

LOAN NUMBER 9108-JO

Loan Agreement

(COVID-19 Emergency Response Project)

between

THE HASHEMITE KINGDOM OF JORDAN

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN NUMBER 9108-JO

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date, between THE HASHEMITE KINGDOM OF JORDAN (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). The Borrower and the Bank 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 — LOAN

- 2.01. The Bank agrees to extend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, a Loan in the amount of twenty million United States Dollars (USD 20,000,000) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.
- 2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance, provided that the Commitment Charge for the period beginning on the date of accrual of the Commitment Charge and ending on the date of the first anniversary of such date of accrual shall be zero percent (0%).
- 2.05. The interest rate is the Reference Rate plus the Fixed Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

- 2.06. The Payment Dates are May 15 and November 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project through the Ministry of Health (“MoH”) in accordance with the provisions of Article V of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE V— REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower’s Representative is its Minister responsible for planning and international cooperation.
- 6.02. The Borrower’s Address is:

Ministry of Planning and International Cooperation
Post office Box 555
Amman, 11118
The Hashemite Kingdom of Jordan

Facsimile:

+962-6-464 9341

- 6.03. The Bank’s Address is:

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

Telex:

Facsimile:

248423(MCI) or
64145(MCI)

1-202-477-6391

AGREED as of the Signature Date.

THE HASHEMITE KINGDOM OF JORDAN

By

Wissam A. Rabadi

Authorized Representative

Name: Wissam A. Rabadi

Title: Minister of Planning and International Cooperation

Date: 13-May-2020

INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT

By

Saroj Kumar Jha

Authorized Representative

Name: Saroj Kumar Jha

Title: Country Director

Date: 12-May-2020

SCHEDULE 1

Project Description

The objective of the Project is to prevent, detect and respond to the threat posed by COVID-19 and strengthen the national health system for public health preparedness.

The Project constitutes a phase in the MPA Program, and consists of the following Parts:

Part 1: Emergency COVID-19 Response

Part 1.1 Case Detection, Confirmation, Contact Tracing, Recording and Reporting

Provision of support for preventing and limiting the spread of the COVID-19 in Jordan, through: (a) strengthening of disease surveillance systems, including indicator-based, community event-based, and sentinel surveillance; (b) combining detection of new cases with active contact tracing; (c) supporting epidemiological investigations; (d) strengthening risk assessments; (e) provision of on-time data and information for guiding decision-making response and mitigation activities; (f) the acquisition of essential equipment and consumables for laboratory and surveillance, such as polymerase chain reaction machines, sample collection kits, test kits, and other equipment and supplies for COVID-19 testing and surveillance (including Personal Protective Equipment for laboratory, surveillance and point of entry facilities workers) to ensure prompt case finding and local containment; (g) the strengthening of detection capacity through training to laboratory and surveillance workers and improving reporting by frontline health workers using existing surveillance systems.

Part 1.2 Overall Healthcare Services and Clinical Capacity to Respond to COVID-19

Strengthening healthcare system capacity through: (a) equipping case management facilities (including, *inter alia*, quarantine, isolation and clinical care facilities) with necessary equipment, commodities and supplies; (b) carrying out minor civil works within existing structures and retrofitting of quarantine, isolation and treatment rooms in the selected facilities; (c) the provision of training of health facilities workers on infection prevention control and clinical case management; (d) the provision of support for the procurement of essential inputs for treatment such as ventilators, pulse oximeters, laryngoscopes, oxygen generators, medicines and vaccines, personal protective equipment, disinfectants and other equipment, supplies and commodities for COVID-19 case management.

Part 1.3 Risk Communication and Community Engagement

Design and implementation of effective public health measures to prevent contagion and the development and implementation of associated communication and behavior change interventions to support key prevention behaviors; support community mobilization and participation in prevention and control measures.

Part 1.4 Multi-Sectoral Coordination and Response

Support activities to enhance multisectoral response and action, including, *inter alia*, (a) the operations of command rooms at the central and regional levels; (b) implementation of risk communications and community engagement campaigns; and (c) implementation of containment strategies, including port-of-entry interventions, as well as operation of rapid response teams.

Part 2: Project implementation and monitoring

Provision of support for the ICPMU in managing and overseeing Project activities, including: (a) staffing; (b) data collection, aggregation and periodic reporting on the Project's implementation progress; (c) monitoring of the Project's key performance indicators and periodical evaluation; and (d) overall Project Operating Costs, financial and technical audit costs and monitoring and compliance with ESCP.

Part 3: Contingent Emergency Response Component

Provision of immediate response to an Eligible Crisis or Health Emergency.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. International Coordination and Project Management Unit

The Borrower, through MoH, shall implement the Project and to this end shall maintain, throughout Project implementation, an International Coordination and Project Management Unit (“ICPMU”) within the MoH in charge of overall coordination of the Project. The ICPMU shall be headed by a Director responsible for: (a) coordinating implementation and ensuring the overall technical coherence of the Project activities; and (b) coordinating all technical, operational, M&E, financial management, procurement and environmental and social safeguards aspects within the respective units and departments at MoH, all in form and with terms of references, functions, composition, staffing, including (i) financial officer and procurement specialist, to be hired not later than ninety (90) days; and (ii) environmental and social safeguard consultants, to be hired no later than one hundred and twenty (120) days after the Effective Date, as well as adequate resources acceptable to the Bank, and as further described in the project operation manual (“Project Operation Manual” or “POM”).

B. Project Operations Manual

1. Not later than ninety (90) days after the Effective Date, the Borrower shall, through MoH, adopt the POM, satisfactory to the Bank, which shall include the rules, methods, guidelines, standard documents and procedures for the carrying out of the Project, including the following: (a) administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures; (b) a grievance redress mechanism; (c) personal data collection and processing in accordance with the applicable WHO and national guidelines; (d) a positive list of Eligible Goods under the Project; (e) roles and responsibilities for Project implementation; and (f) such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Bank.
2. In the event that any provision of the POM shall conflict with this Agreement, the terms of this Agreement shall prevail.
3. The Borrower shall ensure that the POM is not amended without the prior written agreement of the Bank.

C. Annual Work Plan and Budget; Technical Audit

1. The Borrower, through the ICPMU, shall prepare and furnish to the Bank, not later than January 31 of each year, starting January 1, 2021, an Annual Work Plan and Budget containing all activities proposed to be included in the Project and a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts, sources of financing and eligible costs.
2. The Borrower, through the ICPMU, shall afford the Bank a reasonable opportunity to exchange views with the ICPMU on such proposed Annual Work Plan and Budget and thereafter ensure that the Project is implemented in accordance with such Annual Work Plan and Budget as shall have been approved by the Bank.
3. The Borrower may revise Annual Work Plans and Budgets as needed during Project implementation subject to the Bank's prior written approval.
4. The Borrower, through the MoH, shall appoint a verification agency to carry out, under the terms satisfactory to the Bank, a technical audit of the Project implementation, including, *inter alia*, verification of goods procured, reasonableness of prices, adherence to agreed procurement procedures, and distribution of goods to their intended locations. Each technical audit shall cover the period of six months. The Borrower shall furnish a report on said technical audit to the Bank, not later than thirty (30) days after the end of such period.

D. Environmental and Social Standards

1. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Borrower shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Borrower shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and

- (d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Bank shall otherwise agree in writing and the Borrower has, thereafter, disclosed the revised ESCP.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Borrower shall:
 - (a) take all measures necessary on its part to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) promptly notify the Bank of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.
- 5. The Borrower shall maintain and publicize the availability of a grievance redress mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.
- 6. The Borrower shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and 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.
- 7. The Borrower, not later than seventy five (75) days after the Effective Date, shall furnish to the Bank the ESMF and LMP in a manner acceptable to the Bank.

E. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 3 of the Project (“Contingent Emergency Response Part”), the Borrower shall:
 - (a) prepare and furnish to the Bank for its review and approval, a Contingent Emergency Response Component Manual (CERCM) which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any special institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) application of the any relevant safeguard instruments to the Contingent Emergency Response Part; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the Contingent Emergency Response Part;
 - (b) afford the Bank a reasonable opportunity to review the proposed CERCM;
 - (c) promptly adopt the CERCM for the Contingent Emergency Response Part as accepted by the Bank;
 - (d) ensure that the Contingent Emergency Response Part is carried out in accordance with the CERCM; provided, however, that in the event of any inconsistency between the provisions of the CERCM and this Agreement, the provisions of this Agreement shall prevail; and
 - (e) not amend, suspend, abrogate, repeal or waive any provision of the CERCM without the prior written approval by the Bank.
2. The Borrower shall ensure that no activities are undertaken under the Contingent Emergency Response Part, unless and until the following conditions have been met in respect of said activities:
 - (a) the Borrower has determined that an Eligible Crisis or Health Emergency has occurred, has furnished to the Bank a request to include said activities in the Contingent Emergency Response Part in order to respond to said crisis or emergency, and the Bank has agreed with such determination, accepted said request and notified the Borrower thereof; and

- (b) the Borrower has ensured the disclosure of all Environmental and Social instruments/plans required for said activities in accordance with the ESCP, the Borrower has approved all such instruments, and the Borrower has ensured the implementation of any actions which are required to be taken under said instruments.
- 3. Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for activities included in Part 3 of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CERCM.

Section II. Project Monitoring Reporting and Evaluation

The Borrower shall furnish to the Bank each Project Report not later than one month after the end of a calendar year, covering the calendar year.

Section III. Withdrawal of Loan Proceeds

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 Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; and (b) pay: (i) the Front-end Fee; and (ii) each Interest Rate Cap or Interest Rate Collar premium; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Training and Operating Costs under the Project	19,950,000	100%
(2) Emergency Expenditures	0	
(3) Front-end Fee	50,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium		Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	20,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments made prior to the date of this Agreement, except withdrawals up to an aggregate amount not to exceed \$8,000,000 may be made for payments made twelve months prior to the date of this Agreement, for Eligible Expenditures under Category (1) of the Project;
 - (b) for Emergency Expenditures under Category (2), unless and until the Bank is satisfied that all of the following conditions have been met in respect of said expenditures:

(i) the Borrower has determined that an Eligible Crisis or Health Emergency has occurred, has furnished to the Bank a request to include said activities in the Contingent Emergency Response Part in order to respond to said crisis or emergency, and the Bank has agreed with such determination, accepted said request and notified the Borrower thereof;

(ii) the Borrower has prepared and disclosed all environmental/social documents, (including ESCP) required for said activities, and the Borrower has ensured that any actions which are required to be taken under said documents have been implemented, all in accordance with the provisions of Sections I.E.(2)(b) of this Schedule;

(iii) the entities in charge of coordinating and implementing the Contingent Emergency Response Part, has provided sufficient evidence satisfactory to the Bank that it has adequate staff and resources for the purposes of said activities; and

(iv) the Borrower has adopted the CERCM, in form and substance acceptable to the Bank, and the provisions of the CERCM remain relevant or have been updated in accordance with the provisions of Section I.E of this Schedule so as to be appropriate for the inclusion and implementation of the activities under the Contingent Emergency Response Part.

2. The Closing Date is June 30, 2022.

SCHEDULE 3

Amortization Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

Level Principal Repayments

Principal Payment Date	Installment Share
On each May 15 and November 15 Beginning November 15, 2024 through May 15, 2054	1.64%
On November 15, 2054	1.60%

APPENDIX

Section I. Definitions

1. “Annual Work Plan and Budget” means the work plan and budget approved by the Bank and adopted by the Borrower in accordance with the provisions of Section I.C of Schedule 2 of this Agreement, as said work plan and budget may be modified from time to time with the written agreement of the Bank.
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 and as of July 1, 2016.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “Contingent Emergency Response Component Manual” or the acronym “CERCM” means the plan referred to in Section I.E of Schedule 2 to this Agreement, to be adopted by the Borrower for the Contingent Emergency Response Part in accordance with the provisions of said Section.
5. "Contingent Emergency Response Part" means Part 3 of the Project.
6. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
7. “Eligible Crisis” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Borrower, associated with a natural or man-made crisis or disaster.
8. “Eligible Goods” means the positive list of goods set forth in the POM, compatible with the list of goods approved by WHO as part of the global pandemic response guidelines, as such list may be modified from time to time with the prior written approval of the Bank.
9. “Emergency Expenditure” means any of the eligible expenditures set forth in the Contingency Emergency Response Component Manual in accordance with the provisions of Section I.E of Schedule 2 to this Agreement, and required for the Contingent Emergency Response Part.
10. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the Borrower’s environmental and social commitment plan, acceptable to the Bank, dated April 21, 2020 which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the

Project, including the timing of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any instruments to be prepared thereunder; as the ESCP may be revised from time to time, with prior written agreement of the Bank.

11. “Environmental and Social Management Framework or ESMF” means the Borrower’s framework, acceptable to the Bank, prepared, adopted and disclosed by MoH, describing, *inter alia*, the modalities to be followed in screening Project activities, including the measures to be taken to offset, reduce, or mitigate adverse environmental and social impact, procedures for the management of chance finds of physical cultural resources and procedures to ensure protection, maintenance, and rehabilitation of natural habitats, as the same may be amended from time to time with the prior written agreement of the Bank.
12. “Environmental and Social Standards” 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”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank at <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>.
13. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated December 14, 2018, with the modifications set forth in Section II of this Appendix.
14. “GRM” means the Grievance Redress Mechanism referred to in Section I.D.5 of Schedule 2 to this Agreement.
15. “Health Emergency” means an event that has caused, or is likely to imminently cause, a major adverse health impact to the Borrower, associated with a natural or man-made crisis or disaster.
16. “ICPMU” means the international coordination and Project management unit within MoH, referred to in Section I.A.1 of Schedule 2 to this Agreement.

17. “LMP” means the Borrower’s labor management procedures developed by MoH to manage risks under the Project, setting forth the procedures for (i) responding to the specific health and safety issues posed by COVID-19, and (ii) protecting workers’ rights as set out in the national requirement as well as in the Bank’s Environmental and Social Standards - ESS2: Labor and Working Conditions.
18. “MoH” means the Borrower’s ministry of health, or its legal successor.
19. “MOPIC” means the Borrower’s ministry in charge of planning and international cooperation, or its legal successor.
20. “MPA Program” means the global emergency multiphase programmatic approach program designed to assist countries to prevent, detect and respond to the threat posed by COVID-19 and strengthen national systems for public health preparedness.
21. “Operating Costs” means reasonable incremental expenses incurred by the Borrower (including the ICPMU) and approved by the Bank attributable to the Project implementation, management and monitoring, and establishment of the project management unit and a grievance redress mechanism, including costs related to: office supplies and consumables, stationary and sundries, maintenance of office equipment, communication, advertising, office rentals, utility costs, operation and maintenance of office vehicles, per diem and travel costs for Project staff, reasonable bank charges, allowances and salaries of Project staff (excluding the salaries of Borrower’s civil servants).
22. “POM” means the project operations manual for the Project, to be adopted by the Borrower and satisfactory to the Bank, and referred to in Section I.B. of Schedule 2 to this Agreement, describing and setting forth procedures for implementation of the Project and institutional arrangements, consistent with the provisions of this Agreement and including, among other things, the fiduciary, technical and operational aspects and procedures for implementation of the Project, including the financial management procedures, procurement procedures, monitoring and evaluation arrangements, verification arrangements, other fiduciary and administrative arrangements, as the same may be amended from time to time by agreement with the Bank.
23. “Procurement Plan” means the Borrower’s procurement plan for the Project, provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Bank.
24. “Procurement Regulations” means the “World Bank Procurement Regulations for Borrowers under Investment Project Financing”, dated July 1, 2016, revised November 2017 and August 2018.

25. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.
26. “Training” means costs incurred by the Borrower on account of approved workshops, and training of Borrower personnel involved in implementation of the Project, including study tours, travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to course preparation and implementation, all on the basis of budgets acceptable to the Bank.
27. “WHO” means the World Health Organization.