Financing Agreement

(OECS Regional Health Project)

between

SAINT LUCIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between SAINT LUCIA (“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) 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 — FINANCING

2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount of six million Dollars ($6,000,000) (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 III of Schedule 2 to this Agreement. The Recipient’s Representatives for purposes of taking any action required or permitted to be taken pursuant to this Section are indistinctly the Permanent Secretary, Department of Finance and the Permanent Secretary, Department of Health and Wellness.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04. The Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.

2.05. The Payment Dates are February 15 and August 15 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 Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end,

(a) the Recipient shall carry out the Respective Parts of the Project through:

(i) MOH with respect to Parts 1.1 (a), 1.2 (a), 2.1 (a) and 2.2 (a) and 3 thereof; and

(ii) the Coordinating Authority with respect to Part 4 thereof;

all in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement; and

(b) Parts 1.1(a), 1.2(a), 2.1(a), 2.2 (a), 3 and 4 of the Project shall also be carried out by the Other Participating Countries in accordance with the provisions of their respective Financing Agreements;

(c) Parts 1.2 (b) (i), 2.1 (b) (i), 2.2 (b) (i) and 3 of the Project shall be carried out by CARPHA in accordance with the CARPHA Financing Agreement; and

(d) Parts 1.1 (b), 1.2 (b) (ii), 2.2 (b) (ii) and 3 shall be carried out by OECS in accordance with the OECS Financing Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Condition of Effectiveness consists of the following namely that the Financing Agreements of at least one Other Participating Country and of OECS and CARPHA have been executed and all conditions precedent to the effectiveness of said Financing Agreements have been fulfilled.

4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
4.03. For purposes of Section 10.05 (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 years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. Except as provided in Section 2.02 of this Agreement, The Recipient’s Representative is its Minister of Finance.

5.02. For purposes of Section 11.01 of the General Conditions:

(a) The Recipient’s Address is:

Ministry of Finance, Economic Growth, Job Creation, External Affairs and Public Service
Greaham Louisy - Administrative Building Waterfront
Fifth Floor
Castries
Saint Lucia
West Indies; and

(b) the Recipient’s Electronic Address is:

Facsimile: E-mail:
1-758- 452-6700 pm.sec@govt.lc

5.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association’s address is:

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

(b) the Association’s Electronic Address is:

Telex: Facsimile:
248423 (MCI) 1-202-477-6391
AGREED as of the Signature Date.

SAINT LUCIA

By

Allen M. Chastanet

Authorized Representative

Name: Allen M. Chastanet
Title: Prime Minister
Date: 06-Jan-2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Tahseen Sayed

Authorized Representative

Name: Tahseen Sayed
Title: Country Director
Date: 17-Dec-2019
SCHEDULE 1

Project Description

The objective of the Project is to improve preparedness capacities of health systems for public health emergencies in the OECS region.

The Project consists of the following parts:

Part 1: Improved Health Facilities and Laboratory Capacity

Strengthening the resilience and capacity of Selected Health Facilities and laboratories to provide services to manage a public health emergency, including an emerging disease outbreak, extreme weather event or other disaster through, *inter alia*:

1. Health Facilities Infrastructure and Referral Networks

   (a) National Level

   Upgrading of Selected Health Facilities to improve their resilience to climate change and extreme weather conditions through, *inter alia*, climate resilient and energy-efficient structural improvements, roofing, electrical safety, improvement in lighting, telecommunications, plumbing and water storage as well as the inclusion of ramps to facilitate access for people who are disabled.

   (b) Regional Level

   OECS:

   Carrying out of an inventory of the emergency and critical care facilities (including information on human resources) in the Participating Countries and geographic information systems (GIS) mapping including, *inter alia*, the provision of equipment, technical assistance and training.

2. Laboratory Infrastructure and Capacity Building

   (a) National Level

   (i) expansion of laboratory services, including provision of equipment and reagents;

   (ii) improvements in specimen handling and supply chain management;

   (iii) technical support for laboratory data management systems and interoperability with health and surveillance information systems at
national and regional levels;

(iv) training and capacity building for laboratory services; and

(v) strengthening of laboratory quality management systems.

(b) Regional Level

(i) CARPHA:

(A) assessment of national laboratory capacity in Participating Countries to provide the needed laboratory services;

(B) technical support to improve the link between national laboratory networks and the regional reference laboratory;

(C) enhancements to the regional reference laboratory technical capacity in order to provide the region with the necessary capacities in processing, diagnosing and confirming priority infectious diseases;

(D) improved technical capacity for laboratory safety and specimen transportation and related training; and

(E) implementation of a quality assurance program for the Participating Countries for the implementation of common standards for national laboratories, including policies, standard operating procedures and related training.

(ii) OECS:

(A) development of a system for pooled procurement for laboratory equipment, service contracts, and laboratory parts and reagents for the Participating Countries;

(B) development of laboratory specimen transportation agreements and related training; and

(C) development of mechanisms for laboratory quality improvement in Participating Countries.

Part 2: Strengthening Public Health Surveillance and Emergency Management

Strengthening public health preparedness, including surveillance and emergency response through improvement of national and regional capacities and promotion of cross-border
collaboration through, *inter alia*:

1. **Public Health Surveillance**

   (a) **National Level:**

   (i) improvement of the information base for surveillance through training and investments in health information systems;

   (ii) addressing points of vulnerability through improved surveillance in targeted areas and high-risk groups; and

   (iii) support to MOH’s vector control programs and when applicable food safety programs and implementation of the Frontline and Basic Field Epidemiology Training Program basic modules.

   (b) **Regional Level**

   (i) **CARPHA:**

      (A) expansion and roll-out of the FETP intermediate and advance modules;

      (B) improvements in surveillance reporting to and from the regional level, including development of protocols for communication and data sharing, and a regional dashboard; and

      (C) development of an information and communication platform for surveillance and management including geographic information systems.

2. **Emergency Management**

   (a) **National Level**

   (i) development and/or updating of health emergency preparedness and response plans;

   (ii) establishment, if and when applicable, of isolation facilities for response and containment capacity in the event of an outbreak;

   (iii) setup and equipping of the Recipient’s health emergency response systems and/or operations centers such as satellite/radio communications and generators and related training; and
(iv) management of biomedical waste in Selected Countries.

(b) Regional Level

(i) CARPHA:

(A) development of regional preparedness and response action plans for public health emergencies (including simulation exercises) in Participating Countries;

(B) support to Participating Countries in their self-assessments of core capacities in laboratories, surveillance and emergency management carried out using the Joint External Evaluation tool, and development of a national action plan for health security; and

(C) establishment of a contingency emergency response funding mechanism.

(ii) OECS:

Development and implementation coordination mechanisms for health emergency services for OECS countries to strengthen regional capacity to mobilize first responders and critical health supplies to affected areas, including inter alia, strengthening of systems, facilitating movement of patients and/or specialized health human resources and training on a minimal initial service package in sexual and reproductive health in the context of public health emergencies.

Part 3: Institutional Capacity Building, Project Management and Coordination

(i) Institutional capacity building in the areas of technical assistance for contract management, procurement, financial management, environmental and social safeguards, construction supervision and monitoring and evaluation, including audits for the Respective Parts of the Project.

(ii) Project management and coordination, equipping and operation of regional coordination platforms.

Part 4: Contingent Emergency Response Component (CERC)

Provision of support upon occurrence of an Eligible Emergency.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Regional Project Advisory Committee

The Recipient shall, at all times during the implementation of Parts 1.1(a), 1.2(a), 2.1(a), 2.2(a) and 3 of the Project, ensure adequate representation and participation in the Regional Project Advisory Committee, and shall maintain such representation with resources satisfactory to the Association as set forth in the Project Operations Manual.

2. Project Implementation Unit (“PIU”)

The Recipient shall maintain, at all times until the completion of Parts 1.1(a), 1.2(a), 2.1(a), 2.2(a) and 3 of the Project, the PIU within the MOH with management and staff, terms of reference, mandate and resources satisfactory to the Association with experience, qualifications, expertise and terms of reference acceptable to the Association.

B. Project Operations Manual

1. The Recipient shall carry out Parts 1.1(a), 1.2(a), 2.1(a), 2.2(a) and 3 of the Project in accordance with the POM.

2. Except as the Association shall otherwise agree, the Recipient shall not amend, waive or fail to enforce the POM, or any provision thereof.

3. In case of any conflict between the provisions of this Agreement and those of the POM, the provisions of this Agreement shall prevail.

C. Safeguards

1. The Recipient shall ensure that:

(a) the Respective Parts of the Project are carried out with due regard to appropriate health, safety, social, and environmental practices and standards, and in accordance with the Safeguards Instruments;

(b) for each activity under Parts 1.1(a), 1.2(a), 2.1(a), 2.2(a) and 3 of the Project for which the ESMF provides for the preparation of an ESMP:
(i) proceed to have such ESMP as appropriate: (A) prepared and disclosed in accordance with the ESMF; (B) consulted upon adequately with people affected by Parts 1.1(a), 1.2 (a), 2.1(a), 2.2 (a) and 3 of the Project as per the ESMF, and submitted to the Association for review and approval; and (C) thereafter adopted, prior to implementation of the activity; and

(ii) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP in a manner satisfactory to the Association.

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

D. Contingency Emergency Response

In order to ensure the proper implementation of Part 4 of the Project ("Contingency Emergency Response Component" or "CERC Part"), the Recipient shall take the measures set forth below:

1. The Recipient shall:

   (a) prepare and furnish to the Association for its review and approval, a CERC Manual which shall set forth detailed implementation arrangements for the CERC Part, including: (i) designation of, terms of reference for and resources to be allocated to, the entity to be responsible for coordinating and implementing the CERC Part ("Coordinating Authority"); (ii) specific activities which may be included in the CERC Part, a sound and actionable country-level response plan, Eligible Expenditures required therefor ("Eligible Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the CERC Part; (iv) procurement methods and procedures for Eligible Emergency Expenditures to be financed under the CERC Part; (v) documentation required for withdrawals of Eligible Emergency Expenditures; (vi) environmental and social safeguards management frameworks for the CERC Part, consistent with the Association’s policies on the matter; and (vi) any other arrangements necessary to ensure proper coordination and implementation of the CERC Part;
(b) afford the Association a reasonable opportunity to review said proposed CERC Manual;

(c) promptly adopt such CERC Manual for the CERC Part as shall have been approved by the Association;

(d) ensure that the CERC Part is carried out in accordance with the CERC Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual and this Agreement, the provisions of this Agreement shall prevail; and

(e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Manual without prior approval by the Association.

2. The Recipient shall, throughout the implementation of the CERC Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.

3. The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC Part) unless and until the following conditions have been met in respect of said activities:

(a) the Recipient has determined that an Eligible Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part and an action plan in order to respond to said Eligible Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

(b) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CERC Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments; and

(c) the Recipient has ensured that no activities under the CERC Part fall under the prohibited activities mentioned in CERC Manual.

E. Procurement of Eligible Emergency Expenditures under the CERC Part of the Project

The Recipient shall procure the Emergency Expenditures required for the CERC Part of the Project in accordance with the procurement methods and procedures set forth in the CERC Manual.
F. Other Undertakings

The Recipient shall cooperate with CARPHA and OECS as required for implementation by CARPHA and OECS within the Recipient’s territory of the regional activities included in the Project and enable CARPHA and OECS to discharge their respective coordination obligations set forth in Section I. D of Schedule 2 to the CARPHA Financing Agreement and the OECS Financing Agreement.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than forty-five days after the end of each semester, covering the semester.

Section III. Withdrawal of the Proceeds of the Financing

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 Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consulting services, Training and Operating Costs for Parts 1.1(a), 1.2(a), 2.1 (a), 2.2(a) and 3 the Project</td>
<td>6,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Eligible Emergency Expenditures for Part 4 of the</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>6,000,000</td>
<td></td>
</tr>
</tbody>
</table>

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
   
   (a) for payments made prior to the Signature Date; or
   
   (b) under Category (2), for Emergency Expenditures under Part 4 of the Project, unless and until the Association is satisfied, and has notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:
      
      (i) the Recipient has determined that an Eligible Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part and an action plan in order to respond to said Eligible Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;
      
      (ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section D of this Schedule;
      
      (iii) the Recipient’s Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section D of this Schedule, for the purposes of said activities; and
      
      (iv) the Recipient has adopted the CERC Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Manual remain or have been updated in accordance with the provisions of Section D of this Schedule so as to be appropriate for the inclusion and implementation of said activities under the CERC Part.

2. The Closing Date is July 31, 2024.
**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 February 15 and August 15:</td>
<td></td>
</tr>
<tr>
<td>Commencing February 15, 2030 to and including August 15, 2039</td>
<td>1%</td>
</tr>
<tr>
<td>commencing February 15, 2040 to and including August 15, 2059</td>
<td>2%</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 3.05 (b) of the General Conditions.
APPENDIX

Section I. 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. “Basis Adjustment to the Service Charge” means the Association’s standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.


4. “CARPHA” means the Caribbean Public Health Agency established as an institution of the Caribbean Community pursuant to the agreement signed by members of the Caribbean Community in July 2011.

5. “CARPHA Financing Agreement” means the agreement for the OECS Regional Health Project to be entered into between CARPHA and the Association for the financing the CARPHA Respective Parts of the Project.

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


8. “Contingency Emergency Response Component” or “CERC Part” means Part 4 of the Project.

9. “Coordinating Authority” means the Recipient’s entity or institution in charge of implementing Part 4 of the Project (“Contingency Emergency Response Component” or “CERC Part”).

10. “Eligible Emergency” means the imminent or actual occurrence of a natural or man-made crisis or disaster, which, in the opinion of the Association, has the capacity to cause major adverse health impacts in the Recipient’s population.
11. “Eligible Emergency Expenditures” means the Eligible Expenditures required to finance the cost of the approved goods (excluding pesticides), works, consulting services, non-consulting services, Operating Costs and Training necessary under Part 4 of the Project to respond to an Eligible Emergency.


13. “Environmental and Social Management Framework” or “ESMF” means the environmental and social management framework prepared and adopted by the Recipient, satisfactory to the Association, disclosed in-country on June 13, 2019, and in the Bank’s website on June 3, 2019, setting out the principles, rules, guidelines and procedures to screen and assess the potential adverse environmental and social risks and impacts (including health and safety issues) of Parts 1.1(a), 1.2(a), 2.1(a), 2.2(a) and 3 of the Project activities, including the risks of gender-based violence and sexual exploitation and abuse, adopt measures to avoid, reduce, mitigate or offset environmental and social adverse risks and impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse, procedural, budget and institutional arrangements and actions needed to implement these measures, and information on the agency or agencies responsible for addressing the Respective Parts of the Projects’ risks and impacts; as well as for the preparation of environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.

14. “Environmental and Social Management Plan” or “ESMP” means the environmental and social management plan to be prepared by the Recipient, satisfactory to the Association, and disclosed on the Bank’s website, which details (a) the measures to be taken during the implementation of 1.1(a), 1.2(a), 2.1(a), 2.2(a) and 3 of the Project to avoid, minimize, mitigate or offset adverse environmental and social impacts (including health and safety issues), or to reduce them to acceptable levels; (b) the measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse; and c) the procedural, budget and institutional arrangements and actions needed to implement these measures, including any schedules to such plan, and as such plan may be amended by the Recipient from time to time, with the prior written approval of the Association.

15. “Frontline and Basic Field Epidemiology Training Program” or “FETP” means the program described in CARPHA’s website at http://carpha.org/What-We-Do/FELTP/Introduction.


18. “MOH” means the Recipient’s Ministry of Health or any successor thereto.


20. “OECS Financing Agreement” means the agreement for the OECS Regional Health Project to be entered into between OECS and the Association for the financing the OECS Respective Parts of the Project.

21. “Operating Costs” means the reasonable incremental expenses incurred in connection with Project implementation, including consumable materials and supplies, utilities, fuel and oil, communications, administrative fees, surveys and census costs, mass media and printing services, vehicle rental, operation and maintenance, charges for the opening and operation of bank accounts required for the Respective Parts of the Project, travel, lodging and per diems, but excluding salaries of officials of the Recipient's civil service.


24. “PIU” means the unit referred to in Section I. A 3 of Schedule 2 to this Agreement.

25. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.

26. “Project Operations Manual” or “POM” means the manual referred to in Section I.B of Schedule 2 to this agreement, approved by the Association on June 19, 2019, as the same may be amended from time to time with the prior written approval of the Association.
27. “Regional Project Advisory Committee” means the committee referred to in Section I.A.1. of Schedule 2 to this Agreement.

28. “Respective Parts of the Project” means for:

(a) the Recipient and the other Participating Countries: Parts 1.1(a), 1.2(a), 2.1(a), 2.2(a), 3 and 4 of the Project to be carried within the jurisdiction of each Participating Country;

(b) CARPHA: Parts 1.2 (b) (i), 2.1 (b) (i), 2.2 (b) (i) and 3 of the Project; and

(c) OECS: Parts 1.1(b), 1.2 (b) (ii), 2.2 (b) (ii) and 3 of the Project.

29. “Safeguard Instruments” means, collectively the ESMF and any ESMP prepared in accordance with the ESMF, and “Safeguard Instrument” means any of such Safeguards Instruments.


31. “Selected Countries” means the Recipient and Saint Vincent and the Grenadines and any other Participating Country as the Association may agree.

32. “Selected Health Facilities” means the facilities located in each of the Participating Countries in the numbers and locations set forth in the Project Operations Manual or such other facilities as may be agreed by the Association.

33. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.

34. “Training” means the training of persons under the Project, including through seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, tuition fees, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.