

CONFORMED COPY

CREDIT NUMBER 2244 BUR

(Fourth Education Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 5, 1991

CREDIT NUMBER 2244 BUR

DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated July 5, 1991, between BURKINA FASO (the Borrower) and the INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS: (A) the Borrower, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested the Association to assist in the financing of the Project;

(B) the Borrower intends to contract from the Kingdom of Norway, the European Economic Community, acting through the European Development Fund (EDF), and Canada, acting through the Canadian International Development Agency (CIDA), grants in respective amounts of twenty-five million Norwegian Kroner (Nkr 25,000,000), six million European Currency Units (ECU 6,000,000) and ten million Canadian dollars (Can\$10,000,000) to assist in financing the Project on the terms and conditions set forth in agreements to be entered into in this regard between the Borrower, on the one hand, and Norway, EEC and CIDA, respectively, on the other; and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing,

to extend the Credit to the Borrower upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

## ARTICLE I

### General Conditions; Definitions

Section 1.01. The "General Conditions Applicable to Development Credit Agreements" of the Association, dated January 1, 1985, with the last sentence of Section 3.02 deleted (the General Conditions) constitute an integral part of this Agreement.

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions and in the Preamble to this Agreement have the respective meanings therein set forth and the following additional terms have the following meanings:

- (a) "CFAF" or "CFA Franc" means the currency of the Borrower;
- (b) "Project Directorate" means the Education Project Directorate within MEBAM;
- (c) "MEBAM" means Ministere de l'Enseignement de Base et de l'Alphabetisation de Masse;
- (d) "MESSRS" means Ministere des Enseignements Secondaire, Superieur et de la Recherche Scientifique; and
- (e) "Special Account" means the account referred to in Section 2.02 (b) of this Agreement.

Section 1.03. Unless the context otherwise requires, any reference in this Agreement to a year shall be construed as a reference to a school year.

## ARTICLE II

### The Credit

Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions set forth or referred to in the Development Credit Agreement, an amount in various currencies equivalent to seventeen million eight hundred thousand Special Drawing Rights (SDR 17,800,000).

Section 2.02. (a) The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of this Section and of Schedule 1 to this Agreement for expenditures made (or, if the Association shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project, described in Schedule 2 to this Agreement, and to be financed out of the proceeds of the Credit.

(b) The Borrower shall, for the purposes of the Project, open and maintain in CFA Francs a special deposit account in a commercial bank on terms and conditions satisfactory to the Association, including appropriate protection against set-off, seizure or attachment. Deposits into, and payments out of, the Special Account shall be made in accordance with the provisions of Schedule 3 to this Agreement.

Section 2.03. The Closing Date shall be June 30, 1998 or such later date as the Association shall establish. The Association shall promptly notify the Borrower of such later date.

Section 2.04. (a) The Borrower shall pay to the Association a commitment charge on the principal amount of the Credit not withdrawn from time to time at a rate to be set by the Association as of June 30 of each year, but not to exceed the rate of one-half of one percent (1/2 of 1%) per annum.

(b) The commitment charge shall accrue: (i) from the date sixty days after the date of this Agreement (the accrual date) to the respective dates on which amounts shall be withdrawn by the Borrower from the Credit Account or cancelled; and (ii) at the rate set as of the June 30 immediately preceding the accrual date or at such other rates as may be set from time to time thereafter pursuant to paragraph (a) above. The rate set as of June 30 in each year shall be applied from the next payment date in that year specified in Section 2.06 of this Agreement.

(c) The commitment charge shall be paid: (i) at such places as the Association shall reasonably request; (ii) without restrictions of any kind imposed by, or in the territory of, the Borrower; and (iii) in the currency specified in this Agreement for the purposes of Section 4.02 of the General Conditions or in such other eligible currency or currencies as may from time to time be designated or selected pursuant to the provisions of that Section.

Section 2.05. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one percent ( $3/4$  of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

Section 2.06. Commitment charges and service charges shall be payable semiannually on February 15 and August 15 in each year.

Section 2.07. (a) Subject to paragraphs (b) and (c) below, the Borrower shall repay the principal amount of the Credit in semi-annual installments payable on each February 15 and August 15, commencing August 15, 2001 and ending February 15, 2031. Each installment to and including the installment payable on February 15, 2011 shall be one percent (1%) of such principal amount, and each installment thereafter shall be two percent (2%) of such principal amount.

(b) Whenever: (i) the Borrower's gross national product per capita, as determined by the Association, shall have exceeded \$790 in constant 1985 dollars for five consecutive years; and (ii) the Bank shall consider the Borrower creditworthy for Bank lending, the Association may, subsequent to the review and approval thereof by the Executive Directors of the Association and after due consideration by them of the development of the Borrower's economy, modify the terms of repayment of installments under paragraph (a) above by requiring the Borrower to repay twice the amount of each such installment not yet due until the principal amount of the Credit shall have been repaid. If so requested by the Borrower, the Association may revise such modification to include, in lieu of some or all of the increase in the amounts of such installments, the payment of interest at an annual rate agreed with the Association on the principal amount of the Credit withdrawn and outstanding from time to time, provided that, in the judgment of the Association, such revision shall not change the grant element obtained under the above-mentioned repayment modification.

(c) If, at any time after a modification of terms pursuant to paragraph (b) above, the Association determines that the Borrower's economic condition has deteriorated significantly, the Association may, if so requested by the Borrower, further modify the terms of repayment to conform to the schedule of installments as provided in paragraph (a) above.

Section 2.08. The currency of the French Republic is hereby specified for the purposes of Section 4.02 of the General Conditions.

### ARTICLE III

#### Execution of the Project

Section 3.01. (a) The Borrower declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement and, to this end, shall carry out the Project with due diligence and efficiency and in conformity with appropriate economic, financial, administrative and pedagogical practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section and, except as the Borrower and the Association shall otherwise agree, the Borrower shall carry out the Project in accordance with the Implementation Program set forth in

Schedule 5 to this Agreement.

Section 3.02. Except as the Association shall otherwise agree, procurement of the goods, works and consultants' services required for the Project and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 4 to this Agreement.

Section 3.03. The communities to benefit from the schools to be constructed under Part C.3 of the Project shall be selected by the Borrower pursuant to criteria agreed with the Association.

Section 3.04. The Borrower shall ensure that the Project Directorate is at all times staffed with a Project Director, an administrator in charge of monitoring of Project implementation, a procurement specialist, a construction specialist and an accountant, all of whom shall have qualifications and experience satisfactory to the Association.

Section 3.05. (a) The Borrower and the Association shall, not later than September 30, 1992 and, thereafter, not later than September 30 of each subsequent year, undertake a joint review of the Project or, in the case of the review to be undertaken not later than September 30, 1994, a mid-term review, during which they will exchange views on matters relating to the progress of the Project and the performance by the Borrower of its obligations under this Agreement.

(b) Not later than one month prior to each such review, the Borrower shall furnish to the Association, for its comments, a report on the progress and status of the Project, and in such detail as the Association shall reasonably request.

(c) Following each such review, the Borrower undertakes to act promptly and diligently, in order to take any corrective action deemed necessary to remedy any shortcoming noted in the implementation of the Project, or to implement such other measures as may have been agreed upon between the parties in furtherance of the objectives of the Project.

#### ARTICLE IV

##### Financial Covenants

Section 4.01. (a) The Borrower shall maintain or cause to be maintained records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures in respect of the Project of the departments or agencies of the Borrower responsible for carrying out the Project or any part thereof.

(b) The Borrower shall:

(i) have the records and accounts referred to in paragraph (a) of this Section, including those for the Special Account, audited for each fiscal year in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Association;

(ii) furnish to the Association, as soon as available, but in any case not later than six months after the end of each such year, a certified copy of the report of such audit by said auditors, of such scope and in such detail as the Association shall have reasonably requested; and

(iii) furnish to the Association such other information concerning said records, accounts and the audit thereof as the Association shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the Credit Account were made on the basis of statements of expenditure, the Borrower shall:

(i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and accounts reflecting such expenditures;

(ii) retain, until at least one year after the Association has received the audit report for the fiscal year in which the last withdrawal from the Credit Account or payment out of the Special Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;

(iii) enable the Association's representatives to examine such records; and

(iv) ensure that said accounts and records shall be audited on a semiannual basis by said auditors, who shall prepare audit reports accordingly and furnish them to the Association, not later than three (3) months after the end of such semiannual audit period, along with an opinion as to whether the statements of expenditure submitted during such period, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related withdrawals.

#### ARTICLE V

##### Remedies of the Association

Section 5.01. Pursuant to Section 6.02 (h) of the General Conditions, the following additional event is specified, namely that:

(a) Subject to paragraph (b) of this Section:

(i) the right of the Borrower to withdraw the proceeds of any loan or grant made to the Borrower for the financing of the Project shall have been suspended, cancelled or terminated, in whole or in part, pursuant to the terms thereof, or

(ii) any such loan shall have become due and payable prior to the agreed maturity thereof.

(b) Paragraph (a) of this Section shall not apply if the Borrower establishes to the satisfaction of the Association that: (i) such suspension, cancellation, termination or prematuring is not caused by the failure of the Borrower to perform any of its obligations under such agreement; and (ii) adequate funds for the Project are available to the Borrower from other sources on terms and conditions consistent with the obligations of the Borrower under this Agreement.

Section 5.02. Pursuant to Section 7.01 (d) of the General Conditions, the following additional event is specified, namely, that the event specified in Section 5.01 (a) (ii) of this Agreement shall occur, subject to the proviso of paragraph (b) of that Section.

#### ARTICLE VI

##### Effective Date; Termination

Section 6.01. The following events are specified as additional conditions to the effectiveness of this Agreement within the meaning of Section 12.01 (b) of the General Conditions:

(a) The Borrower has:

(i) submitted to the Association, for its review and comments, the findings of the two studies concerning, respectively, the establishment and operation of the schools referred to in paragraph 4 of Schedule 5 to this Agreement, and the proposed liberalization of fees charged by such schools; and

(ii) raised the ceiling applicable to such fees by not less than ten percent (10%) with effect from 1991-92.

(b) The auditors referred to in Section 4.01 (b) of this Agreement have been appointed, and the accounting system of the Project Directorate duly adapted to meet the requirements specified in Section 4.01 of this Agreement.

(c) The Borrower has submitted a plan, acceptable to the Association, for the introduction, with effect from 1991-92, of a book rental scheme for primary schools, which shall include provisions for: (i) the purchase and distribution of textbooks on a rental basis to primary school students; (ii) the continued operation of a Textbook Fund to ensure a continuous supply of textbooks for students; and (iii) measures to supplement the resources of the Textbook Fund, through appropriate budgetary allocations, in accordance with paragraph 6 (b) of Schedule 5 to this Agreement.

Section 6.02. The date ninety (90) days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

Section 6.03. The obligations of the Borrower under Article IV of this Agreement shall cease on the date on which this Agreement shall terminate or on the date twenty years after the date of this Agreement, whichever shall be the earlier.

#### ARTICLE VII

##### Representative of the Borrower; Addresses

Section 7.01. The Borrower's Minister responsible for Planning is designated as representative of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 7.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Ministere du Plan et de la Cooperation  
B. P. 7050  
Ouagadougou  
Burkina Faso

Telex:

5555 SEGEGOUV

For the Association:

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

Cable address:

INDEVAS  
Washington, D.C.

Telex:

248423 (RCA)  
82987 (FTCC)  
64145 (WUI) or  
197688 (TRT)

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

BURKINA FASO

By /s/ Paul Desire Kaboree

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Callisto E. Madavo

Acting Regional Vice President  
Africa

SCHEDULE 1

Withdrawal of the Proceeds of the Credit

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each Category and the percentage of expenditures for items so to be financed in each Category:

Category	Amount of the Credit Allocated (Expressed in SDR Equivalent)	% of Expenditures to be Financed
(1) Civil works	300,000	100%
(2) Construction of classrooms:		
(a) materials	3,480,000	100%
(b) grants for labour costs	1,480,000	100%
(3) Grants for rehabilitation (including materials and labour)	450,000	100%
(4) Furniture, vehicles, equip- ment, office supplies	3,480,000	100%
(5) Pedagogical materials	3,630,000	100%
(6) Specialists' services	1,780,000	100%
(7) Training	900,000	100%
(8) Operating costs	670,000	80%
(9) Unallocated	1,630,000	
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TOTAL	17,800,000	=====

2. For the purposes of this Schedule, the term "operating costs" means the incremental costs arising under the Project on account of local staff allowances, maintenance of vehicles, fuel and equipment, and office rent, supplies and services.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of payments made for expenditures prior to the date of this Agreement.

## SCHEDULE 2

### Description of the Project

The objectives of the Project are to assist the Borrower in the further development of good quality basic education, in increasing enrollment therein from 31% in 1989-90 to 40% by 1996-97, in improving the quality of general secondary education, and in strengthening institutional capacities in the education sector.

The Project consists of an investment program complemented by key policy measures, and comprises the following parts, subject to such modifications thereof as the Borrower and the Association may agree upon from time to time to achieve such objectives.

#### Part A: Improving Resource Allocation and Efficiency in the Sector

1. Increasing the teaching cadre through the recruitment of an average of about 950 teachers annually until 1996-1997, increasing the supply of textbooks and teaching materials, the services of inspectors needed to improve the quality and expanding the enrollment rate of primary education from 31% in 1989-1990 to 40% by 1996-1997.
2. Introducing and generalizing multigrade teaching in a minimum of 840 classrooms over the Project period.
3. Introducing a double-shift system in a minimum of 590 classrooms over the Project period and, following an evaluation, generalizing the system.

#### Part B: Promoting Private Sector Initiatives in Education

1. Promoting private sector initiatives by removing ceilings on fees charged by private and community schools.
2. Increasing access of private and community schools to low-cost textbooks and teaching materials, pre-service and in-service teaching and inspectorate services, and strengthening their operations in respect of school calendars, curricula, teacher qualifications and student assessments.

#### Part C: Improving the Quality of and Increasing Access to Primary Education

1. Improving the quality of teaching by upgrading the skills of about 4,000 teachers, strengthening primary school management and teacher supervision through the training of about 2,000 school directors and 200 new school inspectors and advisers, and revising the student assessment and examination system.
2. Increasing the availability of quality textbooks and teaching materials through completion of the publishing program under the Primary Education Development Project, improvement of the quality of textbooks and teaching materials, strengthening of the distribution system, and introduction of a book rental scheme.
3. Increasing the number of primary school places through the improvement of construction and management skills of selected communities and the construction of about 1,200 classrooms and the rehabilitation of about 300 classrooms by such communities.
4. Improvement of students' health and nutrition through the reinforcement of school health and nutrition programs and the provision of micro-nutrients and deworming tablets.
5. Promoting female student participation in education, in accordance with the findings of studies under Part F below.

#### Part D: Improving the Quality of General Secondary Education



1. Upgrading the skills of teachers through enhanced training and the provision of equipment and supplies for the pre-service training course at the National Institute for the Science of Education and in-service training for about 2,000 teachers.
2. Strengthening the Secondary School Inspectorate through training and logistical support for its staff.
3. Establishing a system for ensuring a regular supply of low-cost textbooks and teaching materials in secondary schools, including a textbook loan scheme and revolving fund for textbook re-supply.

Part E: Institutional Strengthening in the Sector

Strengthening of the capacities of MEBAM, MESSRS and the University in policy-making and project implementation, and improving operational efficiency.

Part F: Studies

A program of studies relating to the sector, including studies on: (a) constraints on female student participation in the education system and measures to address these constraints, and (b) strategies for the development of technical education and vocational training.

\* \* \* \*

The Project is expected to be completed by December 31, 1997.

SCHEDULE 3

Special Account

1. For the purposes of this Schedule:

(a) the term "eligible Categories" means Categories (1) through (8) set forth in the table in paragraph 1 of Schedule 1 to this Agreement;

(b) the term "eligible expenditures" means expenditures in respect of the reasonable cost of goods and services required for the Project and to be financed out of the proceeds of the Credit allocated from time to time to the eligible Categories in accordance with the provisions of Schedule 1 to this Agreement; and

(c) the term "Authorized Allocation" means an amount equivalent to \$600,000 to be withdrawn from the Credit Account and deposited into the Special Account pursuant to paragraph 3 (a) of this Schedule.

2. Payments out of the Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Association has received evidence satisfactory to it that the Special Account has been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the Special Account shall be made as follows:

(a) For withdrawals of the Authorized Allocation, the Borrower shall furnish to the Association a request or requests for a deposit or deposits which do not exceed the aggregate amount of the Authorized Allocation. On the basis of such request or requests, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Account such amount or amounts as the Borrower shall have requested.

(b) (i) For replenishment of the Special Account, the Borrower shall furnish to the Association requests for deposits into the Special Account at such intervals as the Association shall specify.

(ii) Prior to or at the time of each such request, the Borrower shall furnish to the Association the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or replenishment is requested. On the basis payments in respect of which

of each such request, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Account such amount as the Borrower shall have requested and as shall have been shown by said documents and other evidence to have been paid out of the Special Account for eligible expenditures.

All such deposits shall be withdrawn by the Association from the Credit Account under the respective eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Borrower out of the Special Account, the Borrower shall, at such time as the Association shall reasonably request, furnish to the Association such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Association shall not be required to make further deposits into the Special Account:

(a) if, at any time, the Association shall have determined that all further withdrawals should be made by the Borrower directly from the Credit Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement; or (b) once the total unwithdrawn amount of the Credit allocated to the eligible Categories, less the amount of any outstanding special commitment entered into by the Association pursuant to Section 5.02 of the General Conditions with respect to the Project, shall equal the equivalent of twice the amount of the Authorized Allocation.

Thereafter, withdrawal from the Credit Account of the remaining unwithdrawn amount of the Credit allocated to the eligible Categories shall follow such procedures as the Association shall specify by notice to the Borrower. Such further withdrawals shall be made only after and to the extent that the Association shall have been satisfied that all such amounts remaining on deposit in the Special Account as of the date of such notice will be utilized in making payments for eligible expenditures.

6. (a) If the Association shall have determined at any time that any payment out of the Special Account: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule; (ii) was not justified by the evidence furnished to the Association, the Borrower shall, promptly upon notice from the Association: (A) provide such additional evidence as the Association may request; or (B) deposit into the Special Account (or, if the Association shall so request, refund to the Association) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Association shall otherwise agree, no further deposit by the Association into the Special Account shall be made until the Borrower has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Association shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from the Association, refund to the Association such outstanding amount.

(c) The Borrower may, upon notice to the Association, refund to the Association all or any portion of the funds on deposit in the Special Account.

(d) Refunds to the Association made pursuant to paragraphs 6 (a), (b) and (c) of this Schedule shall be credited to the Credit Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.

#### SCHEDULE 4

##### Procurement and Consultants' Services

Section I. Procurement of Goods and Works

Part A: International Competitive Bidding

1. Except as provided in Part C hereof, goods shall be procured under contracts awarded in accordance with procedures consistent with those set forth in Sections I and II of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in May 1985 (the Guidelines).

2. To the extent practicable:

(a) contracts for goods shall be grouped into bid packages estimated to cost the equivalent of at least \$200,000 equivalent; and

(b) contracts for goods required over a period of several years, such as construction materials, will cover total requirements and provide for appropriate periodic deliveries.

Part B: Preference for Domestic Manufacturers

In the procurement of goods in accordance with the procedures described in Part A hereof, goods manufactured in Burkina Faso may be granted a margin of preference in accordance with, and subject to, the provisions of paragraphs 2.55 and 2.56 of the Guidelines and paragraphs 1 through 4 of Appendix 2 thereto.

Part C: Other Procurement Procedures

1. Contracts for civil works, and for the purchase of office supplies, estimated to cost the equivalent of \$200,000 or less per contract, as well as contracts for the purchase of school furniture, up to an aggregate amount not to exceed the equivalent of \$3,800,000 altogether, may be procured under contracts awarded on the basis of competitive bidding advertised locally, as described in paragraph 3.3 of the Guidelines and in accordance with procedures satisfactory to the Association, provided, however, that: (a) any procedure, under which bids above or below a predetermined assessment of bid values are automatically disqualified, is not permitted; (b) bidders are allowed not less than forty-five (45) days to submit bids; (c) evaluation criteria are clearly specified; (d) all bids are opened in public and bidders' representatives allowed to be present; (e) no preference margin is granted to domestic contractors, suppliers and manufacturers; (f) eligible foreign firms are not precluded from participation and are not required to be incorporated in Burkina Faso in order to participate in the bidding; (g) the bidding documents provide for security, to be provided by performance bond or bank guarantee, at the bidder's option, in an amount sufficient to protect the Borrower in case of breach of contract, and without any distinction or exception for foreign or local firms; and (h) prior to issuing the first call for bids, copy of a draft standard bidding document is submitted to the Association and found acceptable.

2. Contracts for the purchase of furniture and equipment, estimated to cost less than the equivalent of \$20,000 per contract, up to an aggregate amount not to exceed the equivalent of \$800,000, may be procured under contracts awarded on the basis of comparison of price quotations obtained from at least three suppliers eligible under the Guidelines and in accordance with procedures acceptable to the Association.

Part D: Review by the Association of Procurement Decisions

1. Review of invitations to bid and of proposed awards and final contracts:

(a) With respect to each contract estimated to cost the equivalent of \$200,000 or more, as well as for the first contract subject to Part C.1 of this Schedule, the procedures set forth in paragraphs 2 and 4 of Appendix 1 to the Guidelines shall apply. Where payments for such contract are to be made out of the Special Account, such procedures shall be modified to ensure that the two conformed copies of the contract required to be furnished to the Association pursuant to said paragraph 2 (d) shall be furnished to the Association prior to the making of the first payment out of the Special Account in respect of such contract.

(b) With respect to each contract not governed by the preceding paragraph, the procedures set forth in paragraphs 3 and 4 of Appendix 1 to the Guidelines shall apply. Where payments for such contract are to be made out of the Special Account, such procedures shall be modified to ensure that the two conformed copies of the contract together with the other information required to be furnished to the

Association pursuant to said paragraph 3 shall be furnished to the Association as part of the evidence to be furnished pursuant to paragraph 4 of Schedule 5 to this Agreement.

(c) The provisions of the preceding subparagraph (b) shall not apply to contracts on account of which the Association has authorized withdrawals on the basis of statements of expenditure.

2. The figure of 10% is hereby specified for purposes of paragraph 4 of Appendix 1 to the Guidelines.

## Section II. Employment of Consultants

In order to assist the Borrower in carrying out the Project, the Borrower shall employ such consultants and specialists as shall be agreed between the Borrower and the Association and whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Association. Such consultants shall be selected in accordance with principles and procedures satisfactory to the Association on the basis of the "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency" published by the Bank in August 1981.

### SCHEDULE 5

#### Implementation Program

1. The Borrower shall:

(a) not later than March 31, 1992, furnish to the Association the draft rules governing:

(i) the proposed standardized student assessment to be introduced in Grade 3 as a diagnostic tool to assess and compare student performance across the country, and identify problem areas in the curriculum prior to Grade 6; and

(ii) the new design of the primary education certificate examination, which shall include an optional paper for those seeking admission to secondary level; and

(b) following an exchange of views with the Association on such draft rules, proceed to have them adopted, not later than June 30, 1992, for actual implementation not later than beginning 1992-93.

2. The Borrower shall, with effect from beginning 1991-92, take appropriate steps to implement the plan referred to in Section 6.01 (c) of this Agreement.

3. The Borrower shall, not later than beginning 1991-92, proceed to implement an action plan, agreed upon with the Association and designed to reduce its expenditures on subsidies for students in secondary and higher education by five percent (5%) in 1991-1992 and by ten percent (10%) annually, thereafter, until 1996-97, in accordance with a time table which shall have been agreed upon with the Association.

4. The Borrower shall take appropriate steps, on the basis of the findings of studies referred to in Section 6.01 (a) of this Agreement, to promote the establishment and operation of primary and secondary schools by individuals, private groups and communities and, to this end, shall:

(a) not later than December 31, 1991, announce its decision to de-control the fees charged by such schools with effect from 1992-93; and

(b) with effect from 1991-92, establish guidelines for the operation of such schools, and provide them with easy access to teacher training, textbooks, teacher guides and inspectorate services, with a view to maintaining minimum levels of quality and standards.

5. The Borrower shall: (a) not later than April 30, 1992, submit a detailed plan acceptable to the Association, for the establishment and operation of a textbook loan

scheme for secondary school students, which shall include provisions for a revolving fund for the re-supply of textbooks in each secondary school; and (b) not later than beginning 1992-93, proceed to implement such plan.

6. The Borrower shall take appropriate steps to secure the resources required to improve the quality and increase the enrollment rate in primary schools and, to this end, shall, with effect from beginning 1991-92:

(a) strengthen the teaching cadre in its primary schools through an actual increase in the number of teachers, as indicated below, for each of the following six years:

Year:	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97
Increase in no. of Teachers:	660	750	870	1,000	1,130	1,260

(b) allocate not less than six percent (6%) of the overall recurrent budget for basic education for teaching materials and textbooks, and for all other items of non-salary expenditure, in primary schools;

(c) allocate such an amount for operational costs of primary school inspectors, as shall have been agreed upon with the Association; and

(d) increase the primary school budget by an annual average of eight and a half percent (8.5%) in nominal terms, or such other percentage as may be appropriate, to meet the additional commitments involved in paragraphs (a) through (c) above.

7. The Borrower shall:

(a) introduce and generalize multi-grade teaching in primary schools, beginning with a total of not less than 280 classrooms in 1992-93 and increasing progressively to not less than 560 classrooms in 1994-95 and not less than 840 classrooms in 1996-97;

(b) introduce a double-shift system, involving one teacher for two (2) cohorts of 55 pupils each and an appropriate salary supplement for teachers concerned, beginning with Grade 1 in 1992-93, and expanding annually one grade at a time, over the following five-year period, in order to attain, in terms of minimum number of classrooms, the targets set out below:

Year:	1992-93	1993-94	1994-95	1995-96	1996-97
No. of classrooms:	60	140	250	400	590

(c) have an evaluation of the double-shift system conducted in the context of the mid-term review referred to in Section 3.05 (a) of this Agreement and, in the light of the results of such evaluation, take appropriate measures to generalize the system.

8. The Borrower shall:

(a) have the studies on constraints to female participation in education completed not later than April 30, 1992, and the recommendations thereof discussed with the Association not later than September 30, 1992, and implemented with effect from beginning 1992-93; and

(b) have the study on the development of vocational education and training completed not later than June 30, 1993, and the findings thereof submitted to, and discussed with, the Association and other donors who may be interested, not later than September 30, 1993.



