4,580,000	100%
(2) Tutoring Costs for Part 1.1(c) of the Project	140,000	100% of amounts disbursed
(3) Training Grants for Part2.1(a) of the Project	2,100,000	100% of amounts disbursed
(4) Refund of Preparation Advance	180,000	Amount payable pursuant to Section 2.07 (a) of the General Conditions
TOTAL AMOUNT	7,000,000	

if applicable, up to the percentage set forth against each Category of the following table:

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date;
 - (b) for Training Grants under Category (3) unless and until the Association is satisfied that the Ministry of Education, Sports and Training, through the National Training Council, has adopted the Training Grant Guidelines in accordance with the provisions of Section I.C.1 of Schedule 2 to this Agreement.
- 2. The Closing Date is January 5, 2026.

APPENDIX

Definitions

- 1. "Annual Work Plans and Budgets" means the annual work plans and budgets (including related cash forecasts) for the implementation of the Project, referred to in Section I.E of Schedule 2 to this Agreement.
- 2. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General 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. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
- 4. "Central Implementation Unit" means the Central Implementation Unit within the Division of International Development Association of the Recipient's Ministry of Finance.
- 5. "Chief Secretary to Cabinet" means the head of the Recipient's Chief Secretary Office, established and appointed in accordance with Article VII, Section 2 of the *Constitution of the Marshall Islands 1979*.
- 6. "College of the Marshall Islands" means the regionally accredited autonomous community college established under *The College of Marshall Islands Act*, RMI PL 1992-13.
- 7. "Division of Labor" means the Recipient's Division of Labor within its Ministry of Justice, Immigration and Labor, or any successor thereto.
- 8. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated December 2, 2020, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.

- 9. "Environmental and Social Standards" or "ESSs" means, collectively: (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources"; (vii) "Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities"; (viii) "Environmental and Social Standard 8: Cultural Heritage"; (ix) "Environmental and Social Standard 9: Financial Intermediaries"; and (x) "Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure"; effective on October 1, 2018, as published by the Association.
- 10. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020).
- 11. "Ministry of Education, Sports and Training" means the Recipient's Ministry of Education, Sports and Training, or any successor thereto.
- 12. "Ministry of Finance" means the Recipient's Ministry of Finance, or any successor thereto.
- 13. "Ministry of Justice, Immigration and Labor" means the Recipient's Ministry of Justice, Immigration and Labor, or any successor thereto.
- 14. "National Board of Education" means the National Board of Education of the Recipient, or any successor thereto.
- 15. "National Training Council" means the Recipient's National Training Council within its Ministry of Education, Sports and Training, or any successor thereto.
- 16. "Operating Costs" means reasonable incremental expenditures incurred on account of Project implementation and based on Annual Work Plans and Budgets approved by the Association, including leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises, fuel, office supplies, utilities, consumables, communication expenses (including postage, telephone and internet costs), translation, printing and photocopying expenses, bank charges, publications

and advertising expenses, insurance, meeting expenses, travel, subsistence and lodging expenses, administrative staff, project implementation support personnel, and other miscellaneous costs directly related to the Project, exclusive of salaries of the Recipient's civil service, sitting fees, bonuses, fees and honoraria or equivalent payments.

- 17. "Personal Data" means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
- 18. "Preparation Advance" means the advance referred to in Section 2.07(a) of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on September 18, 2019 and on behalf of the Recipient on September 24, 2019.
- 19. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
- 20. "Project Implementation Unit" means the Recipient's Project implementation unit established by the Recipient pursuant to paragraphs 3 and 4 of Section I.A of Schedule 2 to this Agreement.
- 21. "Project Operations Manual" means the Recipient's project operations manual to be adopted by the Recipient in accordance with Section I.B.1 of Schedule 2 to this Agreement, as said manual may be modified from time to time with prior agreement in writing of the Association, and such term includes any schedules or annexes to the manual.
- 22. "Project Steering Committee" means the Recipient's committee to be established by the Recipient pursuant to paragraph 8 of Section I.A of Schedule 2 to this Agreement.
- 23. "Public School System" means the Recipient's Public-School System within the Ministry of Education, Sports and Training, established pursuant to the *Marshall Islands Public School System Act 2013*, or any successor thereto.

- 24. "Public Service Commission" means the employment authority of the Recipient, established in accordance with the *Constitution of the Republic of the Marshall Islands 1979* and pursuant to the *Public Service Commission Act 1979*.
- 25. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.
- 26. "Stipend" means a predetermined amount of money paid or to be paid to an eligible student/trainee to help offset expenses during training and after completion of training carried out under Part 2.2 of the Project in accordance with the provisions of the Project Operations Manual.
- 27. "Training" means training activities to be carried out by the Recipient, based on terms of reference acceptable to the Association, for facilitating, conducting, and/or undertaking domestic and overseas training and workshops under the Project, the reasonable costs of which include: costs of training or workshop materials; equipment and venue rental; and per diem, accommodation, and transportation for those attending the training or workshop, and honoraria for trainers.
- 28. "Training Activity" means development of training courses and delivery of training courses, to be carried out by a Training Provider under Part 2.1 of the Project utilizing proceeds of a Training Grant in accordance with the terms of this Agreement, the Training Grant Guidelines and the relevant Training Agreement.

"Training Agreement" means an agreement executed or to be executed between the Recipient and a Training Provider for the purposes of implementation of Training Activity under Part 2.1 of the Project.

- 29. "Training Grant" means a grant made available by the Recipient out of the proceeds of Financing to a Training Provider, in accordance with the provisions of a Training Agreement, to carry out the corresponding Training Activity.
- 30. "Training Grant Guidelines" means the Recipient's guidelines to be adopted by the Recipient, through the National Training Council, in accordance with Section I.C.1 of Schedule 2 to this Agreement, as said guidelines may be modified from time to time with prior agreement in writing of the Association, and such term includes any schedules or annexes to the guidelines.
- 31. "Training Provider" means a training provider which meets the requirements and criteria of the Training Grant Guidelines to receive a Training Grant.

- 32. "Tutoring Costs" means the reasonable and necessary costs incurred by the Recipient on account of: (a) tutoring payments in relations to tutoring secondary school students outside of school hours by teachers; and (b) travel, subsistence and honoraria costs for tutoring secondary school students outside of school hours by college students; all based on Annual Work Plans and Budgets accepted by the Association and in accordance with details further specified in the Project Operations Manual.
- 33. "TVET" means technical and vocational education and training.
- 34. "University of the South Pacific" means the branch located in the Recipient's territory of the University of the South Pacific, an intergovernmental organization, public research university and international center for teaching and research on Pacific culture and environment, jointly owned by twelve Pacific island member countries, first established in 1968.
- 35. "Work Placement Beneficiary" means a person eligible to receive a Work Placement Payment under Part 3.4(b) of the Project, as further detailed in the Project Operations Manual.
- 36. "Work Placement Payment" means a payment in the form of a grant, in amount acceptable to the Association, to an eligible Work Placement Beneficiary under Part 3.4(b) of the Project, made or to be made in accordance with the provisions of the Project Operations Manual.