

**OFFICIAL
DOCUMENTS**

GRANT NUMBER H782-GN

**Agreement Providing for the
Amendment and Restatement of the
Financing Agreement**

(Productive Social Safety Net Project)

between

REPUBLIC OF GUINEA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 19, 2012

As amended and restated on November 18, 2014

GRANT NUMBER H782-GN

FINANCING AGREEMENT

AGREEMENT dated July 19, 2012, as amended and restated on *November 18, 2014* entered into between REPUBLIC OF GUINEA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to sixteen million two hundred thousand Special Drawing Rights (SDR 16,200,000) ("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 February 15 and August 15 in each year.
- 2.05. The Payment Currency is the Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through the MoF 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 Effectiveness Deadline is the date falling ninety (90) days after the date of this Agreement.
- 4.02. 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 years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

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

Minister of Economy and Finance
P. O. Box 579
Conakry, Guinea

Telex:
22399 MIFI GE

Facsimile:
(224) 30 45 30 48
(224) 30 42 21 02

- 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.

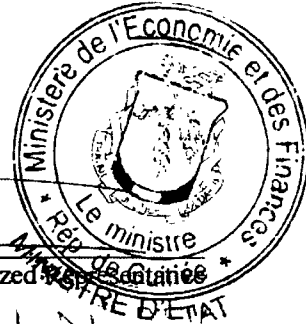
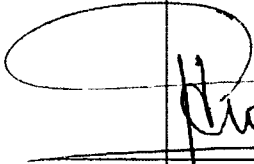
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AGREED at Conakry, Guinea, as of the
day and year first above written.

REPUBLIC OF GUINEA

By



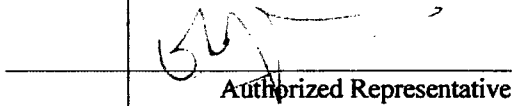
Authorized Representative

Name: Mohamed Diuro

Title: Minister of State, Minister of
Economy and Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: C. Diakhal

Title: Country Director

SCHEDULE 1

Project Description

The objectives of the Project are: (i) to provide income support to vulnerable groups, and (ii) to lay the foundations of a social safety net strategy by testing some of the building blocks necessary for a larger system.

The Project consists of the following parts:

Part A. Labor Intensive Public Work Program with a Focus on Women and Youth, and Life Skills Development

1. Supporting a program of labor intensive public works aimed at generating income for vulnerable groups including targeted women and youth in selected urban and peri-urban areas ("LIPW Beneficiaries") through the implementation of small scale sub-projects consisting of labor intensive public works.
2. (i) Supporting a training program aimed at enhancing life skills of LIPW Beneficiaries; such program includes training on civic education, citizenship, the rights and responsibilities of workers, conflict resolution, HIV/AIDS prevention and entrepreneurship; and (ii) providing cash stipends ("Stipends") to such LIPW Beneficiaries for participating in such training program.

Part B. Pilot Transfer Programs to Protect Human Capital

1. Supporting the design of a pilot conditional cash transfer program ("Conditional Cash Transfer Program") aimed at transferring cash to selected households in targeted areas of the Recipient's territory in order to improve human capital and curtail the intergenerational transmission of poverty. Future transfers would be conditional upon children's health being regularly checked up at health centers and school attendance.
2. (i) Carrying out of the Conditional Cash Transfer Program in targeted areas of the Recipient's territory; and (ii) supporting such Conditional Cash Transfer Program through trainings and awareness campaigns.
3. Supporting the implementation of a school feeding programs ("School Feeding Program") to provide school lunches and other nutrients to selected children in targeted areas of the Recipient's territory.

Part C. Project Coordination and Institutional Capacity Building

- (a) Supporting the management, coordination, implementation, and monitoring and evaluation of Project activities.
- (b) Providing of technical assistance for the development of a social protection strategy and communication and awareness raising related to social protection operations and policy reforms, including supporting the response to the Ebola outbreak.

Part D. Prevention of the Ebola Epidemic

Supporting the implementation of a plan to contain the Ebola epidemic, including, *inter alia*, complementary disease-specific communications campaigns, training of teachers and government officials and acquisition of critical logistical materials.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall, throughout the implementation of the Project, maintain the following implementation and coordination arrangements:

(1) Steering Committee (*Comité de Pilotage*)

- (a) The Recipient shall maintain, throughout the implementation of the Project, an inter-ministerial Steering Committee with functions and resources satisfactory to the Association.
- (b) The Steering Committee shall be responsible for the overall oversight of the Project, including: (i) approving the Annual Work Plans and Budgets; (ii) supporting the development of a social protection strategy; and (iii) advising the CFS.

(2) Safety Net Unit (*Cellule Filets Sociaux*)

- (a) The Recipient shall: (i) maintain, throughout the implementation of the Project, the CFS within the MoF with functions and resources satisfactory to the Association.
- (b) The CFS shall be responsible for the day-to-day technical implementation coordination and fiduciary oversight of the Project, including: (i) monitoring and evaluating activities; and (ii) consolidating progress reports and interim financial management reports.
- (c) The CFS shall be headed by a social safety nets coordinator, who shall be assisted by a core team comprised of, *inter alia*, (i) a financial management specialist, (ii) a procurement specialist, (iii) a monitoring and evaluation specialist, (iv) a safeguard specialist, (v) an internal auditor and (vi) an accountant.

(3) Contractual and Regulatory Arrangements the School Feeding Program

- (a) To facilitate the carrying out of Part B.3 of the Project, the Recipient shall enter into an Agreement (“WFP Agreement”) with the World Food Program, whose form and substance shall be satisfactory to the Association; (ii) ensure that the Project activities to be undertaken by the WFP under said WFP Agreement be carried out with due diligence and

efficiency and in accordance with sound technical, financial, and managerial standards (including environmental and social safeguards) and practices acceptable to the Association; and (iii) ensure that WFP exercise its rights and carry out its obligations under the WFP Agreement in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

- (b) Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Service Agreement or any provision thereof, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.”

(4) Contractual and Regulatory Arrangements for the Prevention of the Ebola Epidemic

- (a) To facilitate the carrying out of Part D of the Project, the Recipient shall enter into an Agreement (“UNICEF Agreement”) with the UNICEF, whose form and substance shall be satisfactory to the Association; (ii) ensure that the Project activities to be undertaken by the UNICEF under said UNICEF Agreement be carried out with due diligence and efficiency and in accordance with sound technical, financial, and managerial standards (including environmental and social safeguards) and practices acceptable to the Association; and (iii) ensure that UNICEF exercise its rights and carry out its obligations under the UNICEF Agreement in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

- (b) Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the UNICEF Agreement or any provision thereof, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.”

B. Anti-Corruption

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

C. Project Implementation Manual

1. The Recipient shall, throughout the implementation of the Project:

- (a) carry out the Project in accordance with the Project Implementation Manual; and
- (b) adopt the Pilot Transfer Program Manual (which shall then form part of the Project Implementation Manual), and thereafter carry out the Project in

accordance therewith, provided, however, that, in the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, this Agreement shall prevail.

2. Except as the Association shall otherwise agree, the Recipient shall not amend or waive any provision of the Project Implementation Manual if, in the opinion of the Association, such amendment or waiver could materially and adversely affect the implementation of the Project.

D. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the applicable Safeguard Documents.
2. The Recipient shall not amend, waive or otherwise modify any provision of the Safeguard Documents without the prior written consent of the Association.
3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the Association, in accordance with Section II of this Schedule 2 to this Agreement, reports on the status of compliance with the applicable Safeguard Documents, giving details of:
 - (a) measures taken in furtherance of the Safeguard Documents;
 - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Documents; and
 - (c) remedial measures taken or required to be taken to address such conditions.

E. Annual Work Plans and Budgets

1. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association not later than October 31st in each calendar year, for the Association's consideration, a proposed work plan of activities to be carried out for the Project for the following calendar year, such plan to include an implementation schedule and budget and financing plan ("Annual Work Plan and Budget").
2. The Recipient shall afford the Association a reasonable opportunity to review and exchange views with the Recipient on such proposed plan, and shall thereafter promptly adopt and then implement such work plan as shall have been approved by the Association, in accordance with this Agreement.

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 and set forth in the Project Implementation Manual. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association as part of the Project Report, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association, no later than forty-five (45) days after the end of each quarter.
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 of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. 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.
4. The Recipient shall maintain operational throughout the implementation of the Project a computerized accounting system within the CFS, in form and substance acceptable to the Association.

Section III. Procurement

A. General

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

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

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

<u>Procurement Methods</u>
(a) National Competitive Bidding, subject to the provision below*;
(b) Limited International Bidding;
(c) Shopping;
(d) Direct Contracting; and
(e) Procurement from UN Agencies

*National Competitive Bidding shall be subject to the following additional provisions: (i) four weeks will be provided for preparation and submission of bids, after the issuance of the Invitation for Bids or availability of the bidding documents, whichever is later; (ii) for all procurement of goods and the standard bidding documents (SBD) published by the World Bank for International Competitive Bidding will be used and modified in order to adapt it to the current situation; (iii) bids will be advertised in national newspapers with wide circulation; (iv) bids will be presented and submitted only in one internal envelope (no system with two envelopes will be used); (v) bid evaluation, bidder qualifications criteria, and the contract award criteria will be clearly specified in the bidding documents; (vi) no preference margin will be granted to domestic bidders; (vii) eligible firms, including foreign firms, will not be excluded from the competition; (viii) the procedures will include the publication of the results of evaluation and of the award of the contract, and provisions for bidders to protest; (ix) procurement audit will be included in the terms of reference of financial audits of the project; and (x) if the Recipient's procurement code does not apply to small contracts, the procedures will require that for such contracts, a competitive method be used (reference for example to the Shopping method referenced above).

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:

<u>Procurement Methods</u>	
(a) Least Cost Selection	
(b) Selection under a Fixed Budget	
(c) Selection based on Consultants' Qualifications	
(d) Selection of Individual Consultants	
(e) Single-source Selection	
(f) Selection of UN Agencies	

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:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consultants' services, Training, Stipends and Operating Costs under Parts A, B.1, B.2.(ii), and C of the Project	10,350,000	100%
(2) Conditional Cash Transfers under Part B.2(i) of the Project	1,100,000	100% of amount disbursed
(3) Goods, works, non-consulting services, consultants' services, Training, Stipends and Operating Costs under Part B.3 of the Project	850,000	100%
(4) Goods, works, non-consulting services, consultants' services, Training, Stipends and Operating Costs under Part D of the Project	3,900,000	100%
TOTAL AMOUNT	16,200,000	

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; or
2. The Closing Date is October 2, 2017.

APPENDIX

Section I. Definitions

1. "Annual Work Plan and Budget" has the meaning given to such term in Section I.E.1 of Schedule 2 to this Agreement.
2. "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.
3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. "CFS" means the Safety Net Unit (*Cellule Filets Sociaux- CFS*) established by the MoF's ministerial order no. A/2012/1340/MEF/CAB/SGG on March 9, 2012 to coordinate Project implementation, as amended.
5. "Conditional Cash Transfer Program" has the meaning given to such term in Part B.1 of Schedule 1 to this Agreement.
6. "Conditional Cash Transfer" means a transfer of funds under the Cash Transfer Program in the form of grants on behalf of the Recipient to a selected beneficiary, and made in accordance with the provisions of the Pilot Transfer Program Manual.
7. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.
8. "Displaced Persons" means a person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in (i) relocation or loss of shelter, (ii) loss of assets or access to assets, or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.
9. "Environmental and Social Management Framework" means the Recipient's document, dated April 2012, which: (i) sets out the modalities to be followed by the Recipient in assessing the potential adverse environmental and social impacts of the Project, and the measures to be taken to offset, reduce or mitigate such adverse impacts; and (ii) consists, *inter alia*, of sections dealing with environmental and social screening processes for the Project as well as for the preparation of environmental and social management plans.

10. "Environmental and Social Management Plan" means the document to be prepared by the Recipient in connection with any activity under the Project pursuant to the Environmental and Social Management Framework, (i) describing the potential adverse environmental and social impacts of such activity during planning, design, construction and operation, and (ii) outlining monitoring and mitigation measures, as well as institutional arrangements and budget for carrying out these measures.
11. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010.
12. "LIPW Beneficiaries" has the meaning given to such term in Part A.1 of Schedule 1 to this Agreement and as further detailed in the Project Implementation Manual.
13. "MoF" means the Recipient's ministry in charge of economy and finance.
14. "MoU" means the Recipient's ministry in charge of urbanism, habitation and construction.
15. "Operating Costs" means the reasonable incremental operating expenses, based on Annual Work Plans and Budgets approved by the Association, incurred on account of operation and maintenance incurred in connection with the implementation of the Project, including costs related to office, vehicles and office equipment, water and electricity utilities, telephone, office supplies, bank charges, additional staff costs, travel and supervision costs, *per diem*, but excluding the salaries and indemnities of officials and public servants of the Recipient's civil service.
16. "Pilot Transfer Program Manual" means a manual, in form and substance acceptable to the Association, adopted by the Recipient and incorporated to the PIM containing detailed guidelines and procedures for the implementation of the Conditional Cash Transfer Program, including in the areas of monitoring and evaluation, procurement, disbursement, coordination, social and environmental safeguards, financial, administrative and accounting procedures, and such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the proper implementation of the Conditional Cash Transfer Program.
17. "Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on June 15, 2012 and on behalf of the Recipient on June 26, 2012.

18. "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" dated January 2011 revised July 2014.
19. "Procurement Plan" means the Recipient's procurement plan for the Project, dated May 2, 2014 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.
20. "Project Implementation Manual" or "PIM" means a manual, in form and substance acceptable to the Association, to be adopted by the Recipient containing detailed guidelines and procedures for the implementation of the Project, including in the areas of monitoring and evaluation, procurement, disbursement, coordination, social and environmental safeguards, financial, administrative and accounting procedures, and such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project (including the Pilot Transfer Program Manual).
21. "Resettlement Action Plan" or "RAP" means the Recipient's document prepared and disclosed in accordance with the Resettlement Policy Framework with respect to the Project, which, *inter alia*, (i) contains a census survey of Displaced Persons and valuation of assets; (ii) describes compensation and other resettlement assistance to be provided, consultation to be conducted with Displaced Persons about acceptable alternatives, institutional responsibilities for the implementation and procedures for grievance redress, and arrangements for monitoring and evaluation; and (iii) contains a timetable and budget for the implementation of such measures.
22. "Resettlement Policy Framework" or "RPF" means the Recipient's Resettlement Policy Framework document, dated April 2012, containing guidelines, procedures, timetables and other specifications for the provision of compensation, rehabilitation and resettlement assistance to Displaced Persons under the Project.
23. "Safeguard Documents" means collectively or individually the Environmental and Social Management Framework and the Resettlement Policy Framework as well as the Environmental and Social Management Plans and the Resettlement Action Plans prepared in connection with the Project, if any.
24. "Steering Committee" means the committee established by the MoF ministerial order A/2014/589/MEF on March 13, 2014 for the purposed of providing overall oversight of the Project.
25. "Stipends" has the meaning given to such term in Part A.2(ii) of Schedule 1 to this Agreement.

26. "Training" means the reasonable costs of training under the Project, based on the Annual Work Plans and Budgets approved by the Association, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.
27. "UNICEF" means a specialized agency of the United Nations created in 1946 whose mandate is to address the needs of children in the developing world.
28. "UNICEF Agreement" has the meaning given to such term under Section I.A(4)(a) of Schedule 2 to this Agreement.
29. "World Food Program" and "WFP" each means a specialized agency of the United Nations established in 1961 for the purpose of fighting hunger worldwide.
30. "WFP Agreement" has the meaning given to such term under Section I.A(3)(a) of Schedule 2 to this Agreement.