

OFFICIAL DOCUMENTS

LOAN NUMBER 8895-EG

Loan Agreement

(Transforming Egypt's Healthcare System Project)

between

ARAB REPUBLIC OF EGYPT

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

LOAN NUMBER 8895-EG

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between the ARAB REPUBLIC OF EGYPT ("Borrower") and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of five hundred thirty million Dollars (\$530,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement. The Borrower's representative for purposes of taking any action required or permitted to be taken pursuant to this Section is MOHP.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest payable by the Borrower on the principle amount of the Loan withdrawn and the amount outstanding from time to time for each Interest Period shall be at a rate equal to the Reference Rate (as defined in Paragraph 92 of the Appendix to the General Conditions) for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principle amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions.
- 2.06. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

- 2.07. The Payment Dates are October 1 and April 1 in each year.
- 2.08. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.
- 2.09. The Borrower represents that it has designated its Ministry of Finance for the purpose of handling, on behalf of the Borrower, debt service payments with respect to the Loan.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project through MOHP in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Event of Suspension additional to those set out in the General Conditions consists of the following, namely, that legislation, license or other legal instrument related to the implementation of the Project has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the achievement of the objectives of the Project.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. Subject to the other provisions of this Article and Section 9.01 of the General Conditions, this Agreement shall become effective once the Bank has received evidence that all necessary constitutional procedures have been taken by the Borrower.
- 5.02. The Effectiveness Deadline is the date one hundred and eighty (180) days after the Signature Date or such date later as the Bank may establish in accordance with the provisions of Section 9.04 of the General Conditions.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower's Representative is its minister responsible for investment and international cooperation.

6.02. For purposes of Section 10.01 of the General Conditions:

- (a) the Borrower's address is:

Ministry of Investment and International Cooperation
8 Adly Street
Cairo, Arab Republic of Egypt; and

- (b) the Borrower's Electronic Address is:

Cable address:

Ministry of Investment and International Cooperation
Cairo, Arab Republic of Egypt

Facsimile:

(202) 2391-2815

(202) 2391-5167

6.03. For purposes of Section 10.01 of the General Conditions:

- (a) the Bank's address is:

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

- (b) the Bank's Electronic Address is:

Telex:

Facsimile:

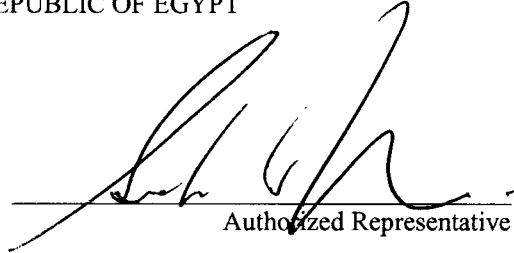
248423(MCI) or
64145(MCI)

1-202-477-6391

AGREED as of the Signature Date.

ARAB REPUBLIC OF EGYPT

By:


Authorized Representative

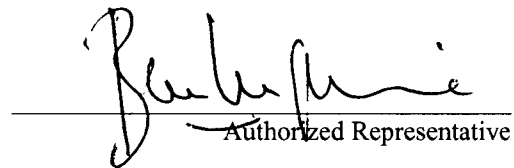
Name: Sahar Nasr

Title: Minister of Investment and International
Cooperation

Date: July 10, 2018

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

By:


Authorized Representative

Name: Najy Benhassine

Title: Regional Director, Finance,
Competitiveness and Innovation

Date: July 10, 2018

SCHEDULE 1

Project Description

The objectives of the Project are to: (i) improve the quality of primary and secondary health care services; (ii) enhance demand for health and family planning services; and (iii) support the Borrower in its prevention and control of Hepatitis C.

The Project consists of the following parts:

Part 1: Strengthen Primary Healthcare, Family Planning and Community Activities

- 1.1 Providing for quality services at PHC facilities through strengthening improvements in selected PHC facilities in the Participating Governorates, including, *inter alia*:
 - (i) updating and modernizing the health care quality framework for MOHP through updating its accreditation tool, conducting a mapping of PHC services and a needs assessment exercise, and ensuring the grievance redresses mechanism and the district level health care management systems are both enabled;
 - (ii) supporting improvements in the quality of health care and verifying the quality of services using the Quality of Services Indicator Index;
 - (iii) carrying out independent direct observations of quality of clinical services; and
 - (iv) accrediting PHC facilities using quality accreditation standards as outlined in the National Egyptian Accreditation Guidelines.
- 1.2 Strengthening a community health worker (CHW) program in the Participating Governorates through improving health promotion and health education, including, *inter alia*:
 - (i) contracting additional CHWs to supplement the health workers gaps for the Project duration;
 - (ii) providing training to CHWs as per the CHW Operational Guidelines;
 - (iii) increase awareness of the population about key health risks and prevention measures, as well as family planning; and
 - (iv) procuring mobile tablet devices that would enable the CHWs to automate the messages, communicate with their leaders, capture real time

performance data, and provide instant feedback to queries raised by the community.

- 1.3 Supporting family health and planning activities on a national scale to bridge the unmet needs for family planning in Egypt, including, *inter alia*:
 - (i) contracting family planning doctors to fill gaps in the provision of appropriate care;
 - (ii) supporting yearly national communication campaigns to deliver family planning messages and strengthening media messaging in public spaces;
 - (iii) providing accreditations to health facilities for offering family planning services in accordance with the WHO criteria;
 - (iv) supporting supervisory visits to family planning clinics;
 - (v) procurement of services on family planning methods and medical equipment;
 - (vi) incentivize improvements in the contraceptive prevalence rate through the active engagement of family planning centers to promote long-term contraceptive use; and
 - (vii) providing institutional capacity strengthening for the National Population Council to better manage population growth.
- 1.4 Carrying out a program to screen for Hepatitis C and risk factors for high burden diseases, including, *inter alia*:
 - (i) supporting nationwide mass screenings for Hepatitis C, blood sugar level, blood pressure level, and body mass index as calibrated by age groups and geographic disease burden areas, using the modalities of community mobile screening, PHC and hospital screening; and categorical screenings catering for either specific geographic concentrations or events; and
 - (ii) procuring mobile tablet devices for the mobile screening teams that would enable them to instantaneously capture, transmit and interact with the national MOHP screening system.

Part 2: Strengthen Secondary Level Healthcare

- 2.1 Providing for quality healthcare services at hospitals through improving the quality of healthcare services in referral hospitals in the Participating Governorates, including, *inter alia*:

- (i) strengthening the continuity of quality care for patients referred from PHC facilities through an accreditation program for hospitals carried out in accordance with the National Egyptian Accreditation Guidelines;
 - (ii) supporting hospitals with medical and non-medical equipment, medical and non-medical furniture, consumables, medicines, cleaning and safety personnel services, training of staff, and contracting needed services and personnel; and
 - (iii) carrying out independent direct observations of quality of clinical services.
- 2.2 Improving the Borrower's blood bank network through the following measures, including, *inter alia*:
 - (i) supplementing and replacing the current fleet of specially adapted blood donation and transportation mobile vehicles;
 - (ii) extending the automated national blood banks networks into the regional blood transfusion centers which have not yet been connected to the central blood bank network through supporting their IT infrastructure and operating systems; and
 - (iii) boosting the NAT testing of all dispensed blood units and strengthening the NAT testing capacity by further supplying the regional and central NBTS centers with NAT machines and their respective testing kits.
- 2.3 Treating Hepatitis C through the following measures, including, *inter alia*:
 - (i) supporting the provision of treatment care for affected patients through the provision of DAAs included in the treatment protocols approved by MOHP and aligned with the WHO and the provision of needed operational support to Hepatitis C centers and sentinel surveillance centers;
 - (ii) supporting all public hospitals at the national level by providing Hepatitis B immuno-globulin which helps to protect the high-risk groups from infection risks with Hepatitis B following a hazardous post-exposure incident for health personnel or to prevent vertical transmission of disease (mother to child) in pregnant mothers; and
 - (iii) carrying out confirmation tests for patients who received treatment for Hepatitis C.

Part 3: Institutional Capacity Building and Project Management

- 3.1 Strengthening the capacity of the PMU in Project management, monitoring and evaluation, providing training for relevant MOHP staff, contracting an external verification agency and financial auditors.
- 3.2 Strengthening the institutional capacity of relevant public-sector agencies and providing technical assistance for rolling out a comprehensive health insurance system, including, *inter alia*:
 - (i) providing technical assistance to strengthen the capacity of relevant public-sector agencies and supporting the needed quantitative and qualitative analysis for the three newly created organizations that will be responsible for implementing the new CHIS;
 - (ii) conducting household surveys on the impact of the CHW program in effecting the needed changes in various health programs;
 - (iii) conducting technical/research studies to evaluate different aspects of the national screening program for Hepatitis C and non-communicable diseases;
 - (iv) conducting a yearly patient satisfaction survey to measure the progress in patient satisfaction in the Participating Governorates as a result of implementation of Project activities;
 - (v) conducting a yearly average quality of clinical care assessment for both PHCs and referral hospitals through an independent direct observational methodology; and
 - (vi) conducting population surveys to measure improvement in the use of family planning methods.

Part 4: Contingency Emergency and Response

Providing immediate response to an eligible emergency, as needed, to boost the Borrower's response in the event of a national health emergency.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Steering Committee (PSC)

- (a) The Borrower, through MOHP, shall establish prior to the commencement of Project implementation, and thereafter maintain throughout such implementation, a Project Steering Committee with terms of reference, composition and resources acceptable to the Bank.
- (b) The Project Steering Committee shall ensure strategic direction, overall supervision of the Project, and adequate coordination with line ministries and alignment with sector strategies.

2. The Project Management Unit (PMU)

The Borrower, through MOHP, shall maintain throughout Project implementation the Project Management Unit with terms of reference, resources and staffing in adequate numbers acceptable to the Bank to be responsible for all day-to-day operations and coordination, including overall fiduciary matters, procurement, monitoring, evaluation and reporting.

B. Project Operations Manual

- 1. The Borrower, through MOHP, shall ensure that the Project is carried out in accordance with the Project Operations Manual containing detailed arrangements and procedures for: (a) the composition and roles and responsibilities of the PSC; (b) institutional coordination and day-to-day execution of the Project; (c) monitoring, evaluation, reporting and communication; (d) eligibility criteria and procedures for identification and selection of hospitals and Participating Governorates, (e) administration, financial management, procurement and accounting; (f) the Verification Protocol and the appointment of a Verification Agent; (g) the detailed provisions and criteria for activating and implementing the contingent emergency response component under Part 4 of the Project, and (h) such other administrative, technical and organizational arrangements and procedures as shall be required for purposes of implementation of the Project.
- 2. The Borrower, through MOHP, shall prepare and adopt the POM prior to the commencement of Project implementation and shall not amend, abrogate, waive or permit to be amended, abrogated or waived the POM, or any provision thereof, without the prior written consent of the Bank.

C. Verification

1. The Borrower, through MOHP, shall:
 - (a) no later than three (3) months after the Effective Date, or such later date as agreed by the Bank, appoint and thereafter maintain, at all times during the implementation of the Project, an independent verification agent with qualifications and experience and under terms of reference acceptable to the Bank ("Verification Agent"), to verify the data and other evidence supporting the achievement of one or more DLIs as set forth in the table in Schedule 4 to this Agreement and recommend corresponding payments to be made, as applicable, under Category 2; and
 - (b) (i) Ensure that the Verification Agent carry out verification and process(es) in accordance with the Verification Protocol; and (ii) submit to the Bank the corresponding verification reports in a timely manner and in form and substance satisfactory to the Bank.

D. Financing under Parts 1 and 2 of the Project based on Disbursement-linked Indicators

1. The Borrower through MOHP shall:
 - (a) implement Parts 1 and 2 of the Project in accordance with the institutional, safeguards, financial management and procurement arrangements set out in this Schedule 2 to this Agreement;
 - (b) throughout the period of implementation of the Project as necessary, carry out verification to determine whether the DLIs/DLRs have been met as detailed in the POM; and
 - (c) furnish said assessment to the Bank for its review.
2.
 - (a) The amount of payments which the Borrower may request for DLI-based financing under Parts 1 and 2 of the Project shall be determined on the basis of the maximum amount allocated by the Bank to each DLI/DLR, subject to the provisions of Section III of this Schedule 2, provided that such amount shall not exceed the total amount of payment for Eligible Expenditures incurred during the year covered by the DLI-based financing payment requested, excluding any amount of eligible expenditures financed from other sources of financing.
 - (b) Notwithstanding the provision of sub-paragraph (a) of this sub-section 2, all payments under the DLI-based financing shall be subject to the Bank's prior written approval and shall only be eligible for financing out of the

proceeds of the Loan if and to the extent approved by the Bank in accordance with the provisions of Section III of this Schedule 2.

E. Social and Environmental Safeguards

1. Borrower through MOHP shall carry out the Project in accordance with the Environmental and Social Management Framework ("ESMF"). To this end, the Borrower shall ensure that the following actions are taken in a manner acceptable to the Bank if any Project activity would, pursuant to the ESMF: (a) require the carrying out of an Environmental and Social Impact Assessment ("ESIA"), the Borrower through MOHP shall carry out an ESIA for such activity, in accordance with the ESMF, and furnish it to the Bank for review and approval, and disclose said ESIA as required by the ESMF and approved by the Bank; (b) require the preparation of an Environmental and Social Management Plan ("ESMP"), the Borrower through MOHP shall prepare such ESMP in accordance with the ESMF and furnish it to the Bank for review and approval, and disclose said ESMP as required by the ESMF and approved by the Bank and thereafter implement the ESMP during the Project implementation; and (c) incorporate said ESMP in the bidding documents.
2. Without limitation upon its other reporting obligations under this Agreement and under Section 5.08 of the General Conditions, the Borrower through MOHP shall monitor the implementation of the ESMF, ESIA, and ESMP and thereafter shall include in the Project Reports referred to in Section II of this Schedule 2, adequate information on the implementation of the ESMF, ESIA, and ESMP, giving details of: (a) measures taken in furtherance of such ESMF, ESIA, and ESMP; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such ESMF, ESIA, and ESMP; and (c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of such ESMF, ESIA, and ESMP.

Section II. Project Monitoring Reporting and Evaluation

The Borrower, through MOHP, shall furnish to the Bank each Project Report not later than sixty (60) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Loan Proceeds

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; and (b) pay: (i) the Front-end Fee; and (ii) each Interest Rate Cap or

Interest Rate Collar premium; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

| Category | Amount of the Loan Allocated (expressed in USD) | Percentage of Expenditures to be Financed (inclusive of Taxes) |
|--|--|--|
| (1) Goods, works, consulting services, non-consulting services, Training and Operating Costs under Parts 1.1(iii); Part 1.2(i), (ii) and (iv); Parts 1.3(i)-(v) and (vii), Part 1.4 (ii); Part 2.1, 2.2, 2.3 (i) and (ii), and Part 3 of the Project | 317,375,000 | 100% |
| (2) Eligible Expenditures Program under Parts 1.1(i), (ii) and (iv), Part 1.2 (iii), Part 1.3 (vi), Part 1.4(i), and Part 2.3(iii) of the Project | 211,300,000 | 100% of each DLI Amount set out in Schedule 4 (or such lesser percentage as represents the total Eligible Expenditures incurred by the Borrower under the Eligible Expenditure Program as of the date of withdrawal) |
| (3) Interest Rate Cap or Interest Rate Collar Premium | 0 | Amount due in accordance with Section 4.06(c) of the General Conditions. |
| (4) Front-end Fee | 1,325,000 | Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions |

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| (5) Emergency Expenditures under Part 4 of the Project | 0 | Up to 100% |
| TOTAL AMOUNT | 530,000,000 | |

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments for Eligible Expenditures Program under Category (2) and for payments under Category 1, made prior to the date of this Agreement except that withdrawals up to an aggregate amount not to exceed US\$30,000,000 may be made for payments made prior to this date but on or after September 1, 2017, and in the case of payments for Eligible Expenditures Program under Category (2), the conditions set forth in subparagraph (b) below shall be satisfied;
 - (b) under Category (2), unless and until the Borrower through MOHP has furnished evidence acceptable to the Bank that: (i) payments for Eligible Expenditures Program have been made in accordance, and in compliance, with the procedures set forth in the Borrower's applicable laws and regulations and the POM; and (ii) the DLIs/DLRs set forth in Schedule 4 to this Agreement for which payment is requested have been met and verified in accordance with the POM; or
 - (c) under Category (5), unless and until the Borrower through MOHP has: (i) determined that an eligible emergency has occurred; (ii) submitted a request to the Bank for activation of the CERC; (iii) prepared an emergency action plan for the use of CERC funds, and the Bank has approved said Plan; and (iv) the preparation and disclosure of any additional safeguards instruments pertaining to CERC activities that may require these additional instruments have been prepared and disclosed.
2. Notwithstanding the provisions of Part A of this Section, payments under Category (2) shall not exceed the maximum amounts allocated to the respective DLI(s)/DLRs as provided in Schedule 4 to this Agreement.
3. Notwithstanding the provisions of paragraphs 1 and 2 of this Part B, if the Bank shall determine, based on the evidence provided by the Borrower through MOHP under paragraph 1 of this Part B, that any DLI(s)/DLRs have not been achieved or have been partially achieved by the end of the year during which such DLI(s)/DLRs were scheduled to be met in accordance with Schedule 4 to this Agreement, the Bank may in its sole discretion, by notice to the Borrower:

- (a) withhold in whole or in part the amount of the Loan allocated to such DLI(s)/DLRs;
 - (b) disburse in whole or in part the amount of the Loan allocated to such DLI(s)/DLRs at any later time when such DLI(s)/DLRs are met; and/or
 - (c) reallocate in whole or in part any amount of the Loan allocated to such DLI(s)/DLRs to other DLI(s)/DLRs under Category (2) or to other Categories.
- 4. Notwithstanding the foregoing, if the Bank determines, at any time, that any portion of the amounts disbursed by the Borrower under Category (2) was made for reimbursement of expenditures that are not eligible under the Eligible Expenditures Program or not in compliance with the provisions of paragraphs 1(b) and 2 of Section III.B of this Schedule, the Borrower shall promptly refund any such amount to the Bank as the Bank shall specify by notice to the Borrower.
- 5. The Closing Date is December 31, 2023.

SCHEDULE 3

Commitment-linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

Level Principal Repayments

| Principal Payment Date | Installment Share |
|---|--------------------------|
| On each October 1 and April 1 Beginning October 1, 2023 through October 1, 2052 | 1.67% |
| On April 1, 2053 | 1.47% |

The determination of the principal amounts of the Loan repayable on each Principal Payment Date is made in accordance with Section 3.03 of the General Conditions.

SCHEDULE 4

Disbursement-linked Indicators under Parts 1 and 2 of the Project

| Disbursement-Linked Indicators | Disbursement Linked Results (as applicable) | Loan Amount allocated (in US\$) | Disbursement Calculation Formula |
|---|--|---------------------------------|---|
| DLI 1: Development of quality tools and mechanisms | DLR 1.1: MOHP's existing accreditation guidelines for PHC facilities updated | 1,000,000 | NA |
| | DLR 1.2: PHC services mapping exercise completed | 1,000,000 | NA |
| | DLR 1.3: PHC needs assessment carried out | 1,000,000 | NA |
| | DLR 1.4: PHC needs assessment carried out on their facilities which require re-accreditation | 1,000,000 | NA |
| DLI 2: Percentage of grievances addressed in Project target facilities in accordance with the revised GRM Manual issued in 2017 | DLR 2.1: Distribute the GRM Manual to all PHCs and district level staff in Participating Governorates | 500,000 | NA |
| | DLR 2.2: Percentage of GRM training completed for all PHC and district level staff in Participating Governorates using the updated GRM Manual | 500,000 | For each % point increase over 50% achievement, US\$10,000 will be awarded, up to the maximum allocated amount. |
| | DLRs 2.3: By December 31, 2020, 20% grievances addressed using the GRM in accordance with the revised GRM Manual | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| | DLRs 2.4: By December 31, 2021, 40% of grievances addressed using the GRM in accordance with the revised GRM Manual | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |

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| | DLRs 2.5: By December 31, 2022, 60% of grievances addressed using the GRM in accordance with the revised GRM Manual | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| | DLRs 2.6: By December 31, 2023, 80% of grievances addressed using the GRM in accordance with the revised GRM Manual | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| DLI 3: Strengthening governance and decentralized management | DLRs 3.1: By December 31, 2019, 20% of districts participating in the Project certified for enhanced governance performance | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| | DLRs 3.2: By December 31, 2020, 40% of districts participating in the Project certified for enhanced governance performance | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| | DLRs 3.3: By December 31, 2021, 60% of districts participating in the Project certified for enhanced governance performance | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| | DLRs 3.4: By December 31, 2022, 80% of districts participating in the Project certified for enhanced governance performance | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| | DLRs 3.5: By December 31, 2023, 100% of districts participating in the Project certified for enhanced governance performance | 500,000 | For each % point increase, \$25,000 will be awarded, up to the maximum allocated amount. |
| DLI 4: Improvement of PHC Quality of Services | DLR 4.1: Number of facilities passing the Quality of Services Index (QSI). | 48,000,000 | Each facility will be awarded US\$80,000 provided that it receives at least 80% or more of the total score in the QSI, and provided that all DLRs under DLI 1 have previously been achieved. The minimum payment |

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| | | | threshold is US\$4,000,000 up to the maximum allocated amount. |
| | DLR 4.2: Number of facilities receiving a certificate of accreditation, using the updated accreditation tool, and which previously received the QSI certificate. | 12,000,000 | Each facility will be awarded US\$20,000 upon accreditation. The minimum payment threshold is US\$1,000,000 up to the maximum allocated amount. |
| DLI 5: Increased household visits by CHWs (applicable to Participating Governorates) | DLR 5.1: By December 31, 2019, 12% of households visited by CHW in the past year | 600,000 | NA |
| | DLR 5.2: By December 31, 2020, 17% of households visited by CHW in the past year | 600,000 | NA |
| | DLR 5.3: By December 31, 2021, 22% of households visited by CHW in the past year | 600,000 | NA |
| | DLR 5.4: By December 31, 2022, 27% of households visited by CHW in the past year | 600,000 | NA |
| | DLR 5.5: By December 31, 2023, 32% of households visited by CHW in the past year | 600,000 | NA |
| DLI 6: Increased contraceptive prevalence rate (national level) | DLR 6.1: By December 31, 2021, 62% achievement | 1,600,000 | NA |
| | DLR 6.2: By December 31, 2023, 65% achievement | 1,600,000 | NA |
| DLI 7: NCD screening | DLR 7.1: Number of people screened as per the protocol provided in the POM. | 4,000,000 | Payment for screening of every 50,000 persons will be US\$10,000. The minimum payment threshold is US\$500,000 up to the maximum allocated amount. |

| | | | |
|--|--|-------------|--|
| DLI 8: HEP C screening | DLR 8.1: Number of people screened at the community level using the rapid test, and at PHCs and hospitals using lab and/or rapid test, anywhere in Egypt. | 129,600,000 | Payment for screening of every 500,000 persons will be US\$1,620,000. The minimum payment threshold is US\$3,240,000 up to the maximum allocated amount. |
| DLI 9: Increased confirmation testing post Hep C treatment | DLR9.1: By December 31, 2018, 70% of patients taking the confirmation test following treatment for Hep C, of the total number of patients treated. | 200,000 | NA |
| | DLR9.2: By December 31, 2019, 70% of patients taking the confirmation test following treatment for Hep C, of the total number of patients treated. | 400,000 | NA |
| | DLR9.3: By December 31, 2020, 70% of patients taking the confirmation test following treatment for Hep C, of the total number of patients treated. | 500,000 | NA |
| | DLR9.4: By December 31, 2021, 75% of patients taking the confirmation test following treatment for Hep C, of the total number of patients treated. | 400,000 | NA |
| | DLR9.5: By December 31, 2022, 75% of patients taking the confirmation test following treatment for Hep C, of the total number of patients treated. | 300,000 | NA |
| | DLR 9.6: By December 31, 2023, 80% of patients taking the confirmation test following treatment for Hep C, of the total number of patients treated. | 200,000 | NA |
| TOTAL AMOUNT: | | 211,300,000 | |

APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
2. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
3. “CERC” means contingent emergency response component.
4. “CHIS” means the Borrower’s Comprehensive Health Insurance System to be rolled-out in 6 phases over a 15-year period, with implementation starting in July 2018, as a result of the passage on December 17, 2017, of the Comprehensive Health Insurance Law.
5. “CHW” means community health workers.
6. “CHW Operational Guidelines” means the MOHP Guidelines issued specifically for community health workers in 2017.
7. “DAAs” means direct antiviral agents.
8. “Disbursement Linked Indicator” or “DLI” means in respect of Category (2), each of the indicators related to said Category as set forth in the table in Schedule 4 to this Agreement.
9. “Disbursement Linked Result” or “DLR” means in respect of Category (2), each of the results related to said Category as set forth in the table in Schedule 4 to this Agreement, on the basis of the achievement of which, the amount of the Loan allocated to said result may be withdrawn in accordance with the provisions of Section III.B of Schedule 2 to this Agreement.
10. “Eligible Expenditures Program” means Eligible Expenditures incurred by the Borrower for the implementation of Parts 1 and 2 of the Project financed through Chapter 1 (salaries and wages) of the budget allocated to MOHP and its affiliated entities.
11. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the POM (as defined hereunder) in accordance with the provisions of Section I.B.1 of Schedule 2 to this Agreement and required for the activities included in Part 4 of the Project.

12. “Environmental and Social Management Framework” or “ESMF” means the framework disclosed in the Borrower’s country and on the Banks website on April 26, 2018, including a medical waste management plan and setting forth an environmental and social screening process that will enable the Borrower to identify and assess potential adverse environmental and social impacts, and to eliminate or offset adverse environmental and social impacts or to reduce them to acceptable levels, or enhance positive impacts, and in accordance with which site-specific ESIA’s and ESMP’s will be prepared and submitted to the bank for its approval, as the same may be amended from time to time with the prior written approval of the Bank.
13. “Environmental and Social Impact Assessment” or “ESIA” means any site-specific environmental and social impact assessment prepared pursuant to the ESMF pursuant to Section I.E.1 of Schedule 2 to this Agreement for Project activities, in each case describing a set of mitigation, enhancement, monitoring, and institutional measures to be taken during implementation of the Project to mitigate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, or to enhance positive impacts; as the said environmental impact and social assessments may be amended and/or supplemented from time to time with the prior written concurrence of the Bank.
14. “Environmental and Social Management Plan” or “ESMP” means any site-specific Environmental and Social Management Plan, acceptable to the Bank and prepared in accordance with the ESMF pursuant to Section I.E.1 of Schedule 2 to this Agreement, in each case describing: (i) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels, and (ii) the actions needed to implement these measures, including monitoring and institution strengthening.
15. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated July 14, 2017.
16. “Governorate” means an administrative division of the Arab Republic of Egypt.
17. “GRM” means grievance redress mechanism.
18. “GRM Manual” means a manual developed in 2017, by the MOHP to collect and handle complaints from the patients who visit the public health facilities.
19. “Operating Costs” means the reasonable incremental expenses incurred by the Borrower (including by PMU), and approved by the Bank attributable to Project implementation, management and monitoring, including costs relating to office supplies and consumables, stationery and sundries, maintenance of office

equipment, communication, advertising, office rentals, utility costs, operation and maintenance of office vehicles, per diem and travel costs for Project staff, reasonable bank charges, allowances and salaries of Project staff (but excluding the salaries of the Borrower's civil servants).

20. "Participating Governorates" means Governorates selected and to be selected according to the criteria set out in the Project Operations Manual.
21. "PHC" means primary health care.
22. "POM" means the operations manual for the Project to be adopted by the Borrower and agreed with the Bank, in accordance with Section I.B of Schedule 2 to this Agreement, as the same may be modified from time to time with the prior written agreement of the Bank, and such terms includes any annexes or schedules to such manual, including but not limited to the Verification Protocol.
23. "Project Management Unit" or "PMU" means the unit referred to in paragraph 2 of Section I.A of Schedule 2 to this Agreement.
24. "Procurement Regulations" means, for purposes of paragraph 85 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017.
25. "Project Steering Committee" or "PSC" means the committee referred to in paragraph 1 of Section I.A of Schedule 2 to this Agreement.
26. "MOHP" means the Borrower's Ministry of Health and Population, or any successor thereof.
27. "NAT" means nucleic acid testing.
28. "National Egyptian Accreditation Guidelines" means standards used for hospital accreditation, issued by MOHP and the Borrower's Accreditation Executive Committee in April 2013.
29. "National Population Council" means the Borrower's government agency in charge of national population policy matters.
30. "NBTS" means national blood transfusion services.
31. "NCD" means non-communicable disease.
32. "Quality of Services Indicator Index" means a composite indicator, endorsed by the World Bank and UNICEF, and detailed in the POM, which measures outputs related to improvements in the quality of care at PHCs.

- 33. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.
- 34. "Training" means the costs of training under the Project, based on the annual work plans and budgets referred to in Section I.B of Schedule 2 to this Agreement as approved by the Bank, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.
- 35. "Verification Agent" means an independent entity to be engaged by the MOHP for the purposes of certifying the achievement of the DLRs as referred to in Section I.B of Schedule 2 to this Agreement.
- 36. "Verification Protocol" means the Borrower's Verification Protocol, as included in the POM and acceptable to the Bank, setting forth the detailed criteria for the achievement of DLRs and means by which the same will be verified under the Project, as such Verification Protocol may be amended from time to time with the prior written agreement of the Bank.
- 37. "WHO" means the World Health Organization.