Financing Agreement

(Safety Net and Skills Development Project)

between

REPUBLIC OF SOUTH SUDAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated September 18, 2014
FINANCING AGREEMENT

AGREEMENT dated September 18, 2014, entered into between REPUBLIC OF SOUTH SUDAN ("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 fourteen million Special Drawing Rights (SDR 14,000,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 Payment Dates are June 1 and December 1 in each year.
2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.07. The Payment Currency is United States 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 through MoAFCRD.

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 Conditions of Effectiveness consist of the following:

(a) The Recipient shall have prepared and adopted the Project Operations Manual in accordance with the provisions of Section I.B.1 of Schedule 2 to this Agreement.

(b) The Recipient shall have prepared the Annual Work Plan and Budget for the first year of Project implementation, in form and substance acceptable to the Association.

(c) The Recipient shall have established the Technical Support Team ("TST") with a mandate, staffing and resources acceptable to the Association; and recruited the Project Manager, financial management specialist and procurement specialist selected in accordance with the provisions of Section III of Schedule 2 to this Agreement.

4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.
ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is the Minister of Finance and Economic Planning.

5.02. The Recipient’s Address is:

Ministry of Finance and Economic Planning  
P.O. Box 80,  
Juba,  
South Sudan

Tel: (+211) 912 306 022 / 955 826 099 / 927 446 830

5.03. The Association’s Address is:

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

Cable: INDEVAS  
Telex: 248423 (MCI)  
Facsimile: 1-202-477-6391

Washington, D.C.
AGREED at Juba, South Sudan, as of the day and year first above written.

REPUBLIC OF SOUTH SUDAN

By

Authorized Representative

Name: Aggrey Isso Sabun
Title: MINISTER

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Bella Bird
Title: COUNTRY DIRECTOR
SCHEDULE 1

Project Description

The objective of the Project is to provide access to income opportunities and temporary employment to the poor and vulnerable and put in place building blocks for a social protection system.

The Project consists of the following parts:


1.1 Support to the Recipient to develop basic elements of the social protection system, including the development of its National Social Protection Policy, through: (a) workshops at national and state levels to promote dialogue and participation on social protection policy making; (b) South-South learning visits for key policy makers; (c) consulting and non-consulting services for research and knowledge generation; and (d) systems for Beneficiary targeting, identification, registry, payment transfer and accountability mechanisms.

1.2 Support to the Recipient to build local and national government capacity to implement the Project through: (i) training of local government staff and community leaders to support Project implementation; (ii) establishment of instruments and systems for financial management, procurement, management information systems, social and environmental safeguards management and monitoring and evaluation; and (iii) financing the Project related administrative cost of the TST and logistical support.

Part 2. Public Works

2.1 Support to the Recipient through the contracting of Implementing Partners to provide temporary employment and wage transfers to Beneficiaries, equipment, materials, and skilled labor for the implementation of labor intensive public work activities and Implementing Partners’ administrative costs under a program of labor intensive public works.

Part 3. Skills Development

3.1 Support to the Recipient through the contracting of Implementing Partners to implement a Skills Development Program to expand employment and income generating opportunities, particularly for youth, through: (a) technical, entrepreneurship and life skills training; and (b) support to conduct studies and develop tools for the monitoring and evaluation of the skills training.
3.2 Provision of Grants to finance startup income generating activities for individual Beneficiaries who have graduated from the Skills Development Program according to criteria acceptable to the Association and provided for in the POM.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall vest overall responsibility for implementation and coordination of the Project in the MoAFCRD. The MoAFCRD shall have overall fiduciary and Project management responsibilities. The MoGCSW and MoLPShrd shall provide technical support to MoAFCRD in their areas of technical expertise, and support Parts 1.1 and 3 of the Project respectively.

2. Project Steering Committee (PSC)

   (a) The Recipient shall, at all times during Project implementation, maintain a steering committee with a mandate, composition and resources acceptable to the Association to provide general oversight and strategic guidance for the Project and its implementation, and complement the role of the Joint Social Protection Working Group.

   (b) The PSC shall be composed of, among others:

      (i) the Minister of Finance and Economic Planning or designate, acting as chair;

      (ii) the Minister of Gender, Child and Social Welfare or designate, acting as Co-chair;

      (iii) the Minister of Agriculture, Forestry, Cooperatives and Rural Development, also acting as co-chair;

      (iv) the Minister of Labor, Public Service and Human Resources Development;

      (v) the Minister of Culture, Youth and Sports;

      (vi) the Minister of Education; and

      (vii) the head of Local Government Board;

   (c) The PSC shall fulfill the terms of reference set out in the POM and shall:

      (i) provide guidance to the government implementing agencies on sector policy issues;
(ii) review and endorse annual work plans and budget allocations;

(iii) review and endorse annual Project progress reports;

(iv) discuss and facilitate critical decisions for the implementation of various components;

(v) review, and act upon where necessary, annual audit reports and audit recommendations;

(vi) review, and act upon where necessary, World Bank's draft supervision reports; and

(vii) facilitate partnerships with other stakeholders.

(d) The PSC shall meet biannually throughout the Project implementation period. The agenda and documentation for the PSC meetings shall be prepared by the TST in close consultation with the PSC chair.

3. Technical Support Teams

(a) The Recipient shall, at all times during Project implementation, maintain a Technical Support Team (TST) within MoAFCD to provide Project management, with functions, staffing and resources acceptable to the Association.

(b) The Recipient shall ensure that the TST is at all times during Project implementation, staffed at a minimum with the staff listed in Section 4.01(c) of this Agreement.

(c) The responsibilities of the TST shall include, *inter alia*, coordination, management, implementation, monitoring, evaluation and supervision of the Project, drafting and implementing Project plans in coordination with Local Government Board, MoGCSW, MoLPSHRD, and relevant local government bodies, which shall each assign a core team to work with the TST.

(d) The Recipient shall ensure that a TST is maintained at State level, with functions, staffing and resources acceptable to the Association.

(e) The Recipient shall ensure that a TST is maintained at County level with functions, staffing and resources acceptable to the Association.

(f) The Recipient shall by not later than six (6) months after the Effective Date, recruit a monitoring and evaluation specialist, a public works specialist, a skills/livelihoods specialist, and a safeguards specialist in
accordance with the provisions of Section III of Schedule 2 to this Agreement

B. Project Operations Manual and Annual Work Plan

1. Project Operations Manual (POM)

(a) In order to ensure the proper implementation of the Project, the Recipient shall have prepared by the Effective Date, in accordance with Section 4.01(a) of this Agreement, a manual for the implementation of the Project, acceptable to the Association, setting out details of all procedures, guidelines and timetables for Project implementation, said manual to include, *inter alia*: (i) technical, administrative and institutional arrangements for the coordination and management of the Project (including, *inter alia*, allocation of responsibilities among various ministries, agencies, departments and other entities, yearly planning of activities and budget and time frames for those activities); (ii) community mobilization methodology, public work activities, identification and eligibility criteria and processes for public works prioritization, (iii) Skills Development Program eligibility criteria for graduates to access Grants, including a template Grant Agreement, and implementation progress monitoring; (iv) detailed arrangements and guidelines for the overall carrying out of the Project including, *inter alia*, financial management, procurement and accounting procedures, preparation of Annual Work Plans, social and environmental safeguards, management, monitoring and evaluation, and internal control systems for the Project; (v) technical and organizational arrangements; (vi) terms and conditions of the Public Works Beneficiary Registry and Verification Mechanism under Part 2 of the Project; and (vii) a template Skills Development Training Agreement between Implementing Partners and Beneficiaries under Part 3 of the Project.

(b) Except as the Recipient and the Association may otherwise agree in writing, the Recipient shall not abrogate, amend, repeal, suspend, waive or otherwise fail to enforce the POM or any provision thereof.

(c) In case of any conflict between the terms of the POM and those of this Agreement, the terms of this Agreement shall prevail.

2. Annual Work Plan and Budget Modalities

(a) The Recipient shall, not later than June 15 of each year, or other such date as the Recipient and the Association shall agree, during Project implementation, starting in Fiscal Year of the Recipient 2014/2015, furnish to the Association for approval, a proposed Annual Work Plan and Budget containing all eligible Project activities and expenditures
planned for the following Fiscal Year, including: (i) for Part 2 of the Project all activities and Beneficiaries of the Public Works program; (ii) for Part 3 of the Project all Startup Income Generating Activities financed by Grants; (iii) for Parts 1 and 3 of the Project, the proposed procurement plan and estimated disbursement schedule for such period; (iv) Training plan for such period; and (v) any other such additional requirements as may be included in the POM.

(b) Such Annual Work Plans and Budgets shall have been prepared by the TST and approved by the PSC, on terms and conditions satisfactory to the Association which shall include: (a) an assessment on the feasibility and priority of the activities envisaged, based on Project performance indicators; and (b) other such administrative, financial and organization arrangements as shall be required for the implementation of the activities envisaged.

(c) The Recipient shall ensure that in preparing any training or workshops, as well as any additional training activities to be financed and implemented under the Project after Annual Work Plan approval, it shall identify: (i) the objective and content of the training or workshops envisaged; (ii) the selection method of institutions or individuals conducting such training or workshops; (iii) the expected duration, location and an estimate of the cost of the training or workshops; and (iv) the criteria for selection of personnel to attend the training or workshops.

(d) The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed Annual Work Plan and Budget, and thereafter shall allocate such resources to the Project and implement such Annual Work Plan (in accordance with such Budget) as shall have been approved by the Association, with due diligence.

(e) The Recipient shall not make or allow to be made any change to the approved Annual Work Plan and Budget without prior approval in writing by the Association.

C. Public Works Activities

1. The Recipient shall, under Part 2 of the Project, finance a program of labor intensive public works including wages, equipment, materials, skilled labor costs assistance carried out through contracted Implementing Partners.

2. In order for a Public Works activity to be eligible for financing, it shall be required to satisfy the following minimum conditions, and further such terms and conditions as may be specified in the POM:
(a) the Public Works activity shall be fully consistent with the Project’s development objective;

(b) the Public Works activity shall not include activities specified in the Negative List included in the POM;

(c) the Public Works activity shall be selected through an inclusive and participatory process of community engagement;

(d) the Public Works activity shall be appraised following the guidelines in the POM, including an environmental and social screening, which shall comply with the Umbrella ESMPs for the portfolio of activities prepared pursuant to the ESSAF, and in line with other guidelines acceptable to the Association;

(e) the Public Works activity shall be undertaken through the Public Works Beneficiary Registry and Verification Mechanism.

D. Skills Development

1. The Recipient shall, under Part 3 of the Project, finance a Skills Development Program including the cost of technical, life skills and entrepreneurship training.

2. The Recipient shall contract Implementing Partners to implement this program.

3. In order for a Skills Development training activity to be eligible for financing, it shall be required to satisfy the following minimum conditions, and further such terms and conditions as may be specified in the POM:

   (a) the technical area selected for training shall be based on the rapid market-demand assessment carried out; and

   (b) the training modules for the selected sectors shall be fully consistent with the Project’s development objective.

4. The Implementing Partner shall conclude a Skills Development Agreement with each Beneficiary undertaking the Skills Development training.

E. Grants

1. The Recipient shall provide Grants to Skills Development Graduates for Startup Income Generating Activities under Part 3 of the Project which shall be appraised in accordance with eligibility criteria, terms and conditions and procedures set forth in the POM which shall include those set forth in this Part E, and in line with other such guidelines as the Association may deem appropriate.
2. The Grants shall be made to Skills Development Graduates based on proposals for Startup Income Generating Activities which meet the eligibility criteria specified in the POM.

3. Such Grants shall be approved by the County on the recommendation of the Implementing Partner who will disburse the Grant to the Graduate and supervise its use by Implementation Partners.

4. The Recipient shall provide such Grants under Grant Agreements, each to be entered into by the Recipient, Skills Development Graduate and the Implementing Partner appointed by the Recipient to act as supervisor under the terms and conditions acceptable to the Association which shall include the following:

(a) Each Skills Development Graduate shall carry out the Startup Income Generating Activities which shall be based on the technical skills training which the graduate has undertaken and that contribute to improving access to livelihood opportunities.

(b) Each Skills Development Graduate shall carry out the Startup Income Generating Activities with due diligence and efficiency and in accordance with sound technical, financial, social and environmental standards and practices, including in accordance with the provisions of the Anti-Corruption Guidelines.

(c) Each Implementing Partner, acting as supervisor of such a Grant, shall: (i) monitor, evaluate and report to the national TST on all Startup Income Generating Activities financed by the Grant, as well as their progress and the achievement of their objectives, according to standards and indicators acceptable to the Association; and (ii) maintain adequate records to fulfill the obligations outlined in part (i) of this section.

(d) Each Implementing Partner shall maintain policies and procedures and financial management systems adequate to enable it to disburse and account for Grants to given to Skills Development Graduates.

(f) Each Implementing Partner shall promptly inform the Recipient and the Association of any condition which interferes or threatens to interfere with the progress of Startup Income Generating Activities, or the performance of its obligations under the Grant Agreement(s).

(g) The Recipient may suspend or terminate the rights of Skills Development Graduate under the Grant Agreement upon failure to perform obligations under the Grant Agreement.
5. The Recipient shall exercise its rights under each Grant Agreement in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing, and, except as the Association shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate or waive any Grant Agreement with a Skills Development Graduate.

6. The Recipient shall have the right to inspect by itself, or jointly with the Association, if the Association shall so request, the goods, works and sites included in the Startup Income Generating Activities, the operations thereof, and any relevant records.

F. Anti-Corruption

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

G. Safeguards.

1. The Recipient shall have prepared and adopted Umbrella ESMPs and an IPMP based on the national Environmental and Social Screening Assessment Framework (ESSAF) in form and substance acceptable to the Association within six (6) months of the Effective Date of this Agreement, and thereafter ensure that all Public Works activities are carried out in accordance therewith.

2. Pursuant to the national ESSAF, the Recipient shall:

   (a) ensure that the Umbrella Environmental and Social Management Plans (ESMPs) and Integrated Pest Management Plans (IPMPs) shall be prepared based on the guidance provided in the ESSAF, consulted and disclosed and thereafter adopted by the MoAFCRD; and

   (b) thereafter take such measures as shall be necessary or appropriate to enable the TST to comply with the requirements of such ESSAF, ESMPs and IPMPs.

3. The Recipient shall report on compliance with the ESSAF, ESMPs and IPMPs as appropriate, giving details of:

   (a) measures taken in furtherance of such ESSAF, ESMPs and IPMPs;

   (b) conditions, if any, which interfere or threaten to interfere with the implementation of such ESSAF, ESMPs and IPMPs; and

   (c) remedial measures taken or required to be taken to address such conditions.
4. The Recipient shall afford the Association a reasonable opportunity to review the reports prepared under paragraph 3 of this Section I.G, and thereafter shall carry out with due diligence all remedial measures agreed with the Association so as to ensure the proper implementation of the Project in accordance with the ESSAF.

5. The Recipient shall ensure that no activity under the Project affects Natural Habitats.

6. The Recipient shall ensure that no activity under the Project affects Forests.

7. The Recipient shall ensure that no activity under the Project affects Physical Cultural Resources.

8. The Recipient shall ensure that no activity under the Project involves the Involuntary Resettlement of the local population.

9. The Recipient shall ensure that any activity potentially involving ground water does not affect adversely its quantity or quality and is confined to existing water delivery schemes.

10. The Recipient shall ensure that no new dams will be constructed under the Project nor will any works or other Project activities depend on an existing dam or the safety of an existing dam.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the implementation 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 reporting formats set forth in the POM and acceptable to the Association. Each Project Report shall cover the period of six (6) 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.

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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each fiscal 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 (1) one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works 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, Works and Non-consulting Services

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

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, in accordance with the Recipient’s applicable legal framework consisting of the Interim Public Procurement and Disposal Regulations dated June 29, 2006, provided that such procedures comply with the provision of Section I and paragraphs 3.3 and 3.4 of the Procurement Guidelines; (b) Shopping; (c) Direct Contracting; (d) Procurement from UNOPS; and (e) Limited International Bidding.
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) Selection of Individual Consultants as per procedures set forth in paragraphs 5.1 to 5.5 of the Consultant Guidelines; and (g) Single-source procedures for the Selection of Individual Consultants as per procedures set forth in paragraph 5.6 of the Consultant Guidelines.

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.

**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:
### Percentage of Amount of the Financing Expenditures to be Allocated (expressed in Financed Category SDR) inclusive of Taxes

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed inclusive of Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Grants under Part 3.2 of the Project</td>
<td>400,000</td>
<td>100% of the amounts disbursed</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, and consultants’ services</td>
<td>13,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>under Parts 1, 2 and 3 of the Project, other than Part 3.2 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>14,000,000</td>
<td></td>
</tr>
</tbody>
</table>

### B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement

2. The Closing Date is December 31, 2017.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each June 1 and December 1</td>
<td></td>
</tr>
<tr>
<td>commencing December 1, 2023, to and including</td>
<td>1%</td>
</tr>
<tr>
<td>June 1, 2033</td>
<td></td>
</tr>
<tr>
<td>commencing December 1, 2033, to and including</td>
<td>2%</td>
</tr>
<tr>
<td>June 1, 2053</td>
<td></td>
</tr>
</tbody>
</table>

* 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 Work Plan and Budget" means, for each Fiscal Year during Project implementation, the annual work plan and related budget for such year which has been approved by the Association in accordance with the provisions of Section 1.B of Schedule 2 to this Agreement.


3. "Beneficiaries" means poor youth who are from the target population for Parts 2 and 3 of the Project, identified according to criteria in the POM, selected through a conflict sensitive, transparent and participatory process.

4. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


7. "ESSAF" means the national Environmental and Social Safeguard Screening and Assessment Framework, discussed by the World Bank Executive Directors on March 28, 2013, which shall guide operations for South Sudan during the current ISN period FY13-14.

8. "Fiscal Year" means the fiscal year of the Recipient which commences on July 1 and ends on June 30 of the following year.

9. "Forests" means an area of land of not less than 1.0 hectare with tree crown cover (or equivalent stocking level) of more than 10 percent that have trees with the potential to reach a minimum height of 2 meters at maturity in situ.


12. "Grant" means financing from the proceeds of the Credit or the Financing given to individual eligible Beneficiaries who have graduated from the Skills Development Program to finance Startup Income Generating under Part 3 of the Project.

13. "Grant Agreement" means the agreement concluded between the Recipient and individual eligible Beneficiaries and Implementing Partners under Part 3 of the Project.

14. "Implementing Partner" means a non-governmental organization (NGO), private sector entity, religious organization or consulting firm contracted to implement activities under Parts 2 and 3 of the Project.

15. "Involuntary Resettlement" means: (i) the involuntary (i.e., without a person’s informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (a) relocation or loss of shelter; (b) loss of assets or access to assets; or (c) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected person, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.


17. "Local Government Board" means the entity provided for in Article 165(3) of the Transitional Constitution of the Republic of South Sudan of July 2011 and whose functions and duties are defined in the Recipient’s Local Government Act of 2009.

18. "Local Government Staff" means technical and administrative staff at the County and Payam offices.

19. "M&E Specialist" means Project-contracted staff at national level responsible for undertaking monitoring and evaluation activities relating to the Project.


23. "National Social Protection Policy" means the Policy that will address the Recipient's vision to 'work progressively to reduce risk, vulnerability, poverty and economic and social exclusion throughout the Recipient's territory starting with cash transfers, and later covering social insurance and labor markets.

24. "Natural Habitats" means land and water areas where (i) the ecosystems' biological communities are formed largely by native plant and animal species, and (ii) human activity has not essentially modified the area's primary ecological functions.

25. "Negative List" means the list of prohibited Public Works activities listed in the POM.


27. "Physical Cultural Resources" means movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance.


29. "Procurement Plan" means the Recipient's procurement plan for the Project, dated 22 May 2013, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

30. "Project Operations Manual" or "POM" means the manual approved by the Association and adopted by the Recipient in accordance with the provisions of Section 1.B.1 of Schedule 2 to this Agreement as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules to the Project Operations Manual.

31. "Public Works" means labour intensive activity selected through a conflict-sensitive, transparent and participatory process which provides temporary employment to Beneficiaries, and helps build, repair, or maintain local infrastructure.
32. "Public Works Beneficiary Registry and Verification Mechanism" means the mechanism developed by the Recipient and used by the Implementing Partners for Public Works activities under Part 2 of the Project, to ensure that Project benefits are disbursed to eligible Beneficiaries. This mechanism will capture the following data on Beneficiaries: (i) name; (ii) age; (iii) gender; (iv) village/location; (v) number of days worked; (vi) wage; and (vii) verification of attendance. The mechanism will also include the generation of a document by Implementing Partners based on a template included in the POM which shall list the Beneficiaries drawn from the registry who are selected to participate in the Public Works activities. These participating Beneficiaries shall collectively sign the document to indicate their agreement to participate in the Public Works Activities on the terms and conditions indicated. The document shall include other such terms and conditions as the Association may deem necessary, as enumerated in the Project Operations Manual.

33. "Project Steering Committee" or "PSC" means the entity referred to in Section 1.A.2 of Schedule 2 to this Agreement.

34. "Skills Development Graduate" means an individual who has completed the Skills Development Training and is eligible to receive Grants to finance Startup Income Generating Activities based on a submitted proposal.

35. "Skills Development Training Program" a program of technical and life skills training activities under Part 3 of the Project.

36. "Skills Development Agreement" means an agreement concluded between the Implementing Partner and the Beneficiary of training of the Skills Development Program under Part 3 of the Project. Each such an agreement shall be in accordance with the template included in the POM and shall include the terms and conditions of the training and the rights and responsibilities of both the Implementing Partner and the Beneficiary.

37. "South-South" means the relationship and cooperation among developing countries in areas such trade, business, advisory services and knowledge exchange.

38. "Startup Income Generating Activities Grant" means financing and technical assistance provided to eligible individual Beneficiaries to enable them start business enterprises based on their completed Skills training, as envisaged under Part 3 of the Project.

39. "Technical Support Team" means the entity at National, State and County level responsible for providing Project management support and located in the MoAFCRD.
40. "Umbrella ESMP" means an environmental and social management plan, acceptable to the Association and consistent with the ESSAF as may be adopted for the purposes of the Project pursuant to Section 1.F.2 of Schedule 2 to this Agreement - which gives details of the specific actions, measures and policies designed to facilitate the achievement of the objectives of the ESSAF for a portfolio of similar activities in a sector, along with the procedural and institutional measures needed to implement such actions, measures and policies; and the term "Umbrella ESMP" means, collectively, a plan for a portfolio of similar projects in a sector.