

LOAN NUMBER 9162-BR

Loan Agreement

(Salvador Social Multi-Sector Service Delivery Project II - *Salvador Social 2ª Fase*)

between

MUNICIPALITY OF SALVADOR

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between MUNICIPALITY OF SALVADOR (“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) 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 — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of one hundred twenty-five million Dollars (\$125,000,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), 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. The Borrower’s Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is its Mayor or its Civil House Chief of Staff.
- 2.03. The Front-end Fee is 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.
- 2.05. The interest rate is the Reference Rate plus the Variable 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 April 15 and October 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.
- 2.08. The Borrower may request the Conversions of Loan terms, in each case with the prior non-objection of the Guarantor, through its Secretariat of the National Treasury of the Guarantor’s Ministry of Economy.
- 2.09. (a) If on any given day, the Total Exposure exceeds the Standard Exposure Limit (as said terms are defined in sub-paragraphs (b) (ii) and (b) (iii) of this Section), the Borrower shall pay to the Bank a surcharge at the rate of one half of one percent (0.5%) per annum of the Allocated Excess Exposure Amount (as defined in sub-

paragraph (b) (i) of this Section) for each said day (“Exposure Surcharge”). The Exposure Surcharge (if any) shall be payable semi-annually in arrears on each Payment Date.

- (b) For purposes of this Section the following terms have the meanings set forth below:
- (i) “Allocated Excess Exposure Amount” means for each day during which the Total Exposure exceeds the Standard Exposure Limit, the product of: (A) the total amount of said excess; and (B) the ratio of all (or, if the Bank so determines), a portion of the Loan to the aggregate amount of all (or the equivalent portions) of the loans made by the Bank to the Borrower, the Guarantor and to other borrowers guaranteed by the Guarantor that are also subject to an exposure surcharge, as said excess and ratio are reasonably determined from time to time by the Bank.
 - (ii) “Standard Exposure Limit” means the standard limit on the Bank’s financial exposure to the Guarantor which, if exceeded, would subject the Loan to the Exposure Surcharge, as determined from time to time by the Bank.
 - (iii) “Total Exposure” means for any given day, the Bank’s total financial exposure to the Guarantor, as reasonably determined by the Bank.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower, through Casa Civil, shall carry out the Project and cause the Project to be carried out 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 falling one hundred twenty (120) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. Except as provided in Section 2.02 of this Agreement, the Borrower’s Representative is its Mayor.
- 5.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower’s address is:

Praça Thomé de Souza, s/n, Palácio Thomé de Souza – Centro
Salvador – BA CEP 40.020-010
Brazil

(b) the Borrower’s Electronic Address is:

Facsimile:

E-mail:

55 71 3202-6102

prefeito@salvador.ba.gov.br

5.03. For purposes of Section 10.01 of the General Conditions: (a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex:
248423(MCI) or
64145(MCI)

Facsimile:
1-202-477-6391

E-mail:
panoscasero@worldbank.org

AGREED as of the Signature Date.

MUNICIPALITY OF SALVADOR

By



Authorized Representative

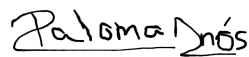
Name: Bruno Soares Reis

Title: Mayor of Salvador

Date: 04-out-2021

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By



Authorized Representative

Name: Paloma Anos Casero

Title: The World Bank

Date: 04-Oct-2021

SCHEDULE 1

Project Description

The objective of the Project is to improve the efficiency of social service delivery in the Borrower's territory in the social assistance, education, and health sectors.

The Project consists of the following parts:

Part 1. Support for strategic actions to improve service delivery

1.1. Social Assistance

Supporting SEMPRES in improving the efficiency of social assistance services in the Borrower's territory through, *inter alia*:

- (a) Strengthening integration and multi sector coordination of case management of extremely poor families through, *inter alia*, the provision of support to extreme poor families who are beneficiaries of the Bolsa Família Program to overcome vulnerabilities and to access education and primary health care including: (i) strengthening bonds and parenting skills for children in early childhood; (ii) promoting autonomy of women heads of family through, *inter alia*, guidance, technical training and referrals to job placement agencies; and (iii) financing Cash Transfers under *Primeiro Passo* to support early childhood development.
- (b) Expanding the *Cadastro Único* to increase coverage of vulnerable groups and to be used as a management and planning tool through, *inter alia*: (i) offering enrollment services in various CRAS; CREAS and CentroPop; (ii) providing active search strategies and promoting the inclusion of priority vulnerable groups, such as the homeless and victims of calamities and emergencies; (iii) improving the data quality of *Cadastro Único* through, *inter alia*, household visits; and (iv) developing an information technology system for integration of *Cadastro Único* and social assistance services systems and other programs.
- (c) Improving institutional capacity and organizational structure of SEMPRES through, *inter alia*: (i) implementing standardized instruments and integration tools to strengthen the referrals and counter-referrals of the services provided by PAIF at CRAS; (ii) developing and implementing social protection interventions to address social consequences of natural disasters and pandemics by promoting food security and preventing starvation, protecting loss of income, and providing for safety and social distancing; (iii) improving the information system to monitor the provision of services linked to *Cadastro Único* with data on case management and referrals; (iv) coordinating the case management of extreme poor families in CRAS services and systems with health and education sectors; (v) carrying out capacity building activities for social workers as part of a municipal plan for continuous education; and (vi) providing Cash Transfers under *Benefício Moradia* to vulnerable families due to shocks and emergencies.
- (d) Strengthening the medium and high complexity services of the special social protection network through, *inter alia*: (i) developing care and referral protocols for female victims of domestic violence or at risk of death, aiming to strengthen the service network in the municipality; (ii) developing protocols and lines of care integrated with the rights guarantee

system for groups at risk (elderly, children, adolescents, lesbian, gay, bisexual and transgender, people with disabilities, and families and individuals on the streets); (iii) supporting SEMPRES plan to structure the network of CREAS so that they can meet the minimum standard of functionality and provide access for those with mobility impairments and ensure disability inclusive services, set by the federal government; (iv) developing continuous training workshops targeted at public agents involved in the provision of social services to survivors; (v) designing and implementing communication strategy to carry out campaigns to raise awareness on gender based violence targeted at victims and bystanders taking advantage of technological solutions and digital channels; and (vi) carrying out studies on the social and economic impacts of climate-risks and shocks in the municipality.

1.2. Education

Assisting SMED in implementing strategies to tackle age-grade distortion in the Salvador municipal school network through, *inter alia*:

- (a) Reducing the stock of overage students in Salvador in Primary Education and Lower Secondary Education through, *inter alia*: (i) the expansion of a *Se Liga e Acelera*, a program focused on the literacy of overage students and on accelerating the progression of students across grades in Primary Education; and (ii) supporting SMED to implement an accelerated learning program for overage students in Lower Secondary Education, that incorporate, among others, the methodology of the daytime structure of Education Youth and Adults (EJA), including: (1) conducting an assessment of the pilot; and (2) supporting the expansion of the pilot, including increasing partnerships with vocational education and training institutions.
- (b) Reducing the flow of overage students through, *inter alia*: (i) supporting remedial education and early warning systems to decrease repetition rates; (ii) financing Tuition Fees to expand access to early childhood education to improve school readiness and enrollment in Primary Education in the right age; and (iii) supporting the implementation and expansion of *Agente da Educaao* to Primary Education and Lower Secondary Education schools; and early childhood development through; *inter alia*: (1) the addition of psychological and social assistance support to schools during the post COVID-19 pandemic reopening; and (2) the visit of educational agents to children not in creches to conduct sessions of socio and psychomotor stimulation and therefore mitigate the effect of disadvantaged socioeconomic conditions on children’s development.
- (c) Restructuring and expanding full-time Primary Education and Lower Secondary Education schools to reduce school dropout and foster school retention through, *inter alia*, the carrying out of small civil works.
- (d) Strengthen management for learning with a focus on literacy to decrease school repetition and dropout, through the implementation of a management for literacy policy program to provide pedagogical support and training for teachers to strengthen the acquisition of cognitive and socioemotional skills for the literacy process.
- (e) Strengthening multisector actions to promote student attendance and school readiness to reduce age-grade distortion through, *inter alia*: (i) supporting joint work of SMED and SEMPRES to improve school attendance in light of the *Bolsa Famlia* conditionalities; and

(ii) Strengthening *Primeiro Passo* to support emphasis on early cognitive and socioemotional stimulation of young children.

1.3. Health

Supporting the Borrower in improving health care services, health surveillance and clinical management through, *inter alia*:

- (a) Strengthening health service delivery and management capacity and health surveillance to respond to health demands and to epidemics through, *inter alia*:
 - (i) The expansion and consolidation of primary health care coverage, as an entry point for organizing access and adequate care, including: (1) increasing the number of family health units/teams; (2) upgrading the capacities of the facility-based Primary Care units; (3) increasing human resources; (4) training of health professionals; and (5) introducing technologies such as the electronic medical record system and medical equipment with climate smart technologies, such as energy-efficient design, when possible.
 - (ii) Strengthening Secondary Care and Tertiary Care under the Borrower's governance to guarantee adequate flow of patients and quality of care through, *inter alia*: (1) ensuring the provision of outpatient medical specialties consultations and diagnostic procedures and tests through health polyclinics, the municipal hospital, and contracted hospitals; and (2) maintaining local emergency care systems to address non communicable diseases with a focus on cardiovascular and respiratory diseases and diabetes.
 - (iii) Supporting the health surveillance system to cope with epidemics through, *inter alia*: (1) strengthen disease surveillance systems, public health laboratories, and monitoring capacity for early detection and confirmation of cases; (2) combine detection of new cases with active contact tracing and screening; (3) support epidemiological investigation; (4) strengthen risk assessment; and (5) provide on-time data and information for guiding decision-making, response and mitigation activities for continuous prevention and control of health-related events.
- (b) Improving clinical management to support continuity of health care across primary, secondary and tertiary levels through, *inter alia*: (i) risk assessment and classification for delivery of care at the primary health care level; and (ii) the expansion of electronic medical records to the primary and secondary health care levels.

1.4. Support to the COVID-19 emergency

Responding to the COVID-19 emergency through the social assistance, education and health sectors through; *inter alia*:

- (a) In the social assistance sector strengthening rapidly the services provided by the municipal CRAS and CREAS to respond to the emergency needs, including: (i) the acquisition of personal protective equipment, hygiene supplies and consultancies services; (ii) supporting housing and accommodation arrangements to guarantee social distancing norms and isolation protocols for at risk population and social assistance services for homeless population; (iii) the inclusion of families in *Cadastro Único* that have recently been affected by the economic crises due to COVID-19; and (iv) dedicated support for CREAS to respond to gender based violence during the COVID-19 emergency.
- (b) In the education sector, ensuring the continuity of the learning process during the period of social distancing and schools closures and protecting children from nutritional shocks through, *inter alia*: (i) strengthening SMED's capacity to provide distance learning and to communicate with principals, teachers, and students, to foster connectivity; (ii) providing teacher training on the usage of technology in distance learning; (iii) fostering family engagement in the education of their children through text messages and television campaigns; (iv) revising the pedagogical planning and the organization of afterschool programs to ensure that the most important curricular components are covered within the school year; and (v) the provision of emotional support to teachers, students, and families after the social distancing period.
- (c) In the health sector, improving the municipality's capacity to respond to emergent health demands through, *inter alia*: (i) the expansion and implementation of clinical and intensive care unit beds in field hospitals and regular hospitals; (ii) strengthening of SUS at the municipal level to respond to the emergency needs imposed by the COVID-19 pandemic, including acquisition of medical equipment and supplies (*inter alia* personal protective equipment, tests, lab equipment and supplies); (iii) the implementation of information and communication technologies to address COVID-19 challenges; and (iv) carrying out a survey and analysis of database and production of health information.

Part 2. Technical Assistance

Strengthening the capacity of the municipal secretariats in charge of health, education and social assistance to carry out activities in their respective sectors supporting Part 1 of the Project, and of the Casa Civil to coordinate and lead cross-cutting policy and Project management through, *inter alia*, the financing of: (i) sectoral studies and diagnoses; (ii) mapping of processes and cost analysis; (iii) consultancies for the development of management and information technology systems; (iv) the acquisition of software, computer equipment and vehicles; and (v) carrying out Project management, including: (1) supporting the work of the Project Management Unit; and (2) carrying out the environmental and social, procurement, and financial management requirements for the Project, including audits.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Borrower, through Casa Civil, shall maintain Project Management Unit (the “PMU”) at all times during the implementation of the Project, with sufficient resources to carry out its operational and management responsibilities, and with competent staff in adequate numbers and responsibilities, all acceptable to the Bank and as set forth in the Operational Manual.
2. Prior to providing a Tuition payment to any given private early childhood education provider, the Borrower, through Casa Civil, shall ensure that said provider agrees to comply with the Anti-Corruption Guidelines as set forth in the Operational Manual.

B. Operational Manual.

1. No later than 30 days after the Effective Date, the Borrower, through Casa Civil, shall adopt and carry out the Project in accordance with the Project Operational Manual, which shall contain, *inter alia*: (a) specific provisions on detailed arrangements for the carrying out of the Project; (b) the composition and responsibilities of the PMU; (c) the procurement, financial management and disbursement requirements thereof; (d) the stakeholder engagement plan, the grievance redress mechanism and the code of conduct; (e) the performance indicators; (f) the verification protocols and verification arrangements for PBCs, and (g) the Anti-Corruption Guidelines and procedures to ensure compliance with the Anti-Corruption Guidelines.
2. The Borrower, through Casa Civil, shall ensure that the collection, use and processing (including transfers to third parties) of any personal data collected under this Project shall be done in accordance with the best international practice, ensuring legitimate, appropriate, and proportionate treatment of such data.
3. The Borrower shall not amend or waive or fail to enforce any provision of the Operational Manual without the Bank’s prior written approval. In case of any conflict between the terms of the Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. 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 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 Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.

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

3. The Borrower shall ensure that:

- (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
- (b) the Bank 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.

4. The Borrower 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 Bank.

5. The Borrower shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein.

Section II. Project Monitoring Reporting and Evaluation

The Borrower shall furnish to the Bank each Project Report not later than forty-five 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 Bank, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Borrower shall ensure that such information, report or document does not include Personal Data.

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; (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) Social Assistance Eligible Expenditure Program for Part 1.1 of the Project	4,750,000	100%
(2) Education Eligible Expenditure Program for Part 1.2 of the Project	14,250,000	100%
(3) Health Eligible Expenditure Program for Part 1.3 of the Project	75,687,500	100%
(4) Goods, non-consulting services, consulting services Operating Costs and Training for Parts 1.4 and 2 of the Project.	30,000,000	100%
(5) Front-end Fee	312,500	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(6) Interest Rate Cap or Interest Rate Collar premium	0	Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	125,000,000	

B. Withdrawal Conditions; Withdrawal Period.

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not

to exceed \$25,000,000 may be made for payments made prior up to twelve months prior to this date for Eligible Expenditures under Category (4).

2. Each withdrawal under Categories (1), (2) and (3) shall be made only after the Bank has received: (i) evidence acceptable to the Bank in its form and content and following the requirements set forth in the Project Operational Manual and the Disbursement and Financial Information Letter, confirming the achievement of the respective PBCs; and (ii) evidence, in form and content acceptable to the Bank confirming that expenditures under the relevant Eligible Expenditure Program in an amount equal to at least the amount to be withdrawn under each Category in respect of each PBC, have been incurred, and that said expenditures have not been presented before to the Bank as satisfactory evidence for withdrawals under this Agreement.
3. With respect to PBCs related to Categories (1), (2) and (3), the Borrower may request withdrawals of Bank financing when the relevant expenditures have been incurred, but prior to the PBCs having been met, provided that the Borrower shall: (a) meet such PBCs no later than the Closing Date; and (b) submit to the Bank evidence satisfactory to the Bank of such PBCs having been met no later than the Disbursement Deadline Date.
4. If by or before the Disbursement Deadline Date the Borrower has failed to provide the Bank evidence satisfactory to the Bank that the PBC targets related to Categories (1), (2) and (3) have been met, the Borrower shall, upon notice from the Bank, promptly refund to the Bank the Withdrawn Loan Balance related to such Categories (1), (2) and (3). Except as the Bank may otherwise determine, the Bank shall cancel all amounts refunded pursuant to this Section.
5. The Closing Date is December 30, 2024. The Bank shall only grant an extension of the Closing Date after the Guarantor's Ministry of Economy has informed the Bank that it agrees with such extension.

SCHEDULE 3

Commitment-Linked Amortization Repayment 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 April 15 and October 15 Beginning April 15, 2025 through April 15, 2050	1.92%
On October 15, 2050	2.08%

SCHEDULE 4

Performance Based Conditions

Performance Based Condition	Amount of the Loan Allocated under the relevant Category (expressed in Dollars)
PBC 1: The percentage of families in suspension of benefits due to non-compliance of conditionalities assisted by social assistance sector has increased to 50%, from a baseline of 1%.	25,511 for every increase of 1%, up to a maximum of 1,250,000 under Category (1)
PBC 2: The number of social assistance units offering <i>Cadastro Único</i> services has increased to 35, from a baseline of 8.	40,741 for every increase of 1, up to a maximum of 1,100,000 under Category (1)
PBC 3: The average of the Performance Index of CRAS of all CRAS has increased to 3.50, from a baseline of 2.28.	9,837 for every increase of 0.01, up to a maximum of 1,200,000 under Category (1)
PBC 4: The average of the Performance Index of CREAS of all CREAS has increased to 3.75, from a baseline of 2.95.	15,000 for every increase of 0.01, up to a maximum of 1,200,000 under Category (1)
PBC 5: The percentage of children enrolled in accelerated learning programs at Primary Education that have progressed at least 2 grades has increased to 65%, from a baseline of 53%.	395,834 for every increase of 1%, up to a maximum of 4,750,000 under Category (2)
PBC 6: The number of students enrolled in full-time education has increased to 10,000 from a baseline of 5,820.	4,546 for every increase of 10, up to a maximum of 1,900,000 under Category (2)
PBC 7: The percentage of accelerated learning student groups in Primary Education and Lower Secondary Education with an adequate number of supporting staff has increased to 85 from a baseline of 0.	55,883 for every increase of 1%, up to a maximum of 4,750,000 under Category (2)
PBC 8: The percentage of students in remedial education programs to reduce repetition that have at least 80% attendance rate has increased to 85%, from a baseline of 0.	33,530 for every increase of 1%, up to a maximum of 2,850,000 under Category (2)
PBC 9: The percentage of medium complexity health procedures contracted out by the Borrower has increased to 80% from a baseline of 66%	1,351,429 for every increase of 1% up to a maximum of 18,920,000 under Category (3)
PBC 10: The number of home-based visits provided by EMAD has increased to 14,680 from a baseline of 1,046.	1,388 for every increase of 1 up to a maximum of 18,920,000 under Category (3)
PBC 11: The proportion of low risk (green) or no risk (blue) patients cared in the Intermediate Emergency Care Units (UPAs) has decreased to 75, from a baseline of 81.6	286,667 for every decrease of 0.1 in the proportion up to a maximum of 18,920,000 under Category (3)
PBC 12: The percentage of patients accessing the municipal healthcare facilities with clinical information recorded in the municipal electronic medical record system has increased to 95% from a baseline of 59.8%	53,772 for every increase of 0.1 up to a maximum of 18,927,500 under Category (3)

APPENDIX

Definitions

1. “*Agente da Educação*” means the Borrower’s program that monitors attendance to prevent school dropout and promotes school readiness, as set forth in the Operational Manual.
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. “*Benefício Moradia*” means the Borrower’s program that provides financial support through cash transfers to vulnerable families due to shocks and emergencies, and to homeless population, all in need for housing as set forth in the Operational Manual, or any successor thereto acceptable to the Bank.
4. “*Bolsa Família* Program” means the Federal Republic of Brazil’s program for the assistance to poor families through the provision of cash transfers conditional on compliance with conditions referred to in the Federal Republic of Brazil’s Law No. 10836 of January 9, 2004, as amended, or any successor thereto acceptable to the Bank.
5. “*Cadastro Único*” means the Federal Republic of Brazil’s social registry, established and operating under the Federal Republic of Brazil’s Presidential Decree No. 6.135 dated June 26, 2007, as a single beneficiary database to service all cash transfer programs in the Federal Republic of Brazil’s territory.
6. “*Casa Civil*” means the administrative unit responsible for assisting the Borrower’s Mayor in the formulation of strategic planning and budget of the municipal administration, management and control of intersectoral strategic projects, and monitoring of performance indicators in the evaluation of result the actions undertaken by the Borrower’s Executive Branch established and operating under the Borrower’s Law No. 7,610 dated February 13, 2009.
7. “Cash Transfers” means a grant out of the proceeds of the Loan provided to an eligible beneficiary under *Primeiro Passo* or *Benefício Moradia*, all as set forth in the Operational Manual.
8. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement, jointly referred to as “Categories”.
9. “*CentroPop*” means *Centro de Referência Especializado para Pessoas em Situação de Rua* a Specialized Reference Center for Homeless People.
10. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).

11. “CRAS” means *Centro de Referência de Assistência Social*, a Social Assistance Reference Center.
12. “CREAS” means *Centro de Referência Especializado de Assistência Social*, a Specialized Reference Center of Social Assistance.
13. “Disbursement Deadline Date” means the final date, established by the Bank, for the receipt by the Bank of applications for withdrawal and supporting documentation; according to the Disbursement Guidelines, this date may be the same as the Closing Date, or up to four months after the Closing Date.
14. “Education Eligible Expenditure Program” means goods, works, consulting services, Tuition Fees, Training and Operating Costs under Part 1.2 of the Project.
15. “Eligible Expenditure Program” means, as applicable, the Social Assistance Eligible Expenditure Program, the Education Eligible Expenditure Program and the Health Eligible Expenditure Program.
16. “EMAD” means *Equipes Multidisciplinares de Atenção Domiciliar*, the Borrower’s home care multidisciplinary teams.
17. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated August 14, 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 Borrower 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.
18. “Environmental and Social Standards” or “ESS” 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.
19. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018.

20. “Health Eligible Expenditure Program” means goods, works, consulting services, Training and Operating Costs under Part 1.3 of the Project.
21. “Lower Secondary Education” means grades 6 to 9 of the education cycle, and/or any other component of the Borrower’s education system set forth in the Operational Manual.
22. “Operating Costs” means reasonable cost of eligible expenditures incurred by the Borrower in connection with the daily operation of the Project and which would not have been incurred absent the Project, including, *inter alia*, travel costs, accommodation and *per diem*, utilities, maintenance of offices and equipment, insurance, office supplies and materials, banking charges, vehicle maintenance and operation, communication, printing, costs related to strengthening communication and disseminating results (events, communication plans, publications).
23. “Operational Manual” means the manual acceptable to the Bank referred to in Section I.B.1 of Schedule 2 to this Agreement; as the same may be amended from time to time with the prior written agreement of the Bank.
24. “PAIF” means *Proteção e Atendimento Integral à Família*, the Family Protection and Comprehensive Care Service.
25. “PBC” means Performance Based Conditions, as referred to in Schedule 4 to this Agreement.
26. “Performance Index of CRAS” means the index that measures physical structure, human resources, type of services offered and or any other dimension set forth in the Operational Manual, following the methodology set forth in the Operational Manual, for each CRAS.
27. “Performance Index of CREAS” means the index that measures physical structure, human resources, type of services offered and or any other dimension set forth in the Operational Manual, following the methodology set forth in the Operational Manual, for each CREAS.
28. “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.
29. “PMU” or “Project Management Unit” means *Unidade de Gestão do Projeto*, the *Casa Civil* unit referred to in Section I.A.1 of Schedule 2 to this Agreement, and any successor thereto acceptable to the Bank.
30. “Primary Care” means the basic entry point health care given to patients seeking assistance from the Borrower’s medical care system.
31. “Primary Education” means grades 1 to 5 of the education cycle, and/or any other component of the Borrower’s education system set forth in the Operational Manual.

32. “*Primeiro Passo*” means the Borrower’s program that provides financial support to families with children not enrolled in ECE centers conditional on the participation in health activities, as set forth in the Operational Manual, or any successor thereto acceptable to the Bank.
33. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.
34. “*Se Liga e Acelera*” means the Borrower’s program focused on the literacy of overage students and on accelerating the progression of students across grades, as set forth in the Operational Manual, or any successor thereto acceptable to the Bank.
35. “Secondary Care” means the specialty care provided on an ambulatory or a hospital using intermediate technological resources, diagnostic procedures and tests, and emergency care.
36. “SEMPRE” means *Secretaria de Promoção Social e Combate à Pobreza*, the Borrowers’s Municipal Secretariat of Social Promotion and Poverty Reduction, or any successor thereto acceptable to the Bank.
37. “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.
38. “SMED” means *Secretaria Municipal da Educação*, the Borrower’s Municipal Secretariat of Education, or any successor thereto acceptable to the Bank.
39. “Social Assistance Eligible Expenditure Program” means goods, works, consulting services, Cash Transfers, Training and Operating Costs under Part 1.1 of the Project.
40. “SUS” means *Sistema Único de Saúde*, the Borrower’s Unified Health System.
41. “Tertiary Care” means the highly specialized health services, using high technological resources, provided in an ambulatory or hospital setting.
42. “Training” means reasonable cost of eligible expenditures incurred by the Borrower in connection with the carrying out workshops and training preparation and administration under the Project, including, *inter alia*, travel costs, accommodation and *per diem* of trainees, course fees, rental of training facilities and purchase and printing of training materials.
43. “Tuition Fees” means a payment provided to a private early childhood education provider, on behalf of an eligible beneficiary, all as set forth in the Operational Manual.