

PARLIAMENTARY MEMORANDUM

BY

**HON. SETH E. TERKPER
MINISTER OF FINANCE**

AND

**HON. DR. KWAKU AGYEMANG-MENSAH
MINISTER OF HEALTH**

ON THE

**FINANCING AGREEMENTS BETWEEN THE
GOVERNMENT OF GHANA AND THE
INTERNATIONAL DEVELOPMENT ASSOCIATION
ON THE PROPOSED**

**MATERNAL AND CHILD HEALTH &
NUTRITION IMPROVEMENT PROJECT**

DATED **Nov. 26,** 2014

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1.0 EXECUTIVE SUMMARY

1.1 PARLIAMENT DECISION REQUESTED:

1. Honourable members of the Parliament of the Republic of Ghana are respectfully requested to consider and approve a **US\$68.0 million** Credit from the International Development Association (IDA) and a Grant of **US\$5.0 million** from Multi-Donor Health Results Innovation Trust Fund (HRITF) Grant to finance the proposed **Ghana Maternal and Child Health & Nutrition Improvement Project (MCHNP)**.

2.0 BACKGROUND INFORMATION

2. In February 2007 the World Bank supported the Republic of Ghana with an amount of US\$25.0 Million to finance the **Nutrition and Malaria Control for Child Survival Project (NMCCSP)**. The objective of the project was to improve utilization of selected community –based health and nutrition services for children under the age of two and pregnant women in selected districts. The interventions were to address the prevalence of stunting (22%), under nutrition and underweight (18%) among children under the age of five and the regional disparities in **access to maternal and child health services** between households in the rural areas in the three Northern region and those in the south. (Source: Project Completion report).

3. The project built on efforts initiated by the Ghana Health Service (GHS) to establish a national Community-based Health Planning and Services program to reduce barriers to health care. With focus on deprived and remote areas, the program strengthened primary health care system by introducing a *mobile community-based, nurse driven care model* which brings services closer to beneficiaries and uses practitioners who are familiar with the socio-cultural background of the beneficiary districts. The program adopted the following strategies (i) a *bottom up planning process* which fosters a dialogue between community representatives and service providers; (ii) *greater involvement of traditional community leaders* who are well respected and can effectively transmit messages about health seeking behavior; (iii) *structured training and mentorship program*, whereby District Health Management Teams (DHMT) ensure that community health workers have the requisite skills to deliver a set of high impact interventions (e.g. immunization, assisted deliveries, postnatal care, family planning); and (iv) *reliance on personnel who are knowledgeable with the local setting* as they come from the local community and are able to communicate effectively on sensitive matters. The Community Health Officers (CHO) provided home-based services, and cover catchment areas of up to 5,000 individuals. They

were supported by volunteers who mobilized communities, to carry out growth promotion, counseling and maintained registers.

4. Thus the *Nutrition and Malaria Control for Child Survival Project* which closed in 2013 assisted the Government to strengthen and roll out the Community-based Health Planning and Services (CHPS) program across 77 districts in 5 (including the regional capitals) of the country's 10 regions. The program reached roughly 310,000 children with a full range of services and information on infant and young child feeding practices, breastfeeding, vitamin A supplementation, complementary feeding, and use of Oral Rehydration Salt for management of diarrhea. The project also reached over 65,000 pregnant women with a comprehensive package of pregnancy related interventions. The project, therefore, contributed to increase in access and utilization of community-based health and nutrition services in the targeted regions and communities. This resulted in a significant reduction in the number of malnourished children through early detection of cases during the monthly growth monitoring sessions, and counseling of mothers and care-givers on appropriate health and nutrition practice to prevent malnutrition among children. Other services such as immunization, vitamin A supplementation, home visiting by volunteers contributed significantly to enhance health outcomes in the target groups. It also contributed to expanding coverage of bed nets through the procurement of roughly 1.4 million Long Lasting Insecticide Treated Nets.

5. With this and other health interventions, ***Ghana has made steady progress in improving health outcomes over the past two decades.*** The total fertility rate (TFR) declined significantly from 6.4 children per woman in 1988 to 4.1 children per woman in 2011 with the country reaching one of the lower fertility rates in Sub-Saharan Africa. Ghana has also experienced a marked decline in childhood mortality, reaching a rate of roughly 78.0 deaths per 1,000 live births in 2011.

6. In spite of this progress, there are large disparities between women in urban areas (3.1 births) and those in rural zones (4.9 births) with the Northern region having the highest TFR (6.8 births). Over two-thirds of child deaths occur in the first year of life with Ghana's infant mortality rate of 50 deaths per 1,000 live births (2008). Neonatal deaths account for 60 percent of deaths during the first year of life. Though the Maternal Mortality Ratio (MMR) dropped steeply from a high of roughly 600 per 100,000 live births in 1990 to about 350 by 2010, it still remains high, particularly in relation to countries at similar socio-economic levels.

7. The proposed Ghana Maternal and Child Health & Nutrition Improvement Project of US\$78.0 million builds on efforts initiated under the earlier project by the Ghana Health Service (GHS) to establish a national Community-based Health

Planning and Services program to reduce barriers to health care and will prioritize selected interventions directly linked to reduction of maternal and child under-nutrition, morbidity and mortality to achieve the expected improvement in health and nutrition outcomes.

8. The proposed project will therefore *address key disparities* in access to high-impact maternal, neonatal and child health services with *focus on remote and underserved areas*. It will support identification of pregnant women, registering both with the health system and the NHIS and screening them for eligibility to benefit from the conditional cash transfer program – the LEAP. It is anticipated that the project will benefit about 1.6 million women of reproductive age including pregnant women and about 5.6 million children under the age of 2 years cumulatively over 5 years.

9. Based on the President's recent State of the Nation Address where the President highlighted his preference for the construction of CHPS compounds and the fact that CHPS is one of the most cost effective primary Health care measure which will address the existing *disparities* in access to basic health care services in the country, it was agreed during negotiation to restructure the project after its effectiveness to make provision for the construction of CHPS compounds to the tune of US\$30 million.

10. This project seeks to support the Government of Ghana agenda of accelerating progress on maternal and child health within the MDG Acceleration Framework (MAF) and ensure harmonization of efforts to maximize impact to:

- i. improve utilization of community-based health and nutrition services by women of reproductive age, especially pregnant women, and children under the age of two years through
- ii. *Increase availability of high impact health and nutrition interventions, and*
- iii. *Address access barriers* using existing community-based health service delivery strategies and communications channels to inform, sensitize and motivate care-givers, community leaders and other key audiences.

3.0 JUSTIFICATION FOR GOVERNMENT ACTION

10. Ghana has made steady progress in improving health outcomes over the past two decades. However, the recent Demographic and Health trends highlight the following:

- i. *Ghana is unlikely to meet child nutrition targets as the population of children under five who were underweight stood at 14 percent, in comparison to the 2015 target of 11 percent.*

- ii. *The country may not meet the 2015 child mortality target (53 per 1000 live births) even though there has been some progress but is at a slower pace than needed.*
- iii. *Ghana is considerably off track to attain the maternal mortality MDG of 160 per 100,000 live births.*

4.0 INTER-MINISTERIAL/ STAKEHOLDERS CONSULTATIONS

- 11. The Project was developed through an interactive consultative process involving the Government and Development Partners.
- 12. All stakeholder agencies including Development Partners have been involved in the inception, preparation through to negotiation of the proposed project and documented in the relevant Aide Memoires. The ministries and agencies that were consulted include the Ministries of Finance, Justice and Attorney General's Department, Ministry of Health, Ghana Health Service and its various divisions and directorates, Ministry of Education Ministry of Food and Agriculture, Local Government Service and Department of Community Development, District Health Management Team, Community Health Officers, Regional Coordinating Councils, etc.

5.0 THE PROJECT (DESCRIPTION)

- 14. The Ghana Maternal and Child Health & Nutrition Improvement Project is financed by an **IDA Credit** and **Multi-Donor Health Results Innovation Trust Fund Grant** of **US\$68.0 million** and **US\$5.0 million**, respectively.
- 15. **The Project Development Objective** is to improve utilization of community-based health and nutrition services by women of reproductive age, especially pregnant women, and children under the age of 2 years.
- 16. **The project implementation period** will span between September, 2014 to June 30, 2020.
- 17. **Project Coverage and Beneficiaries:** While the previous project was implemented in 5 regions, this operation will now cover all 10 regions of the country, in order to reach a maximum number of beneficiaries. In the Northern, Volta, Upper East and Upper West regions, the project will be implemented in all communities to address the inequity gap to increase utilization while within each of the remaining 6 regions, the project will cover at least 50 percent of communities, targeting the poor and deprived areas based on the level of their health

outcomes. Within the participating communities the project will specifically benefit: (i) *women of reproductive age with specific focus on pregnant women*; and (ii) *children under the age of 2 years* for improving child survival, growth and cognitive development. In addition to these two main beneficiary groups, others within the community, especially children under 5 years, will also benefit from community-wide initiatives for improved health and nutrition and public health interventions such as salt iodization, growth monitoring, and encouraging enrollment of pregnant women in the NHIS.

18. Project Components: The Project consists of the following two (2) parts:

Component 1: Community-based Maternal and Child Health and Nutrition Interventions (US\$63 million: IDA US\$58 million, HRITF \$5 million) - This component of the project is in two parts. Part one of the components will finance the carrying up of subprojects at the district level to ***Strengthen Service Delivery (IDA US\$53 million)*** under community-based health planning and services deliver platform through:

- i. Community based interventions to promote registration of pregnant women into the National Health Insurance Scheme; (ii) complete antenatal care and delivery package; (iii) counseling women of reproductive age, follow up home visits; (iv) outreach activities to encourage improved management of childhood illness at household level; and (v) mobilization of community members for growth monitoring, immunization of children, and nutrition education.
- ii. Building the capacity of relevant central, regional and district authorities to plan, administer, and supervise the community-based health and nutrition interventions, including, training of trainers, developing and implementing effective program of communication strategies for behavior change, design and conduct community level training, and mentorship activities for community health and nutrition providers, support district-to-district and community-to-community knowledge sharing and learning exchanges, and provision of training to community health officers and volunteers on the national medical waste management policy.

Part 2 of component one will also support a pilot ***Community Performance Based Financing (CPBF) Services Grants (US\$5.0 million IDA and US\$5.0 million HRITF)*** at the district and primary care level in 8 districts; two from each of the four most vulnerable regions on maternal health indicators in the country. Selected Community Based Health Teams will be provided with quarterly quantity- and quality-adjusted output-based Services Grants through the District Health Management Teams to carrying out specific activities to deliver packages of maternal health services with a focus on improving health behaviors, use of health

services, maternal and child care, including preventive services for pregnant women, delivery and post-natal care

Component 2 Institutional Strengthening, Capacity Building, Supervision, Monitoring and Evaluation, and Project Management (IDA US\$8 million) - The component will support:

- i. Strengthening the institutional capacity for intersectoral coordination, ownership and accountability for health and nutrition, through the (a) development of mechanisms for intersectoral coordination capacity; (b) development and implementation of strategies that mainstream nutrition into the multisectoral development agendas at all levels; (c) harmonizing implementation of health sector policies, protocols and procedures using community-based service delivery strategy; (d) harmonizing implementation of policies, protocols and procedures of other sectors at the community level; and (e) development of guidelines and tools for service quality improvements.
- ii. Strengthening the institutional capacity of the MoH, the GHS and relevant institutions at the Regional and District levels for management, implementation, supervision and monitoring and evaluation, coordination and communication of Project activities, including: (a) use of community-based monitoring tools; and (b) carrying out independent verification of the results achieved under Component 1 part 2 of the Project.

19. **The unallocated cost of the project is estimated to be US\$2 million.** These funds will be drawn into any component upon justified need, as a means to secure additional flexibility to project activities.

6.0 CONTRIBUTION TO THE HEALTH SECTOR

The proposed project will support the Government of Ghana agenda of accelerating progress on maternal and child health within the MDG Acceleration Framework (MAF) and ensure harmonization of efforts to maximize impact. The focus of the Action Plan is on MDG5 in reducing maternal mortality ratio by three-quarters by 2015. The MAF is to redouble efforts to overcome bottlenecks in implementing interventions that have proven to have worked in reducing MMR in Ghana. It focuses on improving maternal health at both community and health care facility levels through the use of evidence-based, feasible and cost-effective interventions in order to achieve accelerated reduction in maternal and new born deaths. This project will therefore augment Government agenda to achieve the MAF which is the number one policy priority of the government to the health sector.

20. Further the project will support the next medium term health sector development plan (**MTHSDP – 2014-17**) which aims at contributing to socio-economic development and wealth creation by promoting health and vitality, ensuring access to quality health, population and nutrition services and contribute to the post 2015 development agenda of ensuring universal coverage for the population. The proposed project will contribute to the above goal by focusing on improved basic community health and nutrition services targeted to poor and vulnerable groups in remote and disadvantaged regions.

21. The timing of implementation is very critical considering the fact that 2015 will be the year for the country to assess progress towards achieving MDG 5. Any delay on the part of Government to execute this project on time will have terrible consequences for the country and also bring untold hardships on the population.

22. Also the restructuring of the project to accommodate for the construction of CHPS compounds will allow the Government to achieve his core policy priorities for the health sector

7.0 FINANCIAL IMPLICATIONS

22. The Credit of is concessionary with standard IDA terms as follows:

- a) Grace Period - 5 years and Repayment Period - 20 years
- b) The Maximum commitment charge on the principal amount of the credit not withdrawn from time to time will be one-half of one per cent ($\frac{1}{2}$ of 1%) per annum, however the World Bank has informed Government that for the FY 2014, commitment charge is waived ;
- c) Service charge on the withdrawn credit balance is payable on April 1 and October 1 and shall be three-fourths of one percent ($\frac{3}{4}$ of 1%) per annum;
- d) Repayment of the principal amount of the credit shall be in semi-annual installments payable on each April 15 and October 15 commencing October 15, 2019 and ending April 15, 2039. Each installment to and including the installment payable on October 15, 2029, shall be **1.65%** of such principal amount, and each installment thereafter shall be **3.35%** of such principal amount.
- e) Interest charge payable on the withdrawn Credit Balance shall be one and a quarter percent (1.25%) per annum.

23. With regards to the project compliance with **Ghana's new debt management strategy**, the project is a human development project that would deliver merit goods and will serve as a tool for the country's development. The investments are not commercial, therefore, would not be able to generate any revenues for repayment of the credit. A debt sustainability analysis was carried out prior to

government request for the financing and the impact on the overall debt sustainability was negligible. The financing covers the full cost of the proposed project activities and no counterpart funding or compensation payment is anticipated. However, Government will bear the exchange rate risk (gains/losses).

8.0 OUTCOMES

24. In the short term the project is expected to:

- a) Improve utilization of community-based health and nutrition services by women of reproductive age, especially pregnant women, and children under the age of two years through
- b) *Increase availability of high impact health and nutrition interventions, and*
- c) *Address access barriers using existing community-based health service delivery strategies and communications channels to inform, sensitize and motivate care-givers, community leaders and other key audiences.*
- d) Strengthen the delivery mechanisms for community health and nutrition services; enhance multi-sectoral coordination and collaboration; and improve ownership and accountability of all stakeholder efforts towards improved maternal and child health outcomes.
- e) Bolster the Community-based Health Planning and Services (CHPS) delivery platform, building on the achievements of the earlier operation.
- f) *Address key disparities in access to high-impact maternal, neonatal and child health services focused on remote and underserved areas.*
- g) Support the identification of pregnant women, registering both with the health system and the NHIS and screening them for eligibility to benefit from the conditional cash transfer program – the LEAP.
- h) Benefit about 1.6 million women of reproductive age including pregnant women and about 5.6 million children under the age of 2 years cumulatively over 5 years.
- i) This project will also enhance government decentralization agenda through increased collaboration with the Ministry of Local Government and Rural Development and also the primary focus will be on the community as a unit.
- j) This project will stick to all the key remits in the health sector gender policy.
- k) This project will not have any environmental impact

l) This project raises no legal or constitutional issues

m) This project is not likely to raise any public objections and the restructuring of the project to accommodate for the construction of CHPS compounds is in line with Government policy priorities as outlined in the last State of the Nation Address.

25. In the long run the project is expected to play an important role in reducing dramatically the maternal mortality and child mortality, and subsequently have a significant positive impact on the health system in Ghana and economic growth. Maternal mortality has a significant negative impact on economic growth through various pathways, including its effect on the size of the labor force and adverse effect on human capital formation, and hence, levels of GDP. It is said that better nutrition increases productivity and thus economic growth through increased labor supply.

9.0 INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENT

26. The Ministry of Health (MoH) will be responsible for policy formulation and overall stewardship for the project and the Ghana Health Service and its decentralized levels will be responsible for the implementation of the project.

MOH will provide technical assistance, organize reviews, monitor and evaluate project activities. Oversight of project activities will be provided under the framework of the Millennium Acceleration Framework (MAF) **Steering Committee** (SC), to redouble efforts towards achievement of MDGs 4 and 5 and chaired by the Chief Director of the MOH. The role of the SC is to ensure complementarity and timely implementation of all related partner activities. There will be a secretariat for the project under the Policy, Planning, Monitoring and Evaluation (PPME) Directorate of the Ministry of Health that will ensure implementing agencies stick to the required remits and also provide updates to ensure effective functioning of the Steering Committee just in line with how the Millennium Acceleration Framework (MAF) MoH Secretariat functions.

27. Technical oversight of the activities in the Ghana Health Service will be provided by a **Technical Advisory Group** (TAG) under the overall guidance of the Director General of the GHS. The TAG will (i) provide guidelines, standards, and technical support; (ii) develop action plans to guide implementation; (iii) ensure multi-sectoral linkages at the district level; and (iv) evaluate district plans of action. The GHS Policy Planning, Monitoring and Evaluation Division (PPMED) will provide secretariat support and perform M&E roles at the Ghana Health Service. The chair of the TAG will report project implementation progress to the senior management team of the GHS and to the Project Secretariat at the MoH on quarterly basis. The

activities of the project will form part of the work-plan of the agency and shall be subject to the agency rules and guidance on updates and reporting of activities.

28. At the regional level, the Regional Director of Health Service (RDHS) shall be responsible for the implementation and monitoring of project activities.. Project related issues will be discussed and addressed within the framework of the Social Sector Sub-committee of the Regional Coordinating Council (RCC).

29. The District Director of Health Service (DDHS) will coordinate the preparation and implementation of the District Action Plan for sub-projects following operational guidelines prepared by the GHS Headquarters. The District Director will be the focal person for the project in the district and will provide technical guidance and leadership for implementation and monitoring within the framework of the Social Services Sub-Committee of the District Assembly. The district health management team (DHMT) will monitor and evaluate activities of the sub-districts and the sub-district health teams will provide implementation support to the CHOs and volunteers for the community-based interventions.

10.0 CONCLUSION

31. Considering the benefits to be derived from the project especially after the restructuring in improving utilization of community-based health and nutrition services by women of reproductive age, especially pregnant women, and children under the age of two years in order to reduce child and maternal mortality, Honourable members of Parliament are respectfully requested to approve the facility for the implementation of the MCHNP Project.



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**HON. DR. KWAKU AGYEMANG-
MENSAH**
MINISTER OF HEALTH



.....
HON. SETH E. TERKPER
MINISTER OF FINANCE

DATE: **NOVEMBER 26, 2014**

ADDENDUM

REALLOCATION OF FUNDS UNDER THE WORLD BANK FUNDED MATERNAL AND CHILD HEALTH AND NUTRITION IMPROVEMENT PROJECT TO SUPPORT GHANA'S EBOLA CRISIS RESPONSE

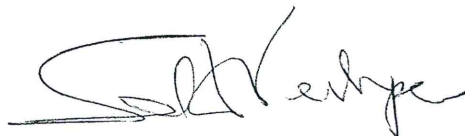
This is to inform Honourable Members of Parliament that agreement has been reached with the World Bank to reallocate up to 20 percent of the credit amount of US\$68.00 million for the Maternal and Child Health and Nutrition Improvement Project (MCHNIP) to support Ghana's Ebola Crisis Response.

On Monday, 3rd November 2014, Cabinet considered and approved for the consideration of Parliament, a credit facility of the above mentioned amount from the International Development Association of the World Bank. Subsequently Government engaged the World Bank to support the implementation of the Government's Ebola Preparedness Plan.

The agreement with the World Bank is in conformity with its Crisis Response Policy and will be executed through exchange of letters after the signing of the financing agreement.

The World Bank has also agreed in principle to provide additional funds for the Ebola Response if need be and also to replenish the credit to enable the Government realize the original objectives of the MCHNIP.

Respectfully submitted.



HON. SETH E. TERKPER
MINISTER OF FINANCE

In case of reply the number and date of this letter should be quoted.

CONFIDENTIAL



OFFICE OF THE PRESIDENT

P.O. BOX 1627

ACCRA

My Ref. No.

Your Ref. No.



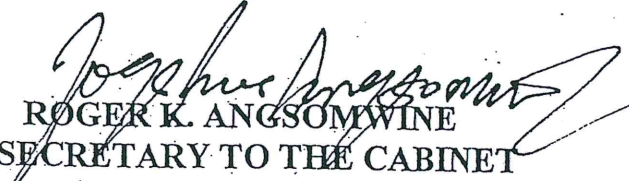
FREEDOM AND JUSTICE

4TH NOVEMBER, 2014

**FINANCING AGREEMENTS BETWEEN THE GOVERNMENT OF GHANA
AND THE INTERNATIONAL DEVELOPMENT ASSOCIATION ON THE
PROPOSED MATERNAL AND CHILD HEALTH AND NUTRITION
IMPROVEMENT PROJECT**

At its Twenty-Sixth Meeting held on Monday, 3rd November, 2014, Cabinet considered the above-mentioned Memorandum jointly submitted by the Minister for Health and the Minister for Finance.

2. The Ministers requested Cabinet to approve and recommend to Parliament a credit facility for an amount of US\$68.0 million from the International Development Association (IDA) and a grant of US\$5.0 million from Multi-Donor Health Results Innovation Trust Fund (HRITF) to finance the proposed Ghana Maternal and Child Health and Nutrition Improvement Project (MCHNP).
3. Cabinet approved the Memorandum for Parliament's consideration.
4. I shall be grateful if you could take requisite action on the decision by Cabinet.


ROGER K. ANGSOMWINE
SECRETARY TO THE CABINET

THE MINISTER FOR FINANCE
THE MINISTER FOR HEALTH

cc: The Chief of Staff
Executive Secretary to H.E. the President
Secretary to H.E. the Vice President

**Legal Department
NEGOTIATED CONFIDENTIAL DRAFT
(Subject to Change)
E. Mwenda
April 8, 2014**

NEGOTIATED

**CREDIT NUMBER _____-GH
HRITF GRANT NUMBER TF 016617**

Financing Agreement

(Maternal and Child Health and Nutrition Improvement Project)

between

REPUBLIC OF GHANA

and

**INTERNATIONAL DEVELOPMENT ASSOCIATION
Dated _____, 201_**

CREDIT NUMBER _____ -GH

FINANCING AGREEMENT

AGREEMENT dated _____, 201_, entered into between REPUBLIC OF GHANA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to forty four million Special Drawing Rights (SDR 44,000,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum

- 2.06. The Payment Dates are April 15 and October 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association 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 IV —EFFECTIVENESS; TERMINATION

- 4.01. The Additional Condition of Effectiveness consist of the following, namely, that the HRITF Grant Agreement has been executed and delivered and all conditions precedent to the effectiveness or to the right of the Recipient to make withdrawals under said HRITF Grant Agreement (other than the effectiveness of this Agreement) has been fulfilled.
- 4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.
- 4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its Minister responsible for finance.
- 5.02. The Recipient's Address is:
Ministry of Finance

P.O. Box MB40
Accra, Ghana

Facsimile:

233-30-2667069

5.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at _____, _____, as of the day and year first above
written.

REPUBLIC OF GHANA

By

Authorized Representative

Name: _____

Title: _____

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: _____

Title: _____

SCHEDULE 1

Project Description

The objective of the Project is to improve utilization of community-based health and nutrition services by women of reproductive age especially pregnant women, and children under the age of two (2) years.

The Project consists of the following parts:

Part A: Community-based Maternal and Child Health and Nutrition Interventions

1. *Strengthening Service Delivery.*
 - (a) Carrying out a program of activities (“Subprojects”) to strengthen service delivery in community-based health and nutrition at the District (“District Beneficiaries”) level, under community-based health planning and services deliver platform, including: (i)community based interventions to promote registration of pregnant women into the National Health Insurance Scheme; (ii) complete antenatal care and delivery package; (ii) complete antenatal care and delivery package; (iii) counseling women of reproductive age, follow up home visits; (iv) outreach activities to encourage improved management of childhood illness at household level; and (v) mobilization of community members for growth monitoring, immunization of children, and nutrition education.
 - (b) Building the capacity of relevant central, regional and district authorities to plan, administer, and supervise the community-based health and nutrition interventions, including, training of trainers, developing and implementing effective program of communication strategies for behavior change, design and conduct community level training, and mentorship activities for community health and nutrition providers, support district-to-district and community-to-community knowledge sharing and learning exchanges, and provision of training to community health officers and volunteers on the national medical waste management policy.
2. *Community Performance Based Financing.* Carrying out of a program of specific activities to deliver Packages of Maternal Health Services by District Health Management Teams through respective community-based health teams (Community Based Health Teams), with a focus on improving health behaviors, use of health services, maternal and child care, including preventive services for pregnant women, delivery and post-natal care (“CPBF Program”), through the

provision of quarterly quantity- and quality-adjusted output-based grants (CPBF Services Grants).

Part B: Institutional Strengthening, Capacity Building, Supervision, Monitoring and Evaluation, and Project Management

1. Strengthening the institutional capacity for intersectoral coordination, ownership and accountability for health and nutrition, including: (a) develop and build the capacity for intersectoral coordination mechanisms; (b) develop and implement strategies that mainstream nutrition into the multisectoral development agendas at all levels; (c) harmonize implementation of health sector policies, protocols and procedures using community-based service delivery strategy; (d) harmonize implementation of policies, protocols and procedures of other sectors at the community level; and (e) develop guidelines and tools for service quality improvements.
2. Strengthening the institutional capacity of the MoH, the GHS and relevant institutions at the Regional and District levels for management, implementation, supervision and monitoring and evaluation, coordination and communication of Project activities, including: (a) use of community-based monitoring tools; and (b) carrying out independent verification of the results achieved under Part A.2 of the Project.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. MOH and GHS

- (a) The Recipient shall maintain, at all times during the implementation of the Project, the MOH and the GHS with functions, staffing and resources satisfactory to the Association.
- (b) Without limitation upon the provision of paragraph 1(a) immediately above, the MOH shall be responsible for the formulation of policies related to the Project and for the overall coordination and stewardship of the Project activities, and the GHS shall be responsible for the delivery of services supported through the Project, as set forth in the Project Implementation Manual.

2. Millennium Acceleration Framework Steering Committee

- (a) The Recipient shall at all times during the implementation of the Project maintain the Millennium Acceleration Framework Steering Committee (MAF-SC), with a composition, mandate, functions and resources satisfactory to the Association.
- (b) Without limitation upon the provision of paragraph 2(a) immediately above, the MAF-SC shall be responsible for: (i) oversight of Project activities; (ii) taking key policy decisions to ensure smooth implementation of the Project and achievement of its objective; (iii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project; (iv) reviewing and approving the Project reports and annual work plans and budgets for the Project, all as set forth in the Project Implementation Manual.

3. Technical Advisory Group

- (a) The Recipient shall establish and maintain, at all times during the implementation of the Project, a technical advisory group ("Technical Advisory Group") with functions, composition and resources satisfactory to the Association.

- (b) Without limitation upon the provision of paragraph 3(a) immediately above, the Technical Advisory Group shall be responsible, *inter alia*, for: (i) developing action plans and providing guidelines, standards and technical support for the implementation of the Project; and (ii) approving the Subprojects within the established thresholds for approval by the Technical Advisory Group, all as set forth in the Project Implementation Manual.

4. Regional Director of Health Services and Regional Health Administration

- (a) The Recipient shall maintain the Regional Director of Health Service within the GHS with the responsibility for the implementation and monitoring of Project activities at the Region and District levels.
- (b) Without limitation upon the provisions of paragraph 4(a) immediately above, the Recipient shall maintain in each Beneficiary Region, at all times during the implementation of the Project, a Regional Coordinating Council (RCC) with functions, composition and resources satisfactory to the Association.
- (b) Without limitation upon the provision of paragraph 4(a) of this Part A, the Regional Health Administration shall be responsible, *inter alia*, for: (i) recommending, for approval by the Technical Advisory Group, Sub-projects prepared by the District Health Administration; and (ii) reviewing performance at the District level on a quarterly basis, as set forth in Project Implementation Manual.

5. District Director, Community Health Officers

- (a) The Recipient shall maintain in each Beneficiary District, at all times during the implementation of the Project, the District Director with functions and resources satisfactory to the Association.
- (b) Without limitation upon the provision of paragraph 5(a) immediately above, the District Director shall be responsible, *inter alia*, for: (i) monitoring and evaluating Project activities at the District level, including the activities carried out under the community-based health planning and services and community health officers and community volunteers; (ii) ensuring the training of Community Health Officers and community volunteers; and (iii) submitting District proposals for Subprojects under respective annual work plans, and quarterly and annual progress reports to the Regional Director and the Technical Advisory Group.

B. Annual Program of Work

Not later than November 30 of each year during the implementation of the Project, the Recipient shall, through the MOH, prepare and furnish to the Association an annual work plan and budget, as part of the health sector annual work program ("Annual Work Program"), in form and substance satisfactory to the Association, detailing the Project activities and Eligible Expenditures planned for the following Fiscal Year.

C. Subprojects Implementation Manual and Community Performance-based Financing Implementation Manual

1. The Recipient shall carry out Part A.1 of the Project in accordance with the arrangements and procedures set out in Subprojects Implementation Manual containing, *inter alia*, detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Subprojects; (b) fiduciary arrangements (i.e., financial management and procurement); (c) environmental and social safeguard guidelines; (d) defined eligibility criteria and approval, disbursement, administration, communication, monitoring and evaluation arrangements including key output indicators for Sub-projects; and (e) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the respective Subprojects.
2. The Recipient shall carry out Part A.2 of the Project in accordance with the provisions of the Community Performance-based Financing Implementation Manual ("CPBF Implementation Manual"), containing, *inter alia*, the procedures and guidelines for implementation of the CBF Program, including the following: (a) general guidance on content of each Package of Maternal Health Services (PMHS) to be delivered under the CPBF Program; (b) the methodology for calculating the unit price to be paid for each PMHS to be delivered, which unit price shall be calculated on the basis of a methodology acceptable to the Association ("Unit Price") and said methodology designed to ensure that the Unit Price: (i) does not exceed the reasonable cost of the PMHS to be delivered and financed under the CPBF Services Grant; and (ii) is scaled to reflect the quality of the PMHS delivered and the conditions of the locations where the PMHS is to be delivered; (c) excludes any amount of the cost of the PMHS which is to be financed under another source of financing; (d) the procedures for the evaluation and updating of the Unit Price for each PMHS; (e) the procedures for approval, monitoring and evaluation of each CPBF Program and for granting of a CPBF Services Grant, including, the designation of the Recipient's team to be responsible for the verification of the quality and quantity of the PMHS delivered under each CPBF Program ("Community Health Verification Team"); (f) maximum aggregate amount of all CPBF Services Grants which may be made during each Fiscal Year of the Recipient; and (g) a model form of a contract for the provision of a CPBF Services Grant ("CPBF Services Contract").

3. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Subprojects Implementation Manual, or the CPBF Implementation Manual, without the prior written agreement of the Association; provided, however, that in case of any conflict between the arrangements and procedures set out in any of said manuals and the provisions of this Agreement, the provisions of this Agreement shall prevail.

D. Sub-projects

1. General

The Recipient shall appraise, approve and monitor Sub-projects and administer the Sub-grants in accordance with the provisions set forth or referred to in this Part E and in more detail in the Sub-projects Manual.

2. Eligibility Criteria for Sub-projects

No proposed Sub-project shall be eligible for financing out of the proceeds of the Financing unless it has been determined in accordance with the guidelines set forth in the Sub-projects Manual that the proposed Sub-project satisfies the eligibility criteria specified in the Sub-projects Manual.

3. Terms and Conditions of Sub-grants

A Sub-project shall be carried out pursuant to an agreement ("Sub-grant Agreement"), to be concluded between the Recipient and the respective District Assembly, under terms and conditions described or referred to in more detail in the Sub-projects Manual and satisfactory to the Association, which, *inter alia*, shall include the following:

- (a) the description of the activities to be implemented, including the outputs and performance targets to be achieved, and the arrangements for monitoring and reporting on the implementation of the Sub-project;
- (b) the modalities of transfer of funds for the financing of the Sub-project;
- (c) the obligation of the District Assembly to: (i) carry out the Sub-project with due diligence and efficiency and in accordance with sound technical, environmental, financial, and managerial practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (ii) maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures relating to the Sub-project and at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with

consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; and (iii) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives;

- (d) the requirement that the goods and consultants' services to be financed from the proceeds of the Sub-project Agreement shall be procured in accordance with procedures ensuring efficiency and economy and in accordance with the provisions of Section III of this Schedule, and shall be used exclusively in the carrying out of the Sub-project; and
- (e) the right of the Recipient, to: (i) suspend or terminate the right of the District Health Administration to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the District Assembly's failure to perform any of its obligations under the Sub-project Agreement; (ii) inspect by itself, or jointly with the Association, if the Association shall so request, the goods included in the Sub-project, the use thereof and any relevant records and documents; and (iii) obtain all information as it, or the Association, shall reasonably request regarding the administration, operation and financial conditions of Sub-projects.

4. Administration of Sub-project Agreements

The Recipient shall exercise its rights under each Sub-project Agreement in such manner as to protect its interests and those of the Association and to accomplish the purposes of the Project, and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-project Agreement or any substantial provision thereof.

E. CPBF Program; PMHS; CPBF Performance Contracts

1. *Eligibility.* In order to ensure the proper implementation of Part A.2 of the Project, the Recipient shall, through respective District Health Management Teams ("DHMTs") under the oversight of the GHS Regional Director, enter into CPBF Performance Contracts with the pertinent Community Health Teams (CHTs) for PMHS under the CPBF Program in accordance with eligibility criteria and procedures acceptable to the Association, which shall include, *inter alia*, the following:-

- (a) the Recipient, through GHS, has determined on the basis of an appraisal carried out in accordance with guidelines acceptable to the Association, and elaborated in the CPBF Implementation Manual, that:

- (i) a proposed community health team (Community Health Team or CHT); (A) consists of certified and registered community health officers and midwives in a community, with the organization, management and technical capacity to carry out the proposed CPBF Program; and (B) has prepared a satisfactory implementation plan for the delivery of the PMHS under the CPBF Program; and
 - (ii) the proposed CPBF Program is technically feasible, and financially and economically sound and is in compliance with the Recipient's environmental and social standards and policies.
- (b) the: (i) aggregate amount of all CPBF Services Grants made in a given calendar year to a CHT shall not exceed the limit set out in the Annual Work Plan; and (ii) maximum amount of each CPBF Services Grant for PMHS under a CPBF Program shall not exceed 100 percent of the total estimated cost of the CPBF Program minus the amount of other funds allocated to finance such cost.

2. CPBF Performance Contract; Performance Based Results

- (a) The Recipient shall through the GHS Regional Directors make each CPBF Services Grant to a CHT under a CPBF Performance Contract on terms and conditions satisfactory to the Association, as further described in the CPBF Implementation Manual, which shall include the following:
 - (i) Criteria for payment of the CPBF Services Grant shall include achievement of the performance-based results for delivery of respective PMHS, as described in the CPBF Implementation Manual
 - (ii) Each CPBF Performance Contract shall include the following provisions:
 - (A) the amount of the CPBF Services Grant shall not exceed the total estimated cost of PMHS under the CPBF Program; and the proceeds of the CPBF Services Grant shall be made available to a CHT on non-reimbursable grant terms;
 - (B) a description of the PMHS under the CPBF Program, the applicable rates for the services included thereunder, and applicable performance indicators;
 - (C) each CHT shall be required to: (A) carry out the pertinent PMHS with due diligence and efficiency and in accordance with sound technical, financial, administrative, and environmental practices;

- (D) each CHT shall be required to carry out the pertinent PHMS under the CPBF Program in accordance with the provisions of the Anti-Corruption Guidelines;
 - (E) each CHT shall be required to carry out the PHMS under the pertinent CBF Program in accordance with the provisions of the CPBF Operational Manual;
 - (F) the goods, non-consulting and consultants' services to be financed out of the proceeds of the CPBF Services Grant shall be used exclusively for the PMHS under the CPBF Program; and
 - (G) the Recipient shall have the right to: (G.i) inspect by itself, or jointly with the Association, if the Association shall so request, the goods and sites included in the CPBF Program, the operations thereof, and any relevant records and documents; (G.ii) obtain all information as it, or the Association, shall reasonably request regarding the administration, operation, and financial condition of the CHT through respective CHT's; and (G.iii) suspend or terminate the right of the CHT through the respective CHT to use the proceeds of the CPBF Services Grant, or obtain a refund of all or any part of the amount of the CPBF Services Grant then withdrawn, as the case may be, upon failure by the CHT to perform any of its obligations under the CPBF Performance Contract; and
- (b) The Recipient shall exercise its rights under the CPBF Performance Contract in such manner as to protect its interests and those of the Association (including, the right to suspend or terminate the right of the CHT through the pertinent CHT to use the proceeds of the CPBF Services Grant, or obtain a refund of all or any part of the amount of the CPBF Services Grant then withdrawn, upon the CHT's failure to perform any of its obligations under the CPBF Performance Contract Agreement) and to accomplish the purposes of the CPBF Services Grant, and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

F. Verification of PMHS Delivery

1. Internal Verification

The Recipient shall, under terms of reference acceptable to the Association and elaborated in the CPBF Implementation Manual, ensure that the relevant District Health Verification Team verifies on a quarterly basis, the quality and quantity of

the PMHS delivered under the CPBF Program, for which a CPBF Services Grant is requested.

2. **External Verification**

The Recipient shall not later than four (4) months after the Effective Date engage, in accordance with the provisions of Section III of this Schedule, consultants to conduct independent verifications of the delivery of PMHS by respective CHT's under CPBF Program. To this end, the Recipient shall, in accordance with terms of reference satisfactory to the Association, cause said consultants to carry out, throughout Project implementation, bi-annual verification exercises of CPBF Program and to provide the Recipient with reports of such exercises; such verification to include, *inter alia*, community surveys, DHMT and CHT spot checks, verification of data provided and records kept by health facilities in relation to the CPBF Program, and assessments of the quality of health services provided under said CPBF Program, all in accordance with the provisions of the CPBF Implementation Manual.

G. Anti-Corruption

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association. Each Project Report shall cover the period of six months, and shall be furnished to the Association not later than forty five (45) days after the end of the period covered by such report.
2. The Recipient shall undertake in conjunction with the Association a comprehensive midterm review of the Project during the annual health sector review in the second year of implementation of the Project, during which the Recipient shall exchange views generally on all matters relating to the progress of the Project and the performance by the Recipient of its obligations under the Financing Agreement, having regard to the performance indicators referred to in paragraph 1 immediately above.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. The Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each 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 Association not later than six months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Non-consulting Services.** All goods and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association 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 and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (b) National Competitive subject to the exceptions set forth in paragraph 3 immediately below; (c) Direct Contracting;

(d) Shopping; and (e) Procurement from the United Nations Children's Fund and/or the Inter-Agency Procurement Services Office.

3. Exceptions to National Competitive Bidding Procedures. The following provisions shall apply to the procurement of goods and works under National Competitive Bidding procedures: (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures; (b) bidders shall be given at least one 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 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the Association, 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 Association; 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 1.14(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 contracts 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 Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review.

All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section and such additional instructions as the Association shall 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 Association 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 Financing ("Category"), the allocations of the amounts of the Financing to each Category and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services and consultants' services (Sub-grants) under Subprojects for Part A.1(a) of the Project	19,500,000	100%
(2) CPBF Services Grants under Part A.2 of the Project	3,200,000	50%
(3) Goods, non-consulting services, consultants' services, Operating costs and Training for Parts A.1(b) and B of the Project	20,000,000	100%
(4) Unallocated	1,300,000	100%
TOTAL AMOUNT	44,000,000	

- (a) "Operating Costs" means the incremental expenses incurred on account of Project implementation, based on Annual Work Plans approved by the Association pursuant to Section I.B of Schedule 2 to this Agreement, including office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel, per diem and supervision costs of locally contracted employees, excluding the salaries of the Recipient's civil service.
- (b) "Training" means the cost associated with the training, workshops and study tours, based on Annual Work Plans approved by the Association pursuant to Section I.B of Schedule 2 to this Agreement, for reasonable expenditures (other than expenditures for consultants' services), including: (a) travel, room, board and per diem expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (b) course fees; (c) training facility rentals; and (d) training material preparation, acquisition, reproduction and distribution expenses.

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, except that withdrawals up to an aggregate amount not to exceed SDR 1,600,000 equivalent may be made for payments made prior to this date but on or after September 30, 2014, for Eligible Expenditures under Category (3); or
- 2. The Closing Date is June 30, 2020.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 15 and October 15:	
commencing October 15, 2019 to and including April 15, 2029	1.65%
commencing October 15, 2029 to and including April 15, 2039	3.35%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.

APPENDIX

Section I. Definitions

1. "Annual Program of Work" means the health sector program of work referred to in Section I.B of Schedule 2 to this Agreement.
2. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.
3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.
5. "CPBF Implementation Manual" means the manual for Part A.2 of the Project, satisfactory to the Association, and referred to Section I.D.2 of Schedule 2 to this Agreement, as the same may be amended from time to time with agreement of the Association.
6. "CPBF" means community performance based financing.
7. "CPBF Services Grant" means a grant made or proposed to be made out of the proceeds of the Financing to a Community Health Management Team pursuant to a CPBF Performance Contract.
8. "CPBF Performance Contract" means a contract between the GHS Regional Director's Office (through a DHMT) and a CHT, setting forth the terms and conditions for delivery of the PMHS under the CPBF Program and providing for a CPBF Services Grant.
9. "CPBF Program" means a specific development program for the delivery of PMHS to be carried out by a CHT under Part A.2 of the Project, on the basis of established eligibility criteria referred to in the CPBF Implementation Manual.
10. "CHT" means a community health team consisting of certified and registered community health workers and/or midwives, operating at the community or regional level.
11. CHT "District Health Administration" means the Recipient's health administration at the district level under the oversight of the GHT.

12. "District Beneficiary" means a District Health Administration, which has met the eligibility criteria specified in the Subprojects Manual (as hereinafter defined) and, as a result, has been extended, or is to be extended, a Subgrant (as hereinafter defined) for the carrying out of a Subproject.
13. "District Director" means the GHS Director for health services at the District level, referred to in Section I.A.5 of Schedule 2 to this Agreement.
14. "DHMT" means the District Health Management Team under the oversight of the District and Regional Directors, respectively, and charged with the responsibility for oversight of the respective CHTs in respective districts.
15. "Fiscal Year" means the Recipient's fiscal year commencing January 1 and ending December 31 of each year.
16. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
17. "GHS" means the Ghana Health Service, an agency of the MOH.
18. "HRITF Grant Agreement" means the grant agreement of even date herewith referred to in Section 4.01 of this Agreement, providing for a grant in an amount of \$5,000,000 for financing of Part A.2 of the Project, as such grant agreement may be amended from time to time. "HRITF Grant Agreement" includes all appendices, schedules and agreements supplemental to the HRITF Grant Agreement.
19. "HRITF" means the Multi-Donor Health Results Innovation Trust Fund (TF No 01667).
20. "Millennium Acceleration Framework Steering Committee" means the Recipient's committee referred to in Section I.A.2 of Schedule 2 to this Agreement, with the structure, functions and responsibilities acceptable to the Association, as set forth in the Project Implementation Manual.
21. "MoH" or "Ministry of Health" means the Recipient's Ministry responsible for health, or any successor thereto.
22. "National Health Insurance Scheme" means the Recipient's health insurance scheme established and operating pursuant to National Health Insurance Act, 2012 (Act 852) of the laws of the Recipient.
23. "Procurement Guidelines" means 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.

24. "Procurement Plan" means the Recipient's procurement plan for the Project, dated April 7, 2014, 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.
25. "Package of Maternal Health Services" or "PMHS" means a specific package of basic health services elaborated in the CPBF Operational Manual, to be delivered by a DMHT or a CHT under Part A.2 of the Project.
26. "Regional Coordination Council" means the Recipient's council established and operating pursuant to Local Government Act, 1993 (Act 462) of the laws of the Recipient.
27. "Regional Director" means the MOH Director for health services at the regional level, referred to in Section I.A.4 of Schedule 2 to this Agreement.
28. "Sub-grant" means a grant made or to be made out of the proceeds of the Financing for the purpose of financing Eligible Expenditures required for a Sub-project in accordance with the provisions of Section I.E of Schedule 2 to this Agreement.
29. "Sub-grant Agreement" means an agreement entered into, or to be entered into, between the MOH, on behalf of the Recipient, and a District Health Administration, for the purpose of extending a Sub-grant to such District Assembly on the terms and conditions set forth or referred to in Section I.D.3 of Schedule 2 to this Agreement.
30. "Sub-project" means a set of specific activities carried out or to be carried out by a District Health Administration under Part A.1 of the Project and financed or to be financed out of the proceeds of the Financing through a Sub-grant.
31. "Sub-projects Implementation Manual" means the manual referred to in Section I.D of Schedule 2 to this Agreement.
32. "Technical Advisory Group" means the technical committee referred to in Section I.A.3 of Schedule 2 to this Agreement.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

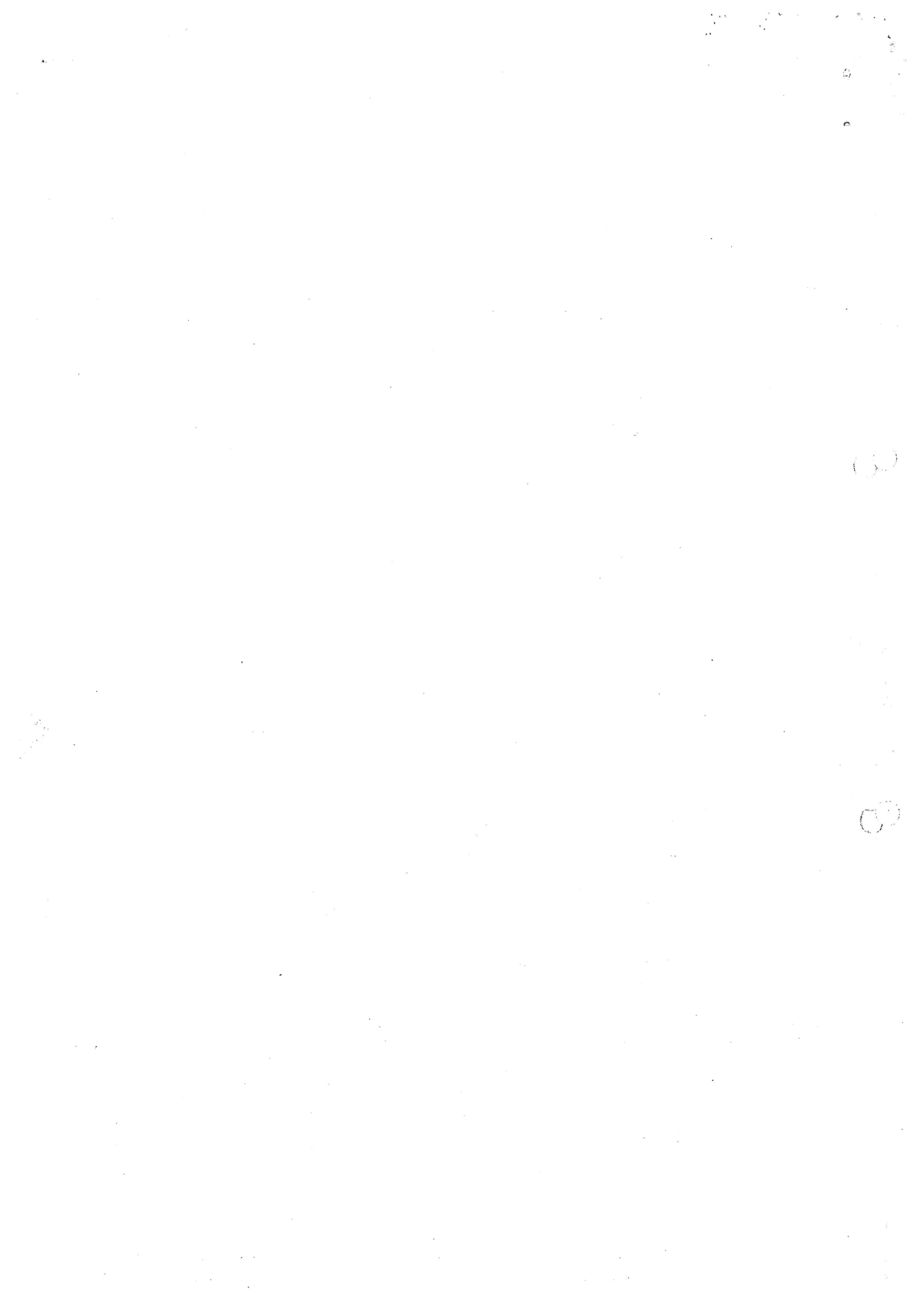
1. Section 3.02 is modified to read as follows:

“Section 3.02. *Service Charge and Interest Charge*

- (a) *Service Charge*. The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.
 - (b) *Interest Charge*. The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.”
2. Paragraph 28 of the Appendix (“Financing Payment”) is modified by inserting the words “the Interest Charge” between the words “the Service Charge” and “the Commitment Charge”.
3. The Appendix is modified by inserting a new paragraph 32 with the following definition of “Interest Charge”, and renumbering the remaining paragraphs accordingly:

“32. “Interest Charge” means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b).”
4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix (“Payment Date”) is modified by inserting the words “Interest Charges” between the words “Service Charges” and “Commitment Charges”.
Renumbered paragraph 50 (originally paragraph 49) of the Appendix (“Service Charge”) is modified by replacing the reference to Section 3.02 with Section 3.02 (a).

¹ These modifications will only apply to credits to countries that receive IDA financing on blend or hardened terms (i.e. with a 25 year maturity/5 year grace period) and that are approved by the Executive Directors on or after July 1, 2011.



Legal Department
CONFIDENTIAL DRAFT
(Subject to Change)
Name of Lawyer
April 8, 2014

HRITF GRANT NUMBER TF 016617
CREDIT NUMBER _____-GH

Health Results Innovation Trust Fund

Grant Agreement

(Maternal and Child Health and Nutrition Improvement Project)

between

REPUBLIC OF GHANA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as Administrator of the Health Results Innovation Trust Fund

Dated

, 201_

SCHEDULE 1
Project Description

The objective of the Project is to improve utilization of community-based health and nutrition services by women of reproductive age especially pregnant women, and children under the age of two (2) years.

The Project consists of the following parts:

Part A: Community-based Maternal and Child Health and Nutrition Interventions

1. *Strengthening Service Delivery.*

- (a) Carrying out a program of activities (“Subprojects”) to strengthen service delivery in community-based health and nutrition at the District (“District Beneficiaries”) level, under community-based health planning and services deliver platform, including: (i)community based interventions to promote registration of pregnant women into the National Health Insurance Scheme; (ii) complete antenatal care and delivery package; (iii) counseling women of reproductive age, follow up home visits; (iv) outreach activities to encourage improved management of childhood illness at household level; and (v) mobilization of community members for growth monitoring, immunization of children, and nutrition education.

- (b) Building the capacity of relevant central, regional and district authorities to plan, administer, and supervise the community-based health and nutrition interventions, including, training of trainers, developing and implementing effective program of communication strategies for behavior change, design and conduct community level training, and mentorship activities for community health and nutrition providers, support district-to-district and community-to-community knowledge sharing and learning exchanges, and provision of training to community health officers and volunteers on the national medical waste management policy.

2. *Community Performance Based Financing.* Carrying out of a program of specific activities to deliver Packages of Maternal Health Services by District Health Management Teams through respective community-based health teams (Community Based Health Teams), with a focus on improving health behaviors, use of health services, maternal and child care, including preventive services for pregnant women, delivery and post-natal care (“CPBF Program”), through the provision of quarterly quantity- and quality-adjusted output-based grants (CPBF Services Grants).

Part B: Institutional Strengthening, Capacity Building, Supervision, Monitoring and Evaluation, and Project Management

1. Strengthening the institutional capacity for intersectoral coordination, ownership and accountability for health and nutrition, including: (a) develop and build the capacity for intersectoral coordination mechanisms; (b) develop and implement strategies that mainstream nutrition into the multisectoral development agendas at all levels; (c) harmonize implementation of health sector policies, protocols and procedures using community-based service delivery strategy; (d) harmonize implementation of policies, protocols and procedures of other sectors at the community level; and (e) develop guidelines and tools for service quality improvements.
2. Strengthening the institutional capacity of the MoH, the GHS and relevant institutions at the Regional and District levels for management, implementation, supervision and monitoring and evaluation, coordination and communication of Project activities, including: (a) use of community-based monitoring tools; and (b) carrying out independent verification of the results achieved under Part A.2 of the Project.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. MOH and GHS

- (a) The Recipient shall maintain, at all times during the implementation of the Project, the MOH and the GHS with functions, staffing and resources satisfactory to the World Bank.
- (b) Without limitation upon the provision of paragraph 1(a) immediately above, the MOH shall be responsible for the formulation of policies related to the Project and for the overall coordination and stewardship of the Project activities, and the GHS shall be responsible for the delivery of services supported through the Project, as set forth in the Project Implementation Manual.

2. Millennium Acceleration Framework Steering Committee

- (a) The Recipient shall at all times during the implementation of the Project maintain the Millennium Acceleration Framework Steering Committee (MAF-SC), with a composition, mandate, functions and resources satisfactory to the World Bank.
- (b) Without limitation upon the provision of paragraph 2(a) immediately above, the MAF-SC shall be responsible for: (i) oversight of Project activities; (ii) taking key policy decisions to ensure smooth implementation of the Project and achievement of its objective; (iii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project; (iv) reviewing and approving the Project reports and annual work plans and budgets for the Project, all as set forth in the Project Implementation Manual.

3. Technical Advisory Group

- (a) The Recipient shall establish and maintain, at all times during the implementation of the Project, a technical advisory group ("Technical Advisory Group") with functions, composition and resources satisfactory to the World Bank.

- (b) Without limitation upon the provision of paragraph 3(a) immediately above, the Technical Advisory Group shall be responsible, *inter alia*, for:
 - (i) developing action plans and providing guidelines, standards and technical support for the implementation of the Project; and
 - (ii) approving the Subprojects within the established thresholds for approval by the Technical Advisory Group, all as set forth in the Project Implementation Manual.

4. Regional Director of Health Services and Regional Health Administration

- (a) The Recipient shall maintain the Regional Director of Health Service within the GHS with the responsibility for the implementation and monitoring of Project activities at the Region and District levels.
- (b) Without limitation upon the provisions of paragraph 4(a) immediately above, the Recipient shall maintain in each Beneficiary Region, at all times during the implementation of the Project, a Regional Coordinating Council (RCC) with functions, composition and resources satisfactory to the World Bank.
- (b) Without limitation upon the provision of paragraph 4(a) of this Part A, the Regional Health Administration shall be responsible, *inter alia*, for:
 - (i) recommending, for approval by the Technical Advisory Group, Sub-projects prepared by the District Health Administration; and
 - (ii) reviewing performance at the District level on a quarterly basis, as set forth in Project Implementation Manual.

5. District Director, Community Health Officers

- (a) The Recipient shall maintain in each Beneficiary District, at all times during the implementation of the Project, the District Director with functions and resources satisfactory to the World Bank.
- (b) Without limitation upon the provision of paragraph 5(a) immediately above, the District Director shall be responsible, *inter alia*, for:
 - (i) monitoring and evaluating Project activities at the District level, including the activities carried out under the community-based health planning and services and community health officers and community volunteers;
 - (ii) ensuring the training of Community Health Officers and community volunteers; and
 - (iii) submitting District proposals for Subprojects under respective annual work plans, and quarterly and annual progress reports to the Regional Director and the Technical Advisory Group.

B. Annual Program of Work

Not later than November 30 of each year during the implementation of the Project, the Recipient shall, through the MOH, prepare and furnish to the World Bank an annual work plan and budget, as part of the health sector annual work program ("Annual Work Program"), in form and substance satisfactory to the World Bank, detailing the Project activities and Eligible Expenditures planned for the following Fiscal Year.

C. Subprojects Implementation Manual and Community Performance-based Financing Implementation Manual

1. The Recipient shall carry out Part A.1 of the Project in accordance with the arrangements and procedures set out in Subprojects Implementation Manual containing, *inter alia*, detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Subprojects; (b) fiduciary arrangements (i.e., financial management and procurement); (c) environmental and social safeguard guidelines; (d) defined eligibility criteria and approval, disbursement, administration, communication, monitoring and evaluation arrangements including key output indicators for Sub-projects; and (e) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the respective Subprojects.
2. The Recipient shall carry out Part A.2 of the Project in accordance with the provisions of the Community Performance-based Financing Implementation Manual ("CPBF Implementation Manual"), containing, *inter alia*, the procedures and guidelines for implementation of the CBF Program, including the following: (a) general guidance on content of each Package of Maternal Health Services (PMHS) to be delivered under the CPBF Program; (b) the methodology for calculating the unit price to be paid for each PMHS to be delivered, which unit price shall be calculated on the basis of a methodology acceptable to the World Bank ("Unit Price") and said methodology designed to ensure that the Unit Price: (i) does not exceed the reasonable cost of the PMHS to be delivered and financed under the CPBF Services Grant; and (ii) is scaled to reflect the quality of the PMHS delivered and the conditions of the locations where the PMHS is to be delivered; (c) excludes any amount of the cost of the PMHS which is to be financed under another source of financing; (d) the procedures for the evaluation and updating of the Unit Price for each PMHS; (e) the procedures for approval, monitoring and evaluation of each CPBF Program and for granting of a CPBF Services Grant, including, the designation of the Recipient's team to be responsible for the verification of the quality and quantity of the PMHS delivered under each CPBF Program ("Community Health Verification Team"); (f) maximum aggregate amount of all CPBF Services Grants which may be made during each Fiscal Year of the Recipient; and (g) a model form of a contract for the provision of a CPBF Services Grant ("CPBF Services Contract").

3. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Subprojects Implementation Manual, or the CPBF Implementation Manual, without the prior written agreement of the World Bank; provided, however, that in case of any conflict between the arrangements and procedures set out in any of said manuals and the provisions of this Agreement, the provisions of this Agreement shall prevail.

D. Sub-projects

1. General

The Recipient shall appraise, approve and monitor Sub-projects and administer the Sub-grants in accordance with the provisions set forth or referred to in this Part E and in more detail in the Sub-projects Manual.

2. Eligibility Criteria for Sub-projects

No proposed Sub-project shall be eligible for financing out of the proceeds of the Financing unless it has been determined in accordance with the guidelines set forth in the Sub-projects Manual that the proposed Sub-project satisfies the eligibility criteria specified in the Sub-projects Manual.

3. Terms and Conditions of Sub-grants

A Sub-project shall be carried out pursuant to an agreement ("Sub-grant Agreement"), to be concluded between the Recipient and the respective District Assembly, under terms and conditions described or referred to in more detail in the Sub-projects Manual and satisfactory to the World Bank, which, *inter alia*, shall include the following:

- (a) the description of the activities to be implemented, including the outputs and performance targets to be achieved, and the arrangements for monitoring and reporting on the implementation of the Sub-project;
- (b) the modalities of transfer of funds for the financing of the Sub-project;
- (c) the obligation of the District Assembly to: (i) carry out the Sub-project with due diligence and efficiency and in accordance with sound technical, environmental, financial, and managerial practices satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (ii) maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures relating to the Sub-project and at the World Bank's or 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 Recipient and the World Bank; and (iii) 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 Sub-project and the achievement of its objectives;

- (d) the requirement that the goods and consultants' services to be financed from the proceeds of the Sub-project Agreement shall be procured in accordance with procedures ensuring efficiency and economy and in accordance with the provisions of Section III of this Schedule, and shall be used exclusively in the carrying out of the Sub-project; and
- (e) the right of the Recipient, to: (i) suspend or terminate the right of the District Health Administration to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the District Assembly's failure to perform any of its obligations under the Sub-project Agreement; (ii) inspect by itself, or jointly with the World Bank, if the World Bank shall so request, the goods included in the Sub-project, the use thereof and any relevant records and documents; and (iii) obtain all information as it, or the World Bank, shall reasonably request regarding the administration, operation and financial conditions of Sub-projects.

4. Administration of Sub-project Agreements

The Recipient shall exercise its rights under each Sub-project Agreement in such manner as to protect its interests and those of the World Bank and to accomplish the purposes of the Project, and, except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-project Agreement or any substantial provision thereof.

E. CPBF Program; PMHS; CPBF Performance Contracts

1. *Eligibility.* In order to ensure the proper implementation of Part A.2 of the Project, the Recipient shall, through respective District Health Management Teams ("DHMTs") under the oversight of the GHS Regional Director, enter into CPBF Performance Contracts with the pertinent Community Health Teams (CHTs) for PMHS under the CPBF Program in accordance with eligibility criteria and procedures acceptable to the World Bank, which shall include, *inter alia*, the following:-

- (a) the Recipient, through GHS, has determined on the basis of an appraisal carried out in accordance with guidelines acceptable to the World Bank, and elaborated in the CPBF Implementation Manual, that:

- (i) a proposed community health team (Community Health Team or CHT); (A) consists of certified and registered community health officers and midwives in a community, with the organization, management and technical capacity to carry out the proposed CPBF Program; and (B) has prepared a satisfactory implementation plan for the delivery of the PMHS under the CPBF Program; and
 - (ii) the proposed CPBF Program is technically feasible, and financially and economically sound and is in compliance with the Recipient's environmental and social standards and policies.
- (b) the: (i) aggregate amount of all CPBF Services Grants made in a given calendar year to a CHT shall not exceed the limit set out in the Annual Work Plan; and (ii) maximum amount of each CPBF Services Grant for PMHS under a CPBF Program shall not exceed 100 percent of the total estimated cost of the CPBF Program minus the amount of other funds allocated to finance such cost.

2. CPBF Performance Contract; Performance Based Results

- (a) The Recipient shall through the GHS Regional Directors make each CPBF Services Grant to a CHT under a CPBF Performance Contract on terms and conditions satisfactory to the World Bank, as further described in the CPBF Implementation Manual, which shall include the following:
 - (i) Criteria for payment of the CPBF Services Grant shall include achievement of the performance-based results for delivery of respective PMHS, as described in the CPBF Implementation Manual
 - (ii) Each CPBF Performance Contract shall include the following provisions:
 - (A) the amount of the CPBF Services Grant shall not exceed the total estimated cost of PMHS under the CPBF Program; and the proceeds of the CPBF Services Grant shall be made available to a CHT on non-reimbursable grant terms;
 - (B) a description of the PMHS under the CPBF Program, the applicable rates for the services included thereunder, and applicable performance indicators;
 - (C) each CHT shall be required to: (A) carry out the pertinent PMHS with due diligence and efficiency and in accordance with sound technical, financial, administrative, and environmental practices;

- (D) each CHT shall be required to carry out the pertinent PHMS under the CPBF Program in accordance with the provisions of the Anti-Corruption Guidelines;
 - (E) each CHT shall be required to carry out the PHMS under the pertinent CBF Program in accordance with the provisions of the CPBF Operational Manual;
 - (F) the goods, non-consulting and consultants' services to be financed out of the proceeds of the CPBF Services Grant shall be used exclusively for the PMHS under the CPBF Program; and
 - (G) the Recipient shall have the right to: (G.i) inspect by itself, or jointly with the World Bank, if the World Bank shall so request, the goods and sites included in the CPBF Program, the operations thereof, and any relevant records and documents; (G.ii) obtain all information as it, or the World Bank, shall reasonably request regarding the administration, operation, and financial condition of the CHT through respective CHT's; and (G.iii) suspend or terminate the right of the CHT through the respective CHT to use the proceeds of the CPBF Services Grant, or obtain a refund of all or any part of the amount of the CPBF Services Grant then withdrawn, as the case may be, upon failure by the CHT to perform any of its obligations under the CPBF Performance Contract; and
- (b) The Recipient shall exercise its rights under the CPBF Performance Contract in such manner as to protect its interests and those of the World Bank (including, the right to suspend or terminate the right of the CHT through the pertinent CHT to use the proceeds of the CPBF Services Grant, or obtain a refund of all or any part of the amount of the CPBF Services Grant then withdrawn, upon the CHT's failure to perform any of its obligations under the CPBF Performance Contract Agreement) and to accomplish the purposes of the CPBF Services Grant, and, except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

F. Verification of PMHS Delivery

1. Internal Verification

The Recipient shall, under terms of reference acceptable to the World Bank and elaborated in the CPBF Implementation Manual, ensure that the relevant District Health Verification Team verifies on a quarterly basis, the quality and quantity of

the PMHS delivered under the CPBF Program, for which a CPBF Services Grant is requested.

2. External Verification

The Recipient shall not later than four months after the Effective Date engage, in accordance with the provisions of Section III of this Schedule, consultants to conduct independent verifications of the delivery of PMHS by respective CHT's under CPBF Program. To this end, the Recipient shall, in accordance with terms of reference satisfactory to the World Bank, cause said consultants to carry out, throughout Project implementation, bi-annual verification exercises of CPBF Program and to provide the Recipient with reports of such exercises; such verification to include, *inter alia*, community surveys, DHMT and CHT spot checks, verification of data provided and records kept by health facilities in relation to the CPBF Program, and assessments of the quality of health services provided under said CPBF Program, all in accordance with the provisions of the CPBF Implementation Manual.

G. Anti-Corruption

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall, through the Project Implementing Entity, 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. Each Project report shall cover the period of six calendar months, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.
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 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 III. Procurement

A. General

1. **Goods and Non-consulting Services.** All goods and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **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 and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive subject to the exceptions set forth in paragraph 3 immediately below; (b) Direct Contracting; (c) Shopping; and (d) Procurement from the United Nations Children's Fund and/or the Inter-Agency Procurement Services Office.
3. **Exceptions to National Competitive Bidding Procedures.** The following provisions shall apply to the procurement of goods and works under National

Competitive Bidding procedures: (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures; (b) bidders shall be given at least one 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 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing 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 1.14(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 contracts 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 IV. 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.

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:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) CPBF Services Grants under Part A.2 of the Project	5,000,000	50%
TOTAL AMOUNT	5,000,000	

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; or
2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2020.

APPENDIX

Definitions

1. "Annual Program of Work" means the health sector program of work referred to in Section I.B of Schedule 2 to this Agreement.
2. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.
3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.
5. "CPBF Implementation Manual" means the manual for Part A.2 of the Project, satisfactory to the World Bank, and referred to Section I.D.2 of Schedule 2 to this Agreement, as the same may be amended from time to time with agreement of the World Bank.
6. "CPBF" means community performance based financing.
7. "CPBF Services Grant" means a grant made or proposed to be made out of the proceeds of the Financing to a Community Health Management Team pursuant to a CPBF Performance Contract.
8. "CPBF Performance Contract" means a contract between the GHS Regional Director's Office (through a DHMT) and a CHT, setting forth the terms and conditions for delivery of the PMHS under the CPBF Program and providing for a CPBF Services Grant.
9. "CPBF Program" means a specific development program for the delivery of PMHS to be carried out by a CHT under Part A.2 of the Project, on the basis of established eligibility criteria referred to in the CPBF Implementation Manual.
10. "CHT" means a community health team consisting of certified and registered community health workers and/or midwives, operating at the community or regional level.

CHTCHT.

11. "District Health Administration" means the Recipient's health administration at the district level under the oversight of the GHT.
12. "District Beneficiary" means a District Health Administration, which has met the eligibility criteria specified in the Subprojects Manual (as hereinafter defined) and, as a result, has been extended, or is to be extended, a Subgrant (as hereinafter defined) for the carrying out of a Subproject.
13. "District Director" means the GHS Director for health services at the District level, referred to in Section I.A.5 of Schedule 2 to this Agreement.
14. "DHMT" means the District Health Management Team under the oversight of the District and Regional Directors, respectively, and charged with the responsibility for oversight of the respective CHTs in respective districts.
15. "Financing Agreement" means the financing agreement referred to in Section 4.01 of this Agreement, dated the same date as this Agreement, providing for a credit in an amount of 44,000,000 million Special Drawing rights, as such agreement may be amended from time to time. "Financing Agreement" includes all appendices, schedules and agreements supplemental to the Financing Agreement.
16. "Fiscal Year" means the Recipient's fiscal year commencing January 1 and ending December 31 of each year.
17. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010.
18. "GHS" means the Ghana Health Service, an agency of the MOH.
19. "HRITF" means the Multi-Donor Health Results Innovation Trust Fund (TF No. 016617).
20. "Millennium Acceleration Framework Steering Committee" means the Recipient's committee referred to in Section I.A.2 of Schedule 2 to this Agreement, with the structure, functions and responsibilities acceptable to the World Bank, as set forth in the Project Implementation Manual.
21. "MoH" or "Ministry of Health" means the Recipient's Ministry responsible for health, or any successor thereto.
22. "National Health Insurance Scheme" means the Recipient's health insurance scheme established and operating pursuant to National Health Insurance Act, 2012 (Act 852) of the laws of the Recipient.

23. "Procurement Guidelines" means 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.
24. "Procurement Plan" means the Recipient's procurement plan for the Project, dated April 7, 2014, 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.
25. "Package of Maternal Health Services" or "PMHS" means a specific package of basic health services elaborated in the CPBF Operational Manual, to be delivered by a DMHT or a CHT under Part A.2 of the Project.
26. "Regional Coordination Council" means the Recipient's council established and operating pursuant to Local Government Act, 1993 (Act 462) of the laws of the Recipient.
27. "Regional Director" means the MOH Director for health services at the regional level, referred to in Section I.A.4 of Schedule 2 to this Agreement.
28. "Sub-grant" means a grant made or to be made out of the proceeds of the Financing for the purpose of financing Eligible Expenditures required for a Sub-project in accordance with the provisions of Section I.E of Schedule 2 to this Agreement.
29. "Sub-grant Agreement" means an agreement entered into, or to be entered into, between the MOH, on behalf of the Recipient, and a District Health Administration, for the purpose of extending a Sub-grant to such District Assembly on the terms and conditions set forth or referred to in Section I.D.3 of Schedule 2 to this Agreement.
30. "Sub-project" means a set of specific activities carried out or to be carried out by a District Health Administration under Part A.1 of the Project and financed or to be financed out of the proceeds of the Financing through a Sub-grant.
31. "Sub-projects Implementation Manual" means the manual referred to in Section I.D of Schedule 2 to this Agreement.
32. "Technical Advisory Group" means the technical committee referred to in Section I.A.3 of Schedule 2 to this Agreement.

