Loan Agreement

(Additional Financing for Serving People, Improving Health Project)

between

UKRAINE

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between UKRAINE ("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 and thirty-five million Dollars, ($135,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to provide additional financing for Parts 1.2, 2.2, 3 and 4 of 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.

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, provided that the Commitment Charge applicable to the Loan proceeds in the amount of thirty-five million Dollars ($35,000,000) allocated to Part 3 of the Project, for the period beginning on the date of accrual of such 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 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 February 15 and August 15 in each year.

2.07. The principal amount of the Loan shall be repaid in accordance with 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, through MOH, shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.
ARTICLE IV — REMEDIES OF THE BANK

4.01 The Additional Event of Suspension consists of the following, namely, that the Law on Medical Guarantees shall have been amended, suspended, abrogated, repealed, waived or not enforced, in such a manner so as to affect materially and adversely the ability of the Borrower to carry out the Project and/or to achieve its objective.

4.02. The Additional Event of Acceleration consists of the following, namely, that the event specified in Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

5.02. Without limitation to Section 10.02 (b) of the General Conditions, any modification to this Agreement shall be executed by written instrument agreed by the parties hereto. Such amendment shall become effective as set forth in the amending agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Borrower’s Representative is its Minister of Finance.

6.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower’s address is:

Ministry of Finance
12/2 Hrushevsky str, Kyiv, 01008, Ukraine; and

(b) the Borrower’s Electronic Address is:

Facsimile: E-mail:
(380-44) 425-90-26; Infomfi@minfin.gov.ua
6.03. 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: Facsimile: E-mail:
248423(MCI) or 1-202-477-6391 akremen@worldbank.org
64145(MCI)
AGREED as of the Signature Date.

UKRAINE

By

Authorized Representative

Name: Maksym Stepanov
Title: Minister of Health of Ukraine
Date: 15.05.2020

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative

Name: Alexander Kremor
Title: Acting Country Director (Belarus, Moldova, and Armenia, EU and CA)
Date: 15.05.2020
The objectives of the Project are to: (i) improve efficiency and quality of health services, particularly for non-communicable diseases, in line with the health sector reforms; and (ii) to prevent, detect and respond to the threat posed by COVID-19.

The Project consists of the following parts:

**Part 1: Improving Service Delivery at the Local Level**

1.1 Provision of financing ("Oblast Sub-project Financing") to Selected Oblasts to carry out investment sub-projects approved by the Bank and aimed at prevention, early detection and treatment of cardiovascular diseases and cancer and at increasing efficiency of their health care delivery system ("Oblast Sub-projects"), including activities focused on improving primary health care; on fighting cardiovascular diseases at the primary and secondary care levels; on early cancer detection; and on delivery system rationalization.

1.2 Carrying out of upgrades of the service delivery in Selected Facilities in accordance with the Capable Network Plan, through the acquisition of equipment for the emergency departments, surgical departments and stroke units in Selected Facilities.

**Part 2: Supporting Selected Priority Areas of Health Reform**

2.1 (a) Development and implementation of measures to strengthen MOH's internal governance and stewardship over the health system; (b) provision of support for the implementation of the Borrower's health financing reform; (c) strengthening of the Borrower's established strategic purchasing function through the strengthening of NHSU's capacity; and (d) provision of support for the coordination of Oblast level subprojects and initiatives.

2.2 Financing of EEP to: (a) support the Borrower in enhancing efficiency of the health care system focusing on strengthening the capacity of NHSU and emergency medical services and developing a software for Electronic Health; and (b) support the Borrower in the carrying out of policy changes and incentivize a focus on results.

**Part 3: COVID-19 Emergency Response Activities**

3.1 (a) Provision of materials and equipment for the COVID-19 response; and (b) carrying out of essential capacity-building and communications campaigns related to COVID-19 activities.

3.2 Financing of EEPs to support the Borrower in the provision of adequate health services to respond to the COVID-19 outbreak, including interventions for suspected or confirmed COVID-19 cases.
Part 4. Project Implementation Support and Monitoring and Evaluation

Provision of support for Project management, implementation and monitoring and evaluation at the national and Oblast levels, including:

(a) Provision of technical and fiduciary support to MOH and Selected Oblasts (including the carrying out of necessary technical audit of the key Project activities and investments).

(b) Provision of technical assistance to strengthen monitoring and evaluation systems at the national and regional levels through, *inter alia*, the carrying out of audit of medical records on a sample basis, conducting ad hoc household and facility surveys, and organization of learning events.

(c) Provision of technical assistance for the preparation of engineering advice and the carrying out of technical oversight to upgrade Selected Facilities.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Borrower, through MOH:

(a) Shall operate and maintain the following during the implementation of the Project:

(i) the Project Implementation Unit ("PIU") within MOH, responsible for day-to-day supervision of Project implementation and provision of technical support for Project implementation, with staff in number and with responsibilities acceptable to the Bank; and

(ii) the Project Coordination Unit ("PCU"), comprising managers of relevant MOH units or subordinated agencies and headed by the Deputy Minister of MOH and responsible of providing guidance and making strategic decisions concerning implementation of Parts 2 and 3 of the Project.

2. (a) For purposes of implementing Part 1 of the Project, not later than three (3) months after the Effective Date, the Borrower, through MOH, shall enter into an agreement with the Central Procurement Agency (CPA), under terms and conditions acceptable to the Bank (CPA Agreement), including, inter alia, the CPA's obligation to carry out the procurement activities under Part 1 of the Project in accordance with the provisions of this Agreement and the Anti-Corruption Guidelines.

(b) The Borrower, through MOH, shall exercise its rights under the CPA Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the CPA Agreement or any of its provisions.

B. Project Operations Manual

1. The Borrower, through MOH, shall:

(a) for purposes of guiding Project implementation, not later than one (1) month after the Effective Date, develop and adopt a Project Operations Manual, satisfactory to the Bank, ("POM") setting out, inter alia:

(i) policies and procedures relating to Project implementation;

(ii) financial management and procurement arrangements for the Project;

(iii) safeguard obligations consistent with the provisions of Section I.C of this Schedule and the requirements under the Anti-Corruption Guidelines; and
(iv) the criteria and procedures for the selection of the Selected Facilities;

(b) thereafter carry out the Project, and cause the Project to be carried out, in a timely manner and in accordance with the provisions of the Project Operations Manual; and

(c) not amend or waive, or permit to be amended or waived said manual or any provisions thereof, except with the prior written approval of the Bank.

C. Environmental and Social Safeguards

1. The Borrower, through MOH, shall ensure that the Project activities are carried out in accordance with the ESMF, and any site specific ESMPs, including the guidelines, rules and procedures defined in said instruments. To that end, the Borrower, through MOH, shall ensure that the following actions are taken in a manner acceptable to the Bank:

   (a) if an Environmental and Social Management Plan would be required for any Project activity, or investment on the basis of the ESMF: (i) such ESMP shall be prepared in accordance with the requirements of the ESMF, disclosed locally and furnished to the Bank; (ii) adequate and meaningful consultations shall be carried out on said ESMP; and (iii) the activities or investment shall be carried out in accordance with such ESMP; and

   (b) without limitation to the provisions in paragraph 2 below, no works shall be commenced on any site until all measures required to be taken under the ESMP prior to the initiation of said works have been taken in a manner acceptable to the Bank.

2. The Borrower, through MOH, shall ensure that no works under the Project involve the involuntary taking of land resulting in relocation or loss of shelter, loss of assets or access to assets, loss of income sources or means of livelihood, or involving the involuntary restriction of access to legally designated parks and protected areas.

3. The Borrower, through MOH, shall ensure that: (a) all consultancies related to technical assistance, design and capacity building under the Project, the application of whose results could have environmental, social and health and safety implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Bank; and (b) such terms of reference shall require the technical assistance, design and capacity building activities to take into account the requirements of the applicable Bank Safeguards Policies and EHS Guidelines.

Section II. Project Monitoring Reporting and Evaluation

The Borrower, through MOH, shall furnish to the Bank each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.
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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of Loan after reallocation (expressed in US dollars)</th>
<th>Percentage of expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consults’ services and</td>
<td>44,912,500</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs for Part 1.2 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) EEP under Parts 2.2 of the Project</td>
<td>50,000,000</td>
<td>100% of the amount up to withdrawal ceiling set forth in the table in Schedule 4 to this Agreement</td>
</tr>
<tr>
<td>(3) EEP under Part 3.2 of the Project</td>
<td>15,000,000</td>
<td>100% of the amount up to withdrawal ceiling set forth in the table in Schedule 4 to this Agreement</td>
</tr>
<tr>
<td>(4) Goods, works, non-consulting services, consults’ services and</td>
<td>20,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs for Part 3.1 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Goods, works, non-consulting services, consults’ services and</td>
<td>4,750,000</td>
<td>100%</td>
</tr>
<tr>
<td>operating costs for Part 4 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(6) Front-end fee</td>
<td>337,500</td>
<td>Amount payable pursuant to the Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(7) Interest rate cap or interest rate collar premium</td>
<td>0</td>
<td>Amount due pursuant to Section 4.05 (c) of the General Conditions</td>
</tr>
<tr>
<td>Category</td>
<td>Amount of Loan after reallocation (expressed in US dollars)</td>
<td>Percentage of expenditures to be financed (inclusive of Taxes)</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>135,000,000</td>
<td></td>
</tr>
</tbody>
</table>

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for:
   (a) payments made prior to the date of this Agreement; or (b) payments under Categories (1), (2) and (5), until the Borrower has adopted the POM in a manner acceptable to the Bank.

2. Without limitation to the provisions set forth in Section III.A of this Schedule, each withdrawal under Categories (2) and (3) shall be made only after the Borrower, through MOH, has furnished to the Bank: (a) for purposes of disbursing DLI s 1 to 5, evidence acceptable to the Bank in its form and content and following the requirements set forth in the POM, confirming the achievement of the Global DLI; (b) evidence acceptable to the Bank in its form and content, and following the requirements set forth in the POM for purposes of Category (2), confirming the achievement of the respective DLR set forth in Schedule 4 of this Agreement; and (c) supporting documentation acceptable to the Bank confirming that the Eligible Expenditures under the Eligible Expenditure Program in an amount at least equal to the amount to be withdrawn under this Category in respect of each DLR, have been incurred, and that said Eligible Expenditures have not been represented before to the Bank as satisfactory evidence for withdrawals under this Agreement.

3. Notwithstanding the provisions of paragraph 1 of this Section, if DLRs have not been achieved, the Bank may, at any time, by notice to the Borrower, decide, in its sole discretion, to: (a) authorize the withdrawal of the unwithdrawn portion of Loan proceeds then allocated to the unachieved DLR, at a later date (prior to the Closing Date) if and when the Bank shall be satisfied that the pertinent DLR has been fully achieved; or (b) with respect to DLRs 2, 7 and 8, authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Loan then allocated to said DLR, which in the opinion of the Bank, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with a formula set out in the POM; or (c) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR to any other DLR; or (d) cancel all or a portion of the proceeds of the Loan then allocated to said DLR.

4. The Closing Date is March 31, 2024.
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**

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15</td>
<td>4.35 %</td>
</tr>
<tr>
<td>Beginning February 15, 2026 through August 15, 2036</td>
<td></td>
</tr>
<tr>
<td>On February 15, 2037</td>
<td>4.30 %</td>
</tr>
<tr>
<td>Disbursement-Linked Indicators</td>
<td>Disbursement-Linked Results</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td><strong>DLI 1</strong>: Hospitals from the Capable Network contracted by NHSU using case-based payments from a baseline of 0 as of January 1, 2020</td>
<td>DLR 1: 210</td>
</tr>
<tr>
<td><strong>DLI 2</strong>: Hospitals reprofiled or merged from a baseline of 0 as of January 1, 2020</td>
<td>DLR 2: 100</td>
</tr>
</tbody>
</table>
| **DLI 3**: NHSU has monitored contracted providers and reviewed records from Contracted Facilities | DLR 3.1: Algorithms for the detection of anomalies have been developed by NHSU and are acceptable to the Bank.  
DLR 3.2: At least 50 percent of all Contracted Facilities with detected anomalies have mitigation plans approved, if fraud was confirmed by NHSU by December 31, 2021.  
DLR 3.3: At least 90 percent of all Contracted Facilities with detected anomalies have mitigation plans approved, if fraud was confirmed by NHSU by December 31, 2022.  
DLR 3.4: The implementation of the mitigation plans has been monitored, and corrective measures have been implemented by the NHSU and the Contracted Facilities. | (a) $2,000,000  
(b) $2,000,000  
(c) $2,000,000  
(d) $2,000,000 |
<p>| <strong>DLI 4</strong>: Percentage of stroke patients that have received Appropriate Treatment | DLR 4.1: At least 70 percent of all patients with strokes during a period of six (6) consecutive months have been | (a) $2,000,000 |</p>
<table>
<thead>
<tr>
<th>Disbursement-Linked Indicators</th>
<th>Disbursement-Linked Results</th>
<th>Total Financing Allocated to DLRs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>admitted to hospitals contracted by NHSU for the provision of stroke care.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>DLR 4.2: At least 15 percent of all Eligible Patients with confirmed ischemic stroke during a period of twelve consecutive months have undergone intravenous thrombolysis and/or mechanical thrombus removal.</td>
<td>(b) $2,000,000</td>
</tr>
<tr>
<td></td>
<td>DLR 4.3: At least 20 percent of all Eligible Patients with confirmed ischemic stroke during a period of twelve consecutive months have undergone intravenous thrombolysis and/or mechanical thrombus removal.</td>
<td>(c) $2,000,000</td>
</tr>
<tr>
<td>DLI 5: Increased percentage of outpatient-based procedures and day surgeries, from a Validated Baseline, that have been undertaken by health care providers contracted by the NHSU</td>
<td>DLR 5.1: 10%</td>
<td>(a) $3,000,000</td>
</tr>
<tr>
<td></td>
<td>DLR 5.2: 20%</td>
<td>(b) $3,000,000</td>
</tr>
<tr>
<td></td>
<td>DLR 5.3: 30%</td>
<td>(c) $3,000,000</td>
</tr>
<tr>
<td>DLI 6: Health reforms advanced and sustained as evidenced by the following:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) the Borrower has financed the Program of Medical Guarantees in an amount equal to at least the allocation for the Program of Medical Guarantees set forth in the annual state budget from the previous fiscal year, excluding COVID-19 related expenditures;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) starting on January 1, 2021, the number of NHSU staff has not decreased more than the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disbursement-Linked Indicators</td>
<td>Disbursement-Linked Results</td>
<td>Total Financing Allocated to DLRs</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>average reduction of public service staff, as reflected in the Borrower’s annual state budget;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(c) the NHSU has signed contracts for the provision of stroke and cardiac care with hospitals included in the Capable Network Plan that met the requirements for the provision of such care set forth in specifications for these types of care defined by the NHSU; and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(d) the Borrower has financed the reconstruction of emergency departments only in the hospitals included in the Capable Network Plan.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DLI 7: Number of hospital COVID-19 cases treated following agreed protocols and reimbursed by NHSU</td>
<td>DLR 7: 10,000</td>
<td>10,000,000</td>
</tr>
<tr>
<td>DLI 8: Number of COVID-19 patients with complications attended by emergency medicine services following agreed protocols and reimbursed by NHSU</td>
<td>DLR 8: 12,500</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$65,000,000</td>
</tr>
</tbody>
</table>
APPENDIX

Definitions

1. “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.

2. “Appropriate Treatment” means the following treatment received by patients with acute stroke: (a) admission to stroke-prequalified hospitals contracted by NHSU; and (b) administration of thrombolytic therapy or mechanical removal of thrombus in the first four hours after admission for ischemic strokes confirmed by medical imaging.


4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

5. “Capable Network” means selected health facilities with the functional capacity to provide quality, integrated, continuous and patient-centered health services in the respective territory as defined in the Cabinet of Minister’s Resolution No. 1074, dated November 27, 2019, “On aspects of creating hospital districts”.

6. “Capable Network Plan” means a list of hospitals included in the Capable Network that will provide intensive general-profile acute care.

7. “Contracted Facilities” means hospitals and providers of specialized outpatient care that have valid contracts with the NHSU.

8. “CPA” means the Borrower’s state-owned enterprise Medical Procurement of Ukraine, registered by the MoH Ukraine in the National State Registry of Ukrainian Enterprises and Organizations under No. 42574629, and any successor thereto acceptable to the Bank.

9. “CPA Agreement” means the agreement referred to in Section I.A.2(b) of Schedule 2 to this Agreement.

11. "DLI" or "Disbursement-Linked Indicator" means any of the indicators set forth in the table in Schedule 4 to this Agreement, under the column entitled "Disbursement-Linked Indicators".

12. "DLR" or "Disbursement-Linked Result" means any of the results set forth in the table in Schedule 4 to this Agreement under the column entitled "Disbursement-Linked Results"; on the basis of the achievement of which, the amount of the Loan allocated to said result may be withdrawn in accordance with the provisions of Sections III.A of Schedule 2 to this Agreement.

13. "EEP" or "Eligible Expenditures Programs" means a portion of the Borrower's budgetary allocation under budget program No. 2308060, or their successors thereto acceptable to the Bank.


15. "Electronic Health" means an information and telecommunication system that provides automation of medical records and management of medical information.

16. "Eligible Patients" means the patients with ischemic stroke which meet the eligibility criteria set forth in the POM.

17. "Environmental and Social Management Framework" or "ESMF" means the environmental and social management framework prepared by the Borrower, through MOH, for the Project dated February 10, 2020, acceptable to the Bank and disclosed in the Bank's external website, being the framework setting forth the modalities for site-specific environmental and social screening and procedures/actions for the preparation and implementation of environmental and social assessments and ESMPs under the Project, setting forth the set of mitigation, monitoring, and institutional measures and procedures required under the Project, in order to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, as well as actions needed to implement said measures, as the same may be amended from time to time with the agreement of the Bank.

18. "Environmental and Social Management Plan" or "ESMP" means any site-specific environmental and social management plan or ESMP checklist set out in Annex 4 to the ESMF, prepared in accordance with the ESMF and the provisions of paragraph 1 of Section I.C of Schedule 2 to this Agreement and acceptable to the Bank, and setting out details of the specific actions, measures and policies designed to facilitate the achievement of the objective of the ESMF, the mitigating, monitoring and institutional measures to be taken during the implementation and operation of Project activities and the Oblast Sub-projects to offset or reduce adverse environmental and social impacts to levels acceptable to the Bank, including the budget and cost estimates, and sources of funding, along with the institutional and procedural measures needed to implement such actions, measures and policies.

20. “Global DLI” means the Disbursement-linked Indicator No. 6 set out in the table in Schedule 4 to this Agreement.


22. “MOH” means the Borrower’s Ministry of Health or any successor thereto.

23. “NHSU” or “National Health Service of Ukraine” means the Borrower’s central executive body coordinated by the Cabinet of Ministers of Ukraine through the Minister of Health, which implements the state policy in the sphere of public financial guarantees for health care provision, or any successor thereto acceptable to the Bank.

24. “Oblast” means a territorial administrative unit of the Borrower.

25. “Oblast Sub-project” means any investment sub-project described in Part 1.1 of the Project, approved by the Bank to be carried out by Selected Oblasts and set out more specifically in the Project Operations Manual.

26. “Oblast Sub-project Financing” means proceeds allocated under Category (1) of the Original Loan Agreement, to be made available to the respective Selected Oblast for purposes for implementing its Oblast Sub-project.

27. “Operating Costs” means the reasonable and necessary incremental expenditures of the PIU related to the management and implementation of the Project, all based on periodic budgets acceptable to the Bank, including on account of vehicle rental; miscellaneous utilities; stationary and office supplies and equipment; operation, maintenance and spare parts of equipment; consumables; transportation; local travel; communication and advertisement costs but excluding salaries of officials and employees of the Borrower’s civil services.


29. “PCU” means the Project Coordination Unit established pursuant to the MOH Order No. 901 “On organization of implementation of health system reform project in Ukraine at the expense of the World Bank grant and investment loan” dated October 22, 2013, referred to in paragraph 1(a)(ii) of Section I.A of Schedule 2 to this Agreement, or any successor thereto acceptable to the Bank.
30. "PIU" means the Project implementation unit established within MOH and referred to in paragraph 1(a)(ii) of Section I.A of Schedule 2 to this Agreement, or any successor thereto acceptable to the Bank.

31. "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.

32. "Project Operations Manual" or "POM" means the operations manual referred to in Section I.B.1(a) of Schedule 2 to this agreement, as said manual may be amended from time to time with the agreement of the Bank.

33. "Program of Medical Guarantees" means the Borrower’s program defined in the Law of Medical Guarantees which determines the list and the volume of medical services, medical devices and medicines required for prevention, diagnosis, treatment and rehabilitation of diseases, trauma, poisoning and pathological conditions, as well for pregnancy and childbirth.

34. "Selected Facilities" means hospitals and their outpatient and day care units contracted by the NHSU to provide intensive acute care.

35. "Selected Oblasts" means, collectively: (i) the Oblast state administration of Vinnytsia Oblast, Volyn Oblast, Rivne Oblast, Poltava Oblast, Dnipropetrovsk Oblast, Lviv Oblast, Zakarpattya Oblast, and Zaporizhzhia Oblast; (ii) Vinnytsia City Council; and (iii) the Oblast state administration of any other Oblast selected by the Borrower, through the MOH, with the agreement of the Bank to participate in the implementation of Part 1.1 of the Project financed under the Original Loan Agreement; and "Selected Oblast" means any of the Selected Oblasts.

36. "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.

37. "Validated Baseline" means the baseline for DLI 5 which has been validated by NHSU and set forth in the POM.