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**CONFORMED**

**GRANT NUMBER H702-BF  
GRANT NUMBER H400-BF  
CREDIT NUMBER 4165-BUR**

# **Financing Agreement**

**(Second Additional Financing for  
Health Sector Support and Multi-Sectoral AIDS Project)**

**between**

**BURKINA FASO**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**Dated August 9, 2011**

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**GRANT NUMBER H702-BF  
GRANT NUMBER H400-BF  
CREDIT NUMBER 4165-BUR**

**FINANCING AGREEMENT**

Agreement dated August 9, 2011, entered into between BURKINA FASO (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). The Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

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

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to twenty-two million eight hundred thousand Special Drawing Rights (SDR 22,800,000) (“Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Payment Dates are April 1 and October 1 in each year.
- 2.05. The Payment Currency is the Euro.

### **ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

### **ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Additional Condition of Effectiveness consists of the following, namely that the Spanish Program for Africa Trust Fund Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

### **ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Recipient's Representative is its minister responsible at the time for finance.
- 5.02. The Recipient's Address is:

Minister of Economy and Finance  
*Ministère de l'Economie et des Finances*  
03 BP 7050  
Ouagadougou 03  
Burkina Faso

Cable:	Telex:	Facsimile:
SEGEGOUV	5555	226-50-31-27-15

5.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS  
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at Ouagadougou, Burkina Faso, as of the day and year first above written.

BURKINA FASO

By //s// Lucien Marie Noel Bembamba  
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By //s// Galina Sotirova  
Authorized Representative

## SCHEDULE 1

### Project Description

The objective of the Project is to improve access and quality of priority health, nutrition and human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) services.

The Project consists of the following parts:

#### A. Implementation of the Nutrition Strategic Plan

Carrying out of a nutrition program at community level in all 13 regions of the Recipient's territory to promote child growth, consisting of the following activities:

- (1) **Communications.** Carrying out of communications campaigns for behavior change to promote healthy nutrition for children.
- (2) **Nutrition.** (a) Provision of nutrition to pregnant women and training in, and supervision and monitoring of, vitamin and mineral deficiency control among pregnant women; (b) carrying out of growth monitoring of infants and young children, and activities to promote growth of infants and young children; and (c) promotion of care and feeding practices for infants and young children.
- (3) **Case Management.** Carrying out of screening for, and case management of, acute malnutrition on an out-patient basis, so as to complement in-patient care for cases presenting complications.
- (4) **Coordination.** Coordination, monitoring and evaluation of the activities included in Parts A(1) through A(3) of the Project.
- (5) **Inputs.** Provision of goods (including, inter alia, vehicles, therapeutic food supplements and medicines, and anthropometric equipment), Training and Operating Costs required for the activities included in Parts A(1) through A(4) of the Project.

#### B. Implementation of the HIV, AIDS and STDs Strategic Framework

Carrying out of a program of activities to combat HIV/AIDS, consisting of the following activities:

- (1) **Prevention.** Further development and delivery of community-based approaches to prevent HIV transmission, including communications campaigns, training of health personnel, local community members, local artists and the media, and decentralized provision of services, all

designed to prevent risky behaviors among target high-risk populations and increase the use of voluntary counseling services, HIV testing services, services for the prevention of mother-to-child HIV transmission and prenatal services, and to prevent violence against women.

- (2) **Early Diagnosis.** Enhancement of the quality and timeliness of diagnosis and case management of HIV, other sexually transmitted infections and opportunistic infections, all through updating and dissemination of guidelines on diagnosis and case management, provision of training in the application of said guidelines, communications campaigns and services to ensure early diagnosis, safe blood transfusion, and appropriate case management of accidental exposure to biological fluids.
- (3) **Care and support.** Implementation of measures to improve the psychological and socio-economic care of, and support to, people living with HIV, and other persons affected by HIV, in particular orphans and other vulnerable children and their families.
- (4) **Inputs.** Provision of goods (including, inter alia, vehicles, reagents, medical supplies and medical waste incinerators and Operating Costs), and implementation of the Medical Waste Management Plan, all as required for the activities included in Parts B(1) through B(3) and B(6) of the Project.
- (5) **Laboratory Improvements.** Refurbishing, furnishing and equipping of national and regional HIV testing laboratories, including the national HIV reference laboratory, and of regional offices of the Secretariat; and provision of supplies required for the purpose.
- (6) **Coordination and Oversight.** Provision of training and supportive supervision to strengthen the Recipient's capacity to coordinate and monitor its strategic plan to combat HIV, AIDS and other sexually transmitted diseases (STDs).

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

##### 1. *Part A of the Project (Implementation of the Nutrition Strategic Plan)*

##### (a) *National Consultative Council for Nutrition.*

- (i) The Recipient shall maintain, throughout the implementation of the Project, its National Consultative Council for Nutrition (“NCCN”), with mandate, composition and resources acceptable to the Association, to be responsible for providing strategic guidance to the Steering Committee for Part A of the Project in line with the Recipient’s national nutrition policy.
- (ii) To this end, the NCCN shall be comprised, inter alia, of high level representatives of the ministries involved in Part A of the Project.

##### (b) *Steering Committee*

- (i) The Recipient shall maintain, throughout the implementation of the Project, a steering committee, with mandate, composition and resources acceptable to the Association, to be responsible, *inter alia*, for providing inter-ministerial coordination and oversight of Part A of the Project (“Steering Committee”).
- (ii) To this end, the Steering Committee shall be chaired by the secretary general of MOH, and be comprised of director-level representatives of the ministries involved in Part A of the Project.

##### (c) *Nutrition Coordination Unit*

- (i) The Recipient shall maintain, throughout the implementation of the Project, within the MOH, a unit, with terms of reference and resources acceptable to the Association, supported by competent staff in adequate numbers, to be responsible for the fiduciary aspects of Part A of the Project (“Nutrition Coordination Unit”).
- (ii) Without limitation on the foregoing, the Recipient shall, not later than three (3) months after the Effective Date, recruit and appoint to the Nutrition Coordination Unit, under terms of



reference and with qualifications and experience satisfactory to the Association and in accordance with the provisions of Section III of this Schedule: (i) an additional accountant, for a total of 5 accountants at the central level; and (ii) an internal auditor.

2. ***Part B of the Project (Implementation of the HIV, AIDS and STDs Strategic Framework)***

***National AIDS and STI Council***

- (a) The Recipient shall maintain, throughout the implementation of the Project, its National AIDS and STI Council, with mandate, composition and resources acceptable to the Association, to be responsible for providing overall strategic guidance for Part B of the Project (“NAIDSSTIC”).
- (b) To this end, the NAIDSSTIC shall be: (i) chaired by the Recipient’s President, and comprised of the ministers responsible for health and for social action serving as vice-chairs, and of representatives of the ministries involved in Part B of the Project; and (ii) supported by a secretariat (“Secretariat”) whose mandate shall be acceptable to the Association, and which shall be assisted by qualified and experienced staff in adequate numbers, to be responsible for fiduciary aspects of Part B of the Project.
- (c) Without limitation on the foregoing, the Recipient shall, not later than three (3) months after the Effective Date, appoint to the Secretariat the following staff under terms of reference and with qualifications and experience satisfactory to the Association: (i) an internal auditor; and (ii) a financial controller.

**B. Project Manuals**

- 1. The Recipient shall ensure that the Project is carried out in accordance with the Project Manuals and shall not amend or waive any provision of the Project Manuals without the Association’s prior written agreement.
- 2. In the event of any inconsistency between the provisions of the Project Manuals and this Agreement, the provisions of this Agreement shall govern.

**C. Anti-Corruption**

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

**D. Safeguards**

The Recipient shall ensure that the Project is carried out in accordance with the Medical Waste Management Plan.

**E. Annual Work Programs**

1. The Recipient shall, not later than December 15 in each Fiscal Year, prepare and furnish to the Association and Co-financiers, an annual program of activities proposed for inclusion in each Part of the Project during the following Fiscal Year, including the types of expenditures required for such activities, and a proposed financing plan for such expenditures.
2. The Recipient shall exchange views with the Association on each such proposed annual work program, and shall thereafter adopt and carry out such program of activities for such following Fiscal Year as shall have been agreed with the Association and Co-financiers (“Annual Work Program”).
3. The Association shall, on the basis of the Annual Work Program, determine and promptly notify the Recipient of: (a) its approval of the Annual Work Program; (b) the Eligible Expenditures under the Annual Work Program which may be financed out of the proceeds of the Financing; and (c) the percentage and amount of expenditures to be financed out of the proceeds of the Financing for such Eligible Expenditures allocated to Category (2) (“Annual Confirmation”).

**Section II. Project Monitoring, Reporting and Evaluation**

**A. Project Reports**

The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than three (3) months after the end of the period covered by such report.

**B. Financial Management, Financial Reports and Audits**

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Together with each Project Report furnished under Part A of this Section, the Recipient shall prepare and furnish to the Association not later than three (3) months after the end of each calendar semester, interim unaudited financial

reports for the Project covering the semester, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one Fiscal Year. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

### **Section III. Procurement**

#### **A. General**

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

#### **B. Particular Methods of Procurement of Goods and Non-consulting Services**

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Bidding.
2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<b><u>Procurement Method</u></b>
(a) National Competitive Bidding, subject to the following additional requirement: the Recipient shall use standard bidding documents acceptable to the Association.
(b) Shopping
(c) Direct Contracting
(d) Procurement from United Nations Agencies, specifically, United Nations Children’s Fund (UNICEF)

**C. Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants’ Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<b><u>Procurement Method</u></b>
(a) Selection under a Fixed Budget
(b) Least-Cost Selection
(c) Selection Based on Consultants’ Qualifications
(d) Single-Source Selection
(e) Selection of Individual Consultants

**D. Review by the Association of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Association’s Prior Review. All other contracts shall be subject to Post Review by the Association.

**Section IV. Withdrawal of the Proceeds of the Financing**

**A. General**

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such

additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<b>Category</b>	<b>Amount of the Financing Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, non-consulting services, consultants’ services, Training and Operating Costs for Part A of the Project	11,400,000	100%
(2) Goods, non-consulting services, consultants’ services, Training and Operating Costs for each Annual Work Program included in Part B of the Project (excluding Part B(5) thereof)	11,400,000	Such percentage of the expenditures included in each Annual Work Program as the Association may determine and notify to the Recipient in its Annual Confirmation for said Annual Work Program
<b>TOTAL AMOUNT</b>	22,800,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.
2. The Closing Date is December 31, 2014.

**Section V. Amendments to the First Additional Financing Agreement**

The First Additional Financing Agreement is hereby amended as follows (and in all other respects remains unchanged and in full force and effect):

**A. Project Development Objectives**

The opening sentence of Schedule 1 to the First Additional Financing Agreement is amended to read as follows:

“The objective of the Project is to improve access and quality of priority health, nutrition and HIV/AIDS services.”

**B. Performance Indicators**

Section II.A. of Schedule 2 to the First Additional Financing Agreement is amended to read as follows:

**“A. Project Reports**

The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than three months after the end of the period covered by such report.”

**C. Closing Date**

The closing date referred to in Section IV.B.2 of Schedule 2 of the First Additional Financing Agreement is revised to read “December 31, 2014”.

**Section VI. Amendments to the Original Financing Agreement**

The Original Financing Agreement is hereby amended as follows (and in all other respects remains unchanged and in full force and effect):

**A. Project Development Objectives**

The opening sentence of Schedule 1 to the Original Financing Agreement is amended to read as follows:

“The objective of the Project is to improve access and quality of priority health, nutrition and HIV/AIDS services.”

**B. Performance Indicators**

Section II.A. of Schedule 2 to the Original Financing Agreement is amended to read as follows:

**“A. Project Reports**

The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than three months after the end of the period covered by such report.”

**C. Closing Date**

The closing date referred to in Section IV.B.2 of Schedule 2 of the Original Financing Agreement is revised to read “December 31, 2014”.

## **APPENDIX**

### **Definitions**

1. “Annual Confirmation” means for each calendar year, the Association’s notice to the Recipient provided in accordance with the provisions of Section I.E.3 of Schedule to this Agreement.
2. “Annual Work Program” means for each calendar year, the program of activities approved by the Association for inclusion under the Project for such year, in accordance with the provisions of Section I.E.2 of Schedule 2 to this Agreement.
3. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “Co-financiers” means the Kingdom of Denmark, the United Nations Development Fund, the United Nations Children’s Fund and the Joint United Nations Programme on HIV/AIDS; and “Co-financier” means, each of said Co-financiers.
6. “Co-financing” means, for purposes of paragraph 11 of the Appendix to the General Conditions, an aggregate amount of up to approximately \$33,420,000 equivalent, to be provided by the Co-financiers to assist in financing Part B of the Project.
7. “Co-financing Agreement” means the agreement between the Recipient and each Co-financier providing for the Co-financing.
8. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” published by the Bank in January 2011.
9. “First Additional Financing Agreement” means the financing agreement for additional financing for the Health Sector Support and Multi-Sectoral AIDS Project between the Recipient and the Association, dated July 8, 2008, providing for a grant to assist in financing the project described therein, as amended to the date immediately prior to the date of this Agreement (Grant No. H400-BF).
10. “Fiscal Year” means the calendar year.



11. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
12. “Medical Waste Management Plan” means the Recipient’s document entitled “*Actualisation du Plan de Gestion des Déchets biomédicaux*” dated February 2011.
13. “MOH” means the Recipient’s ministry responsible at the time for health.
14. “National AIDS and STI Council” and “NAIDSSTIC” each means the council known as “*Conseil National de Lutte contre le SIDA et les IST,*” established by the Recipient pursuant to its Decree No. 2001-510/PRES/PM/MS dated October 1, 2001, and modified by its Decree No. 2007-078/PRES/MP/MS/MASSN dated February 14, 2007, as said decrees may be further amended from time to time.
15. “National Consultative Council for Nutrition” and “NCCN” each means the council known as “*Conseil National de Concertation en Nutrition,*” established by the Recipient pursuant to its Decree No. 2008-003/PRES/PM/MS/MAHRH/MASSN/MEF dated January 10, 2008, as said decree may be amended from time to time.
16. “Nutrition Coordination Unit” means the unit established by the Recipient and known as “*Programme d’Appui au Développement Sanitaire*” to be maintained in accordance with the provisions of Section I.A.1(c) of Schedule 2 to this Agreement.
17. “Operating Costs” means the incremental expenses incurred on account of Project implementation, consisting of reasonable expenditures for office supplies, vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office and office equipment maintenance, utilities, document duplication/printing, consumables, travel cost and *per diem* for Project staff for travel linked to the implementation of the Project, and salaries of contractual staff for the Project (but excluding salaries of officials of the Recipient’s civil service).
18. “Original Financing Agreement” means the financing agreement for a Health Sector Support and Multi-Sectoral AIDS Project between the Recipient and the Association, dated May 16, 2006 providing for a credit to assist in financing the Original Project, as amended to the date immediately prior to the date of this Agreement (Credit No. 4165-BUR).
19. “Original Project” means the project described in the Original Financing Agreement.
20. “Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” published by the Bank in January 2011.

21. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 26, 2011 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
22. “Project Manuals” means: (a) for Part A of the Project, the Recipient’s manuals entitled: (i) « *Procédures de mise en œuvre du programme d’appui au développement sanitaire* », dated July 2005 ; and (ii) « *Manuel de procédures administratives, financières et comptables du UG PADS* », dated November 2008; and (b) for Part B of the Project, the Recipient’s manuals entitled: (i) « *Manuel d’exécution et de gestion des fonds communs SIDA* », dated November 8, 2007; and (ii) « *Manuel des procédures de gestion administrative, financière et comptable du SP/CNLS-IST* » dated June 2007; as said manuals may be modified from time to time.
23. “Secretariat” means the secretariat to the NAIDSSTIC, to be maintained in accordance with the provisions of Section I.A.2(b) of Schedule 2 to this Agreement.
24. “Spanish Program for Africa Trust Fund Grant” means the grant in an amount of \$3,029,158, to be provided under the Spanish Program for Africa Trust Fund Grant Agreement to assist in financing Part B (5) of the Project (TF Grant No. 099818).
25. “Spanish Program for Africa Trust Fund Grant Agreement” means the agreement to be entered into between the Recipient and the Association, acting as administrator of the Programmatic Trust Fund for the Spanish Program for Africa and providing for the Spanish Program for Africa Trust Fund Grant.
26. “Steering Committee” means the committee established by the Recipient pursuant to its Order (*Arrêté*) No. 2008-004/MS/CAB dated January 12, 2009 and to be maintained pursuant to Section I.A.1(b) of Schedule 2 to this Agreement.
27. “Training” means the reasonable costs associated with training and workshop participation under the Project, consisting of travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to course or workshop preparation and implementation.