Co-Financing Grant Agreement

(Health Systems Strengthening Project)

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
AND
INTERNATIONAL DEVELOPMENT ASSOCIATION
(both acting as administrator of the Multi-donor Trust Fund for Health Results Innovation)

Dated 3 July, 2013
MDTF-HRI GRANT NUMBER TF013274-LR

CO-FINANCING GRANT AGREEMENT

AGREEMENT dated July 3, 2013, entered into between REPUBLIC OF LIBERIA ("Recipient"); and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as administrator of the Multi-donor Trust Fund for Health Results Innovation ("Trust Fund").

WHEREAS (A) the Recipient, having satisfied itself as to the feasibility and priority of the Project described in Schedule 1 to this Agreement ("Project"), has requested the World Bank to extend a grant from the Trust Fund to assist in the financing of the Project.

(B) the Recipient has also requested the International Development Association ("Association") to provide additional assistance towards the financing of the Project, and the Association has agreed to make available a credit to the Recipient in the amount of six million seven hundred thousand Special Drawing Rights (SDR 6,700,000) to assist in the financing of the Project, pursuant to an agreement of even date herewith between the Recipient and the Association ("Financing Agreement").

WHEREAS the World Bank has agreed, on the basis, inter alia, of the foregoing, to extend a grant from the Trust Fund to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE, the Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions


1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall
carry out the Project through the Ministry of Health and Social Welfare in accordance with the provisions of Article II of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to five million United States Dollars (US$5,000,000) ("Grant") to assist in financing the Project.

3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section V of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Effectiveness; Termination

4.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied:

(a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

(b) The Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

4.02. As part of the evidence to be furnished pursuant to Section 4.01(a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a
certificate satisfactory to the World Bank of a competent official of the Recipient, showing, on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

4.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 4.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

4.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article V
Recipient’s Representative; Addresses

5.01. The Recipient’s Representative is Minister responsible for finance.

5.02. The Recipient’s Address is:

Minister of Finance
Ministry of Finance
P.O. Box 10-9013
Broad Street
Monrovia, Liberia

Email: akonneh@mopea.gov.lr.
5.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable: INDEVAS
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
AGREED at Ministry of Finance, July 3, 2013, as of the day and year first above written.

REPUBLIC OF LIBERIA

By

[Signature]

Authorized Representative

Name: __________________________

Title: __________________________

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT AND
INTERNATIONAL DEVELOPMENT ASSOCIATION
(both acting as administrator of the Multi-donor Trust Fund for
Health Results Innovation)

By

[Signature]

Authorized Representative

Name: __________________________

Title: __________________________
SCHEDULE 1

Project Description

The objective of the Project is to improve the quality of maternal health, child health, and infectious disease services in selected secondary-level health facilities.

The Project consists of the following parts:

Part 1: Strengthening the Institutional Capacity to Improve the Quality of Selected Health Interventions at PBF Health Facilities

A. Performance-based Financing (PBF)

Provision of PBF Grants to PBF Health Facilities to carry out PBF Subprojects at selected secondary-level facilities in Targeted Counties, with focus on maternal and child health, infectious disease and general surgery.

B. Management and Capacity Building

Provision of technical assistance to carry out activities aimed at building institutional capacity necessary to successfully manage the Project activities, including:

(a) capacity building of key stakeholders, as needed, in areas such as quality improvement, business plan development and implementation, reporting and results-monitoring and hospital management;

(b) development of quality and quantity verifications systems;

(c) technical assistance and Operating Costs support to HSSP Coordination Office for the procurement, financial management and supervision of the Project; and

(d) carrying out knowledge sharing and dissemination workshops for the management of PBF Health Facilities on results achieved, implementation challenges and possible solutions.

Part 2: Improving Health Worker Competencies to Address Key Health-related Concerns at Selected Health Facilities

A. Graduate Medical Residency Program (GRMP)

Carrying out activities aimed at designing and implementing a progressive and nationally accredited graduate residency program for residents selected from the existing pool of medical school graduates based on standardized criteria in the
areas of obstetrics, general surgery, pediatrics and internal medicine. Such activities include:

(a) recruitment of specialized teaching faculty in the areas of pediatrics, obstetrics, internal medicine and general surgery; and

(b) provision of training and accommodation to residents at targeted semi-urban and semi-rural health facilities.

B. In-service Training Programs to Mid-Level Health Cadres

Provision of specialized training in obstetrics, pediatrics, general surgery and internal medicine to mid-level health cadres, such as, midwives, nurses and physician assistants in PBF Health Facilities and their satellite health centers.

Part 3: Project Management

Provision of operational support to assist the MoHSW in carrying out the overall coordination, management and audit of the Project.
SCHEDULE 2

Project Execution

Section I. Institutional Arrangements

A. Project Technical Committee

1. The Recipient shall establish, not later than one month after the Effective Date of this Agreement and thereafter maintain, throughout the implementation of the Project, a Project Technical Committee with functions, composition and resources satisfactory to the Association, to be responsible for, inter alia, overseeing the implementation of the Project.

2. Without limitation to the provisions of paragraph 1 of this Part A, the Project Technical Committee shall: (a) meet quarterly; and (b) be chaired by the deputy minister of the Recipient’s Department of Health Services.

B. Health Systems Strengthening Project (HSSP) Coordination Office

1. The Recipient shall maintain, throughout the implementation of the Project, a Health Systems Strengthening Project (HSSP) Coordination Office for the Project with staffing, functions, and resources satisfactory to the Association.

2. Without limitation to the provisions of paragraph 1 of this Part B, the HSSP Coordination Office shall be responsible for overseeing the overall Project coordination, management, financial management and procurement under the Project.

C. PBF Unit

1. The Recipient shall maintain, throughout the implementation of the Project, a PBF Unit, with staffing, functions and resources satisfactory to the Association.

2. Without limitation to the provisions of paragraph 1 of this Part C, the PBF Unit shall be the technical focal point of the project, and shall be responsible for, inter alia: (i) developing and revising PBF process and tools; (ii) reviewing monitoring activities; (iii) verifying payment invoices from PBF Health Facilities; and (iv) organizing dissemination seminars for target facilities.

[Signatures]
Section II. Implementation Arrangements

A. Project Implementation Manual

1. The Recipient shall adopt a Project Implementation Manual in form and substance satisfactory to the World Bank, containing, *inter alia*, detailed administrative, organizational, procurement, financial management, safeguards, monitoring and evaluation procedures as shall be required for the Project.

2. Without limitation upon the foregoing, said manual shall include, *inter alia*, a detailed elaboration of:

   (i) criteria for identification and costing of the PBF Subprojects;

   (ii) criteria for PBF Health Facilities to be eligible to receive PBF Grants for purposes of carrying out PBF Subprojects and the procedures for selection of such facilities, the terms and conditions of their receiving such PBF Grants;

   (iii) performance indicators for payments of PBF Grants;

   (iv) measures to ensure proper implementation of PBF Subprojects;

   (v) the procedures for approval and payment of PBF Grants to PBF health facilities;

   (vi) the process and procedures to verify and counter-verify the performance indicators which will determine the PBF Grant that PBF facilities receive; and

   (vii) the procedures and criteria for development and delivery of training under the Project.

3. The Recipient shall:

   (a) ensure that the Project is carried out in accordance with the PIM, as the same may be updated from time to time with the prior written agreement of the World Bank; and

   (b) without limitation to the provisions of paragraph (a) immediately above, not otherwise revise or waive any provision of the PIM without the prior written agreement of the World Bank.

4. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.
B. **PBF Subprojects**

1. **Eligibility.** To facilitate the carrying out of the PBF Subprojects under Part 1.A of the Project, the Recipient shall make PBF Grants to PBF Health Facilities, in accordance with eligibility criteria and procedures set in the PIM, which shall include, *inter alia*:

   (a) no proposed PBF Subproject shall be selected for the Project unless the Recipient has determined on the basis of an appraisal carried out in accordance with guidelines as elaborated in the PIM, that the proposed PBF Subproject: (A) is technically feasible and economically and financially viable; and (B) complies with the Safeguard Documents; and

   (b) no proposed PBF Health Facility shall be eligible to receive a PBF Grant unless: (A) it is a public or a private health service provider of PBF Subprojects located in a Targeted County, with the organization, management, technical capacity and financial resources necessary to carry out the proposed PBF Subproject; and (B) has prepared a satisfactory business plan, financing plan and budget for achievement of the proposed PBF Subproject.

2. **PBF Grant Agreements.** The Recipient shall make a PBF Grant under a PBF Grant Agreement with the respective PBF Health Facility on terms and conditions approved by the World Bank, which shall include the following:

   (a) the performance indicators (on quality and quantity of services) to be delivered by the PBF Health Facility;

   (b) the arrangements for verification of the performance indicators delivered by the PBF Health Facilities;

   (c) the maximum amounts payable against the performance indicators specified in the PBF Grant Agreement, the periodicity of payments, the conditions for payments and the methodology for determining the amount of payments during each payment period;

   (d) The PBF Grant shall be made on a non-reimbursable grant basis; and

   (e) The Recipient shall obtain rights adequate to protect its interests and those of the World Bank, including the right to:

      (i) suspend or terminate the right of the PBF Health Facility to use the proceeds of the PBF Grant, or obtain a refund of all or any part of the amount of the PBF Grant then withdrawn, upon the PBF Health Facility’s failure to perform any of its obligations under the PBF Grant Agreement; and
(ii) require each PBF Health Facility to:

(A) carry out its PBF Subproject with due diligence and efficiency and in accordance with sound public health, environmental and social and administrative standards and practices acceptable to the World Bank, including in accordance with the PIM, the Safeguard Documents and the Anti-Corruption Guidelines;

(B) provide promptly, as needed, the resources required for the purpose;

(C) procure the goods and services required for the PBF Subproject and to be financed out of the proceeds of the PBF Grant in accordance with the provisions of Section III of this Schedule;

(D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the PBF Subproject and the achievement of its objectives;

(E) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect its operations, resources and expenditures, including those related to the PBF Subproject; and (2) at the World Bank’s and the Recipient’s request, have such financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the World Bank and the Recipient;

(F) enable the World Bank and/or the Recipient to inspect its facilities, operations and any records and documents relevant to the PBF Grant; and prepare and furnish to the World Bank and the Recipient all such information as either shall reasonably request relating to the PBF Subproject;

(G) permit the World Bank to make the PBF Grant Agreement and all financial statements audited pursuant to sub-paragraph (E)(2) immediately above available to
the public in accordance with the World Bank’s policies on access to information;

(H) prepare and furnish to the Recipient and the World Bank all such further information as the Recipient or the World Bank shall reasonably request relating to the foregoing; and

(I) not assign, amend, abrogate or waive any provision of the PBF Grant Agreement.

C. **PBF Verification**

1. **Ex-ante Verification.** Prior to each quarterly payment to a PBF Health Facility under a PBF Grant, the Recipient shall ensure, in accordance with terms of reference and in a manner acceptable to the World Bank and elaborated in the PIM, that LMDC shall verify the quality and quantity of the PBF Subprojects delivered by the respective PBF Health Facility during the quarter for which such payment is requested.

2. **Ex-post Verification.** The Recipient shall: (i) in each Targeted County engage a community based organization (CBO) in accordance with terms of reference and in a manner acceptable to the World Bank and elaborated in the PIM to conduct semi-annual ex-post verifications of the delivery of PBF Subprojects by each PBF Health Facility, including through random visits to - and interviews with - customers of such services; and (ii) organize the independent semi-annual counter verification in all PBF Health Facilities with external universities/organizations, or other qualified organization as deemed satisfactory to the World Bank.

D. **Anti-Corruption**

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

E. **Annual Work Programs**

1. Each calendar year, the Recipient shall prepare a program of activities (including Training and Operating Costs) proposed for inclusion in the Project during the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of such activities; and (b) a proposed budget and financing plan for such activities. The Recipient shall furnish such program of activities to the World Bank no later than June 15 of each year, for its review and approval by the World Bank.
2. The Recipient shall exchange views with the World Bank on each such proposed annual work program, and shall thereafter carry out such program of activities during such following year as shall have been approved by the World Bank ("Annual Work Program").

3. Only those activities which are included in an Annual Work Program shall be included in the Project and eligible for financing out of the proceeds of the Grant.

4. The Recipient shall ensure that in preparing any training or workshops proposed for inclusion in the Project under an Annual Work Program it shall include in the proposed Annual Work Program: (a) the objective and content of the training or workshop envisaged; (b) the selection method of the institutions or individuals conducting such training or workshop, and said institutions if already known; (c) the expected duration and an estimate of the cost of said training or workshops; and (d) the selection method of the personnel who will attend the training or the workshop, and said personnel if already known.

5. Annual Work Programs may be revised as needed during Project implementation subject to the World Bank’s prior approval.

F. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the guidelines, procedures, timetables and other specifications set forth in the Safeguard Documents.

2. Except as the World Bank shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the World Bank, the Recipient shall not abrogate, amend, repeal, suspend or waive any provisions of any of the Safeguard Documents.

3. Without limitation upon the other reporting obligations under this Agreement, the Recipient shall regularly collect and compile on a semi-annual basis, and submit to the World Bank as part of the Project Report, reports on the status of compliance with the Safeguard Documents, giving details of: (a) measures taken in furtherance of the Safeguard Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Documents; and (c) remedial measures taken or required to be taken to address such conditions.

4. In the event that any provision of the Safeguard Documents shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.
Section III.  Project Monitoring, Reporting and Evaluation

A.  Project Reports; Completion Report

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank and set in the Project Implementation Manual. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank by June 1 and December 1 of each calendar year.

2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

B.  Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

Section IV.  Procurement

A.  General

1. Consultant Guidelines. All goods, works non-consulting-services and consultants' services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

(a) Section I of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”) in the case of goods, works and non-consulting services, and Sections I
and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

(b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

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

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

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

(a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures;

(b) bidders shall be given at least one (1) month to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later;

(c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and

(d) in accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the credit shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the World Bank, at its request, to inspect
their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the World Bank; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

C. Particular Methods of Procurement of Consultants’ Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

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

D. Review by the World Bank of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

Section V. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, works, non-consulting services, consultants' services, Training, Operating Costs and PBF Grants under Part 1 of the Project</td>
<td>5,000,000</td>
<td>50%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>5,000,000</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 payments made prior to the date of this Agreement.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is May 30, 2018.
APPENDIX


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


4. “Environmental and Social Management Framework” and “ESMF” mean the Recipient’s document for the management of the Project’s environmental and social impacts, dated February 23, 2013, as such Framework may be amended from time to time by the Recipient, with prior written approval of the World Bank.

5. “Environmental Management Plan” means the Recipient’s document prepared and disclosed in accordance with the Environmental and Social Management Framework that details: (i) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental impacts, or to reduce them to acceptable levels, and (ii) the actions needed to implement these measures; as such Plan may be amended from time to time by the Recipient, with prior written approval of the World Bank.

6. “Financing Agreement” means the agreement between the Recipient and the World Bank, dated the same date as this Agreement, providing for the Financing, as such financing agreement may be amended from time to time.

7. “GMRP” or “Graduate Medical Residency Program” means the Recipient’s residency program which aims to provide graduate medical training to physicians so that they can become certified in specialties including pediatrics, general surgery, internal medicine and obstetrics.

8. “Health Care Waste Management Plan” means the Recipient’s plan for the management of medical waste under the Project, dated November 2012, defining the set of mitigation, enhancement, monitoring and institutional measures to be taken during implementation of the Project to eliminate any adverse environmental impacts of medical waste, offset them, reduce them to acceptable levels, as such plan may be amended by the Recipient from time to time, with the prior written approval of the World Bank.
9. “HSSP Coordination Office” or “Health Systems Strengthening Project Coordination Office” means the Project implementation unit to be established by the Recipient within the MOHSW’s Project Management Unit (PMU) and to be maintained in accordance with the provisions of Section I.B.1 of Schedule 2 to this Agreement.

10. “LMDC” or “Liberia Medical and Dental Council” means the body created pursuant to Chapter 61 of the Liberian Code of Laws signed on March 25, 2010, whose function under the Project is to carry out verification of PBF Subproject, as further elaborated in the Project Implementation Manual.

11. “MOHSW” or “Ministry of Health and Social Welfare” means the Recipient ministry responsible for health and social welfare, or any successor thereto.

12. “Operating Costs” means the reasonable costs directly related to the Project for the incremental expenses incurred by MOHSW at central and local levels on account of Project implementation, consisting of: vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office (and office equipment) maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation of the Project, and salaries of contractual staff for the Project (but excluding regular salaries of officials of the Recipient’s civil service).

13. “PBF Grant Agreement” means an agreement to be concluded between the Recipient and a PBF Health Facility in accordance with the provisions of Section II B. 2. Of Schedule 2 to this Agreement.

14. “PBF Grant” means a grant made or proposed to be made to a PBF Health Facility out of, inter alia, the proceeds of the Grant to assist in financing the carrying out of PBF Subprojects.

15. “PBF Health Facility” means a secondary hospital within the jurisdiction of the Targeted Counties, selected to receive a PBF Grant under Part 1.A of the Project, in accordance with the eligibility criteria set out in the Project Implementation Manual.

16. “PBF Subproject” means a package of health services to be delivered by a PBF Health Facility as defined in the Project Implementation Manual with focus on maternal and child health services, infectious disease delivered through, inter alia, visits, consultations, tests, treatments, general surgeries, vaccinations and deliveries.
17. "PBF Unit" means the unit established by the Recipient within the Department of Health Services on June 2011 and to be maintained in accordance with the provisions of Section I.C.1 of Schedule 2 to this Agreement.

18. "PBF" or "Performance Based Financing" means a financing mechanism under which a health care provider is paid a PBF Grant for delivering a PBF Subproject that meets performance indicators set out in a PBF Grant Agreement.


20. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated February 2013 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

21. "Project Implementation Manual" or "PIM" means the manual for the implementation of the Project dated April 15, 2013, adopted by the Recipient in accordance with the provision of Section II. A. of Schedule 2 to this Agreement, as such manual may be amended from time to time with prior approval of the World Bank.

22. "Project Technical Committee" means the committee referred to in the provisions of Section I.A of Schedule 2 to this Agreement.


25. "Targeted County" means one of the Recipient’s following Counties: Montserrado, Margibi, Bong, Lofa, Nimba, Maryland (or such other counties as may be mutually agreed between the Association and the Recipient); and "Targeted Counties" means, collectively, all said counties.

26. "Training" means the reasonable costs for the training and workshops included in the Project including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation (but excluding goods and consulting services).