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CREDIT NUMBER 7000-RW

# **Amended and Restated Financing Agreement**

**(Digital Acceleration Project)**

**between**

**REPUBLIC OF RWANDA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**CREDIT NUMBER 7000-RW**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF RWANDA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”).

WHEREAS the Recipient asked the Association and Asian Infrastructure Investment Bank (“AIIB”) to each contribute to the financing of the project described in Schedule 1 to this Agreement (“Project”) whose estimated cost is equivalent to \$200,000,000.

NOW, THEREFORE, the Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

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

**ARTICLE II — CREDIT**

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Non-concessional Financing for purposes of the General Conditions, in the amount of eighty-six million five hundred thousand Euros (EUR 86,500,000) as such amount may be converted from time to time through a Currency Conversion (“Credit”), to assist in financing the Project.
- 2.02. The Recipient may withdraw the proceeds of the Credit in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent ( $\frac{1}{4}$  of 1%) of the Credit amount.
- 2.04. The Commitment Charge is one-quarter of one percent ( $\frac{1}{4}$  of 1%) per annum on the Unwithdrawn Credit Balance.
- 2.05. The Interest Charge is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.09(e) of the General Conditions.
- 2.06. The Payment Dates are April 15 and October 15 in each year.

- 2.07. The principal amount of the Credit shall be repaid in accordance with Schedule 3 to this Agreement.

### **ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall: (a) cause Parts 1.1(a),(c),(d), 1.2, 1.3 and 1.4, 2, 3.1 (a) (b) (c) (d)(i), 3.2 (a) (b) and (d) and 4.1 of the Project (collectively, “RISA’s Respective Part of the Project”) to be carried out by RISA and (b) cause Parts 1.1(b), 3.1(d)(ii), 3.2 (c) and 4.2 of the Project (collectively, “BRD’s Respective Part of the Project”) to be carried out by BRD, all in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement, and the Project Agreements.

### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Events of Suspension consist of the following:
- (a) the RISA Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of RISA to perform any of its obligations under the RISA Project Agreement; and
  - (b) the BRD Legislation has been amended, suspended, abrogated, repealed, or waived so as to affect materially and adversely the ability of BRD to perform any of its obligations under the BRD Project Agreement.
- 4.02. The Co-financing Deadline for the effectiveness of the Co-financing Agreement is July 31, 2022.
- 4.03. The Additional Event of Acceleration consist of the following, that any event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

### **ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01 The Additional Conditions of Effectiveness consist of the following:
- (a) that each of the Subsidiary Agreements has been duly executed and delivered in accordance with Section I.C of Schedule 2 to this Agreement; and is legally binding upon the Recipient and the Project Implementing Entity with which it has been entered into, in accordance with its terms;
  - (b) the RISA Project Implementation Manual, has been prepared and adopted by the Recipient and RISA in accordance with Section I.B.1(b) of Schedule 2 to this Agreement; and

- (c) the Recipient has caused RISA to recruit a financial management specialist for the SPIU in accordance with the provisions of Section I.A3 of the Schedule to the RISA Project Agreement.

- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

- 6.01. The Recipient's Representative is the recipient's minister responsible for finance.
- 6.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

Ministry of Finance and Economic Planning  
12 KN 3 Ave  
P.O BOX 158  
Kigali, Rwanda; and

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

Fax:	E-mail:
+250 25 257 5756	mfin@minecofin.gov.rw

- 6.03. For purposes of Section 11.01 of the General Conditions:

- (a) The Association's address is:

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

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

Telex:	Facsimile:	E-mail:
248423 (MCI)	1-202-477-6391	info@minecofin.gov.rw

AGREED as of the Signature Date.

**REPUBLIC OF RWANDA**

**By**

*Honorable Dr. Uzziel Ndagijimana*

**Authorized Representative**

**Name:** Honorable Dr. Uzziel Ndagijimana

**Title:** Minister of Finance and Economic Planning

**Date:** 27-Jan-2024

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

*Sahr Kpundeh*

**Authorized Representative**

**Name:** Sahr Kpundeh

**Title:** Country Manager, World Bank, Rwanda

**Date:** 26-Jan-2024

## SCHEDULE 1

### Project Description

The objectives of the Project are to increase access to broadband and selected digital public services, and strengthen the digital innovation ecosystem.

The Project consists of the following parts:

#### Part 1: Digital Access and Inclusion

- 1.1 *Access to affordable smart devices* through: (a) technical assistance and capacity building for fund development; (b) capitalization of a device affordability fund and operationalization of related Financing Instruments; (c) independent verification services; and (d) communication and outreach to publicize the device affordability scheme.
- 1.2 *Digital literacy for all* through: (a) technical assistance for development of a digital skills architecture, monitoring and evaluation framework; and (b) financing development and operationalization of the national roll out and enhancement of the Recipient's Digital Ambassadors Program.
- 1.3 *Last mile connectivity access* through: (a) support for network planning and deployment of enhanced network management solutions; (b) connectivity capacity purchase for select public institutions and priority locations; and (c) provision of enabling infrastructure and equipment for target institutions.
- 1.4 *Legal, regulatory, and institutional capacity for broadband market development* through: (a) technical assistance to support the modernization of policy, legal, regulatory, and institutional frameworks governing the telecoms sector; and (b) provision of training, systems and equipment acquisition needed to support regulatory reform.

#### Part 2: Digital Public Service Delivery

- 2.1 *Digital identification and authentication* through: (a) upstream stakeholder engagement and advisory services for preparation of bidding documents and legal and regulatory support to inform implementation; (b) digitalization and indexing of civil registration records; (c) establishment of a new single digital ID system (SDID), including support for: (i) upgrades to PKI and back-end central IT infrastructure, featuring network equipment and data storage, (ii) hardware and software development for the new SDID; (iii) new digital identity credentials; (iv) new identity verification mechanisms and support for the adoption of new ways to verify identities in priority sectors; and (v) registration operations; and (d) strengthening of the digital ID ecosystem.

- 2.2 *Government data management, sharing and analytics* through: (a) development of national and big data governance and management frameworks; (b) operationalization of the government data hub; (c) upgrading of the government enterprise service bus; and (d) implementation of strategically selected big data use cases.
- 2.3 *E-service in key sectors* through: (a) support for strategic planning and design of e-services; (b) development of select e-services in key sectors; (c) health sector digitization initiative; and (d) capacity building and support for change management, including training and communication, to ensure successful development, deployment, usage, and maintenance of e-services supported.
- 2.4 *Cybersecurity resilience and data protection* through support for: (a) strengthened cybersecurity operational capacity, including technical assistance, hardware and software upgrades for the NCSA and Rw-CSIRT, and cybersecurity training and awareness-raising; and (b) foundations for data protection operationalization, including for: (i) the development of institutional and policy frameworks; (ii) the strengthening of the technical and operational capacity of the Recipient Data Protection Office; and (iii) the development of capacity building and awareness raising programs.

### **Part 3: Digital Innovation and Entrepreneurship**

- 3.1 *Regional digital entrepreneurship hub* through: (a) support to enable strategies, policies and institutions for digital innovation; (b) Performance-Based Grants for ecosystem support organizations that serve digital startups; (c) establishment of an international accelerator program that serves digital startups; and (d) early-stage finance mobilization for digital startups, including support for: (i) investment events, training programs; and (ii) establishment of early-stage financing mechanisms and selected Financing Instruments.
- 3.2 *Next generation capabilities for digital economy* through: (a) supporting further development of the Rwanda Coding Academy; (b) financing of Performance-Based Grants for technology bootcamps to provide digital skills training services; (c) provision of Student Loans for highly specialized digital training in higher education through the Student Loan Fund; and (d) provision of support and coaching services for students applying for specialized digital training domestically and abroad.

### **Part 4: Project Management**

- 4.1 *Project management activities implemented by RISA*: (a) Supporting operating costs and staffing costs of the Single Project Implementation Unit (SPIU) at RISA (b) IT equipment and software linked to Project management; (c) Project management, monitoring and evaluation, communication, and auditing service, as

needed; (d) capacity building and training; (e) costs related to environmental and social compliance of the Project, including preparation of related audits and plans, stakeholder consultation, resettlement costs and establishment of a functioning grievance management system for the Project, and (f) support for the rollout of e-waste management.

- 4.2 *Project management activities implemented by BRD:* (a) Supporting Operating Costs and staffing costs of the PIU at BRD; (b) IT equipment and software linked to Project management; (c) Project management, monitoring and evaluation, communication, and auditing service; (d) capacity building and Training; and (e) costs related to environmental and social compliance of the Project, including stakeholder consultation.



## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

##### 1. General

- (a) The Recipient shall designate and charge the Ministry of ICT and Innovation (MINICT) with overall responsibility for Project coordination.
- (b) Unless otherwise indicated in this Agreement or the Project Agreements, the Recipient shall ensure that the following implementation arrangements are maintained throughout the period of implementation of the Project.

##### 2. Project Steering Committee

- (a) The Recipient shall, no later than thirty (30) days after Effective Date, establish within MINICT and thereafter maintain, a Project Steering Committee (PSC) with terms of reference, composition, and resources acceptable to the Association.
- (b) Without limitation to the generality of Section I.A.2(a) of this Schedule, the PSC shall: (i) include representatives of MINICT, RISA, NIDA, RURA, NCSA, BRD, RDB, and the private sector, as well as, on a need basis, MOH, MINEDUC, and MINALOC; and (ii) be responsible for providing strategic oversight of the Project.

##### 3. Rwanda Information Society Authority

- (a) The Rwanda Information Society Authority (RISA) shall be responsible for implementation of its Respective Part of the Project in accordance with the provisions of the RISA Project Agreement.
- (b) The Recipient shall cause RISA to establish and thereafter maintain a Single Project Implementing Unit (SPIU) with composition and resources acceptable to the Association, and staff with terms of reference, qualifications and experience acceptable to the Association.

##### 4. Development Bank of Rwanda

- (a) The Development Bank of Rwanda (BRD) shall be responsible for implementation of its Respective Part of the Project in accordance with the provisions of the BRD Project Agreement.

- (b) The Recipient shall cause BRD to establish and thereafter maintain a Project Implementing Unit to support the SPIU, with composition and resources acceptable to the Association, and staff with terms of reference, qualifications and experience acceptable to the Association.

**B. Implementation Arrangements**

**1. Project Implementation Manuals**

- (a) The Recipient shall cause: (i) RISA to carry out its Respective Part of the Project in accordance with the RISA Project Implementation Manual; and (ii) BRD to carry out its Respective Part of the Project in accordance with the BRD Project Implementation Manual
- (b) (i) Each PIM shall be prepared in accordance with terms of reference satisfactory to the Association.
- (ii) Without limitation to the generality of Section I.B.1(b) of this Schedule 2:
  - (A) for each Project Implementing Entity, its PIM shall specify roles and responsibilities for the implementation of its Respective Part of the Project, and set forth the rules, methods, guidelines and procedures for the carrying out of its Respective Part of the Project, including, *inter alia*: arrangements for the coordination of the Project Implementing Entities' Respective Part of the Project; financial management, with the detailed policies and procedures; procurement management procedures; institutional administration, coordination, and day-to-day execution of Project activities; monitoring and evaluation including the relevant part of the results framework and the monitoring indicators for its Respective Part of the Project; reporting; information and communication of activities; guidelines for assessing potential environmental and social impacts of the activities included in the Respective Part of the Project and designing appropriate mitigation, management, and monitoring measures in respect of such impacts; and such other technical and organizational arrangements and procedures as shall be required for the effective implementation of the Respective Part of the Project; and
  - (B) the BRD Project Implementation Manual shall include all arrangements for the implementation of the Financing

Instruments, including implementation arrangements of the Student Loans and their recovery, the selection criteria and the verification protocols, and terms and conditions of the legal agreements for their extension and, the RISA Project Implementation Manual shall include all arrangements for the implementation of the Performance-Based Grants, including in each case selection criteria and the verification protocols, and terms and conditions of the legal agreements for their extension.

- (c) In case of any conflict between the provisions of either of the Project Implementation Manuals and the provisions of this Agreement, the provisions of this Agreement shall prevail, and except as the Association shall otherwise agree, neither the Recipient nor the Project Implementing Entities shall amend, abrogate, or waive any provision of either of the Project Implementations Manuals.

## **2. Annual Work Plan and Budget**

- (a) The Recipient shall, not later than one (1) month after the Effective Date for the Fiscal Year in which this Agreement shall become effective, and January 1 of each subsequent Fiscal Year, consolidate and furnish to the Association for the Association's no objection, a consolidated annual program of activities proposed for implementation under the Project during the following Fiscal Year, together with a proposed budget, including the Association's and the Co-Financier's respective shares of the budget costs.
- (b) The Recipient shall exchange views with the Association on each such proposed consolidated annual work plan and budget and take into account comments which the Association may have when finalizing its annual work plan and budget ("Annual Work Plan and Budget").
- (c) The Recipient shall cause each of the Project Implementing Entities to adopt and carry out the activities included in their respective part of the Annual Work Plan and Budget for the following Fiscal Year. Annual Work Plans and Budgets may be revised during the Fiscal Year to which they related, with the prior written agreement of the Association.

## **C. Subsidiary Agreements.**

- 1. To facilitate the carrying out of their Respective Part of the Project, the Recipient shall make such part of the proceeds of the Financing allocated from time to time to Categories 1(a), and 3 available to RISA under a subsidiary agreement between the Recipient and RISA (the "RISA Subsidiary Agreement"); and such part of the

proceeds of the Financing allocated from time to time to Category 1(b), 2 and 5 available to BRD under a subsidiary agreement between the Recipient and BRD (the "BRD Subsidiary Agreement"). Each Subsidiary Agreement shall have terms and conditions approved by the Association, which shall include:

- (a) terms and conditions of the financing extended under the Subsidiary Agreement;
  - (b) the obligation of the Project Implementing Entity to: (i) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to its Respective Part of the Project; and (ii) have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association and make such statements publicly available in a timely fashion and in a manner acceptable to the Association;
  - (c) the obligation of the Project Implementing Entity to comply with all its obligations included in or referred to in its Project Agreement; and
  - (d) the right of the Recipient to take remedial actions against the Project Implementing Entity, in case the Project Implementing Entity shall have failed to comply with any of its obligations under the Subsidiary Agreement, which actions shall include the partial or total suspension and/or cancellation or refund of all or any part of the proceeds of the financing extended under the Subsidiary Agreement.
2. The Recipient shall exercise its rights under each of the Subsidiary Agreements in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive either of the Subsidiary Agreements or any of their provisions.

**D. Sub-projects.**

For the implementation of Part 1.1 (b) and 3.1 (d)(ii) of the Project, the Recipient shall cause the BRD to extend Financing Instruments to eligible Beneficiaries and ensure that BRD shall:

- (a) select eligible Beneficiaries that:

- (i) comply with the eligibility criteria set forth in the BRD Project Implementational Manual; and
  - (ii) For purpose of Part 3.1 (d)(ii) of the Project, are not in dispute with the Association or the Bank or on a list of companies declared ineligible by the Association or the Bank to receive benefits from any project supported by the Association or the Bank;
- (b) screen and select Sub-projects to be financed through Financing Instruments in accordance with the selection and eligibility criterion set forth in the BRD Project Implementational Manual. The following Sub-projects shall not be eligible for financing, as further set forth in the BRD Project Implementational Manual:
- (i) any Sub-projects involving non-eligible expenditures (as such term is defined in the BRD Project Implementational Manual);
  - (ii) any Sub-projects affecting international waterways, natural habitats, disputed areas or indigenous peoples;
  - (iii) any Sub-projects involving the conversion or degradation of forest areas;
  - (iv) any Sub-projects involving the involuntary taking of land or involuntary resettlement, resulting in relocation or loss of shelter, loss of assets or access to assets, loss of income sources or means of livelihood, or involving the involuntary restriction of access to legally designated parks and protected areas; and
  - (v) any Sub-projects involving the construction or rehabilitation of dams; and
- (c) enter into the relevant Financial Instrument agreement with each eligible Beneficiary on terms and conditions set forth in the BRD Project Implementational Manual.

**E. Performance-Based Grants (PFB Grant) under Parts 3.1 (b) and 3.2 (b)**

1. *General*

The Recipient shall cause RISA to administer PFB Grants under Parts 3.1 (b) and 3.2 (b) of the Project to be awarded to PFB Beneficiaries on a competitive basis, against verified results, in accordance with procedures set forth in this Part 3 below and referred to in more detail in the RISA PIM.

2. *Eligibility Criteria for PFB Grants*

No proposed PFB Beneficiaries shall be eligible for financing under any of Part 3.1 (b) or 3.2 (b) of the Project unless, on the basis of an appraisal conducted in accordance with guidelines described in the RISA PIM, the Recipient through RISA shall have determined that the proposed PFB Beneficiaries satisfies the eligibility criteria listed in the RISA PIM.

3. *Terms and Conditions of PFB Grants*

PFB Grants shall be made available respectively pursuant to a PFB Grant Agreement and to be concluded between RISA and a PFB Beneficiaries under terms and conditions detailed in the RISA PIM, which shall include the following provisions:

- (a) the modalities for PFB Grants transfer of funds, including amount and periodic intervals of transfer of funds as well as verification procedures;
- (b) confirmation that payments shall be made on a non-reimbursable grant basis;
- (c) provisions for PFB Grants to the effect that:
  - (i) the PFB Beneficiary's right to the proceeds of the PFB Grant may be suspended or terminated and/or the PFB Beneficiary may be required to refund all or any part of the amount already paid, upon the PFB Beneficiary's failure to perform any of its obligations under the relevant PFB Grant Agreement; and
  - (ii) each PFB Beneficiary shall:
    - (A) implement their business plan with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines and the Environmental and Social Standards, as applicable;
    - (B) procure the goods, works and services to be financed out of the proceeds of the PFB Grant in accordance with the provisions of this Agreement;
    - (C) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the business plan and the achievement of its objectives;

- (D) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the PFB Grant; and (2) at the Association's or the Recipient's/RISA's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to Recipient and the Association;
  - (E) enable the Recipient, RISA and/or the Association to inspect the implementation of the PFB Grant, its operation and any relevant records and documents; and
  - (F) prepare and furnish to the Recipient through RISA, and the Association, all such information as the Recipient or the Association shall reasonably request relating to the foregoing.
4. The Recipient shall, through RISA, exercise its rights and carry out its obligations under each PFB Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Project, and, except as the Association shall otherwise agree, neither the Recipient nor RISA shall assign, amend, abrogate or waive any PFB Grant Agreement, or any provision thereof.

5. *Internal Verification*

No payments shall be made: (a) under Part 3.1 (b) or 3.2 (b) of the Project unless and until an internal verification has been carried out against the results achieved under said Parts of the Project, as detailed in the RISA PIM.

**F. Student Loans under Part 3.2(c) of the Project**

1. *General*

The Recipient shall cause BRD to administer Student Loans under Part 3.2 (c) of the Project to be awarded to Scholars on a competitive basis, against verified enrollment status, in accordance with procedures set forth in this Part 3 below and referred to in more detail in the BRD PIM.

2. *Eligibility Criteria for student loans*

No proposed Scholars shall be eligible for financing under any of Part 3.2 (c) of the Project unless, on the basis of an appraisal conducted by HEC, with the support of RISA, in accordance with guidelines described in the Student Loan Administration Agreement, and the BRD PIM, the Recipient through HEC and RISA, shall have determined that the proposed Scholars satisfies the eligibility criteria and instructed BRD to issue student loan agreements.

3. *Terms and Conditions of Scholarships*

Student Loans shall be made available pursuant to a Student Loan Agreements to be concluded between BRD and each Scholar (as applicable) under terms and conditions detailed in the BRD PIM, which shall include the following provisions:

- (a) the modalities for Student Loan transfer of funds, including amount and periodic intervals of transfer of funds as well as verification procedures;
- (b) confirmation that payments shall be made on a refundable loan basis;
- (c) provisions for Student Loans to the effect that:
  - (i) the Scholar undertakes higher education programs in the digital field;
  - (ii) the obligation of the Scholar to maintain adequate records to reflect, in accordance with sound accounting practices, the expenditures relating to the Higher Education program they are enrolled in;
  - (iii) the right of the Recipient, to: (A) inspect by itself, or jointly with the Association, if the Association shall so request, any relevant records and documents; and (B) suspend or terminate the right of the Scholar to use the proceeds of the Student Loan upon failure by said Scholar to perform any of its obligations under the Higher Education program they are enrolled in.

4. The Recipient shall, through BRD, exercise its rights and carry out its obligations under each Student Loan Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Project, and, except as the Association shall otherwise agree, neither the Recipient nor BRD shall assign, amend, abrogate, or waive any Student Loan Agreement, or any provision thereof.

5. *Internal Verification*

No payments shall be made to Scholars under Part 3.2 (c) of the Project unless and until internal verification has been carried out on the enrollment status and progress



of the Scholar in a relevant Higher Education Program, as detailed in the BRD PIM and Student Loan Administration Agreement.

**G. Environmental and Social Standards.**

1. The Recipient shall, and shall cause each Project Implementing Entity to, ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall, and shall cause each Project Implementing Entity to, ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall, and shall cause each Project Implementing Entity to, ensure that:
  - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended, or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Recipient shall, and shall cause each Project Implementing Entity to: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
5. The Recipient shall, and shall cause each Project Implementing Entity to, ensure that:

- (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 6. The Recipient shall, and shall cause each Project Implementing Entity to, establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 7. The Recipient shall, and shall cause each Project Implementing Entity to, ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

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

The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

**Section III. Withdrawal of the Proceeds of the Credit**

**A. General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Credit to: (a) finance Eligible Expenditures; and (b) repay the Preparation Advance in the amount allocated and, if applicable, up to the percentage set forth against each Category in the following table:

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in EUR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
<p>(1) Goods, works, non-consulting services, consulting services, Training and Operating Costs and Performance Based Grants:</p> <p>(a) under Parts 1.1(a)(c)(d), 1.2, 1.3, 1.4; 2.1(a)(b)(c)(i)(d), 2.2, 2.3, 2.4; 3.1(a)(b)(c)(d)(i), 3.2 (a) (b) and (d) and 4.1 of the Project; and</p> <p>(b) under Part 4.2 of the Project</p>	<p>60,833,250</p> <p>368,000</p>	<p>50%</p>
<p>(2) Goods, non-consulting services, consulting services, Capitalization, Operating costs, Training and Financing Instruments under Part 1.1(b), 3.1(d)(ii) of the Project</p>	<p>10,380,000</p>	<p>50%</p>
<p>(3) Goods, non-consulting services, consulting services, Training and Operating Costs under Part 2.1(c)(ii)(iii)(iv) and (v) of the Project</p>	<p>9,818,000</p>	<p>50%</p>
<p>(4) Refund of Preparation Advance</p>	<p>3,587,000</p>	<p>Amount payable pursuant to Section 2.07 (a)</p>

		of the General Conditions
(5) Capitalization of the Student Loan Fund and Operating Costs under Part 3.2(c) of the Project	1,513,750	50%
<b>TOTAL AMOUNT</b>	86,500,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

- (a) for payments made prior to the Signature Date.
- (b) under Category 2 unless and until BRD has:
  - (i) prepared and adopted the BRD PIM referred to in Section I.B (1) of Schedule 2 to this Agreement, in accordance with the Financial Intermediary Framework assessment, detailing the device affordability fund and the early-stage financing mechanisms for digital start-up, and in a form and substance acceptable to the Association; and
  - (ii) complied with its environmental and social commitment with respect to ESS 9 (Financial Intermediaries) referred to under paragraph 9.1 of the ESCP; and
- (c) under Category 3, unless and until the Recipient has enacted and published in the official gazette a modification of its law governing registration of the population and issuance of the national identity credentials incorporating the Principles on Identification, including data protection requirements not already provided in the Personal Data Protection Law, in a manner acceptable to the Association.
- (d) Under Category 5, unless and until BRD has:
  - (i) established a Project Implementing Unit with adequate resources and facilitation, and key staff holding such qualifications and under terms of reference acceptable to the Association;
  - (ii) appointed or recruited (as appropriate) to the Project Implementing Unit; (A) a coordinator; (B) a procurement specialist; (C) a financial

management specialist; and (D) two environmental and social specialists, all with such qualifications and under terms of reference acceptable to the Association, and in accordance with the provisions of the Procurement Regulations;

- (iii) prepared and adopted the BRD PIM referred to in Section I.B (1) of Schedule 2 to this Agreement, in accordance with the Financial Intermediary Framework assessment, detailing the Student Loan administration mechanism, and in a form and substance acceptable to the Association; and
- (iv) entered into a Student Loan Administration Agreement, detailing the role and responsibilities of each institution in the appraisal, verification, payment, and re-payment of student loans, in accordance with the Recipient's laws and in a form and substance acceptable to the Association.

2. The Closing Date is December 31, 2026.

**Section IV. Other Undertakings**

- A. BRD shall improve their digital tracking system for Scholars, with respect to activities under Part 3.2(c) of the Project, in a manner satisfactory to the Association by March 31, 2024 (or later time as agreed with the Association).

**SCHEDULE 3**

**Commitment-Linked Amortization Repayment Schedule**

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

**Level Principal Repayments**

<b>Principal Payment Date</b>	<b>Installment Share</b>
On each April 15 and October 15 Beginning April 15, 2027 through April 15, 2055,	1.72%
On October 15, 2055	1.96%

## **APPENDIX**

### **Definitions**

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
2. “Asian Infrastructure Investment Bank” means a multilateral development bank established by a treaty whose purpose is to: (i) foster sustainable economic development, create wealth, and improve infrastructure connectivity in Asia by investing in infrastructure and other productive sectors; and (ii) promote regional cooperation and partnership in addressing development challenges by working in close collaboration with other multilateral and bilateral development institutions.
3. “BRD Legislation” means the BRD memorandum and articles of association approved by Resolution No. 03/2016/EOGM of the meeting of shareholders of the BRD dated September 19, 2016 and any relevant legislation of the Recipient that regulates the operations of BRD.
4. “BRD Project Agreement” means the Project Agreement entered into between the Association and RISA for the implementation of its Respective Part of the Project.
5. “BRD Project Implementation Manual” or “BRD PIM” means the BRD project implementation manual referred to in Section I.B(1) of schedule 2 and to be adopted in accordance with Section III.B.1.b(i).
6. “BRD Subsidiary Agreement” means the Subsidiary Agreement to be entered into between the Recipient and BRD referred to in Section I.C of schedule 2.
7. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
8. “Co-financier” means the Asian Infrastructure Investment Bank.
9. “Co-financing” means, for purposes of paragraph 14 of the Appendix to the General Conditions, an amount of USD 100 million to be provided by the Co-financier to assist in financing the Project.
10. “Co-financing Agreement” means the agreement to be entered into between the Recipient and the Co-financier providing for the Co-financing.
11. “Digital Ambassadors Program” means the Recipient’s flagship digital literacy scheme piloted to deliver basic digital skills training to 5 million Rwandans aged 15 years and above to reach its target of 60 percent digital literacy by 2024.

12. “Development Bank of Rwanda” or the acronym “BRD” means a public company, limited by shares, incorporated on March 23, 2012, registered at the Recipient's office of the registrar general with company code no. 100003547.
13. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated June 2021, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
14. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
15. “Financing Instruments” means the financing instruments to be developed by BRD for the implementation of Part 1.1(b) and 3.1(d) of the Project.
16. “Fiscal Year” means a period of twelve (12) consecutive months starting each year on July 1 and ending on the next June 30.
17. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020 and April 1, 2021).
18. “Higher Education” means undergraduate degrees and/or diplomas, post graduate degrees and/or diplomas and PhDs.
19. “Higher Education Council” or “HEC” means the education council established pursuant to Presidential Order N° 081/01 of 28/08/2020.



20. “ID” means identification.
21. “IT” means information technology.
22. “MINICT” or “Ministry of Information, Communication, Technology and Innovation” means the Recipient’s ministry in charge of information communication, technology, and innovation.
23. “MINEDUC” or “Ministry of Education” means the Recipient’s ministry in charge of education.
24. “MINALOC” or “Ministry of Local Government” means the Recipient’s ministry in charge of local government.
25. “MOH” or “Ministry of Health” means the Recipient’s ministry in charge of health.
26. “National ID Agency” or “NIDA” means the Recipient’s national ID agency established pursuant to Law No. 43/2011 of 30/10/21, published in the official gazette No 51 of 19/12/2011.
27. “National Cyber Security Authority” or “NCSA” means the Recipient’s cyber security authority established pursuant Law No 26/2017 of 31/05/2017, published in the official gazette No 27 of 03 July 2017.
28. “Operating Costs” means the reasonable incremental expenses arising under the Project, and based on the Annual Work Plan and Budget, and consisting of, audit fees, expenditures for office supplies, vehicle operation and maintenance, maintenance of equipment, bank fees, communication and insurance costs, internet service charges, media and advertising expenses, office administration costs, utilities, rental, consumables, accommodation, travel and *per diem*, and salaries of Project staff referred to in this Agreement or the Project Agreements or as otherwise agreed by the Association in writing, but excluding the salaries of the Recipient’s civil servants, meeting allowances, other sitting allowances, salary top ups and all honoraria.
29. “Performance Based Grants” or “PFB Grant” means the performance-based grants under Parts 3.1(b) and 3.2(b) of the Project.
30. “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online

identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.

31. “Personal Data Protection Law” means Law no. 58/2021 of October 13, 2021 relating to the protection of personal data and privacy, published in the Official Gazette Special no. of October 15, 2021.
32. “PFB Beneficiary” means recipients of Performance Based Grants.
33. “PKI” means Public Key Infrastructure, which is a technology behind digital certificates.
34. “Preparation Advance” means the advance referred to in Section 2.07 (a) of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on January 27, 2020.
35. “Principles on Identification” mean the Principles on Identification for Sustainable Development Towards the Digital Age (February 2021).
36. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
37. “Project Agreement” means, individually, the RISA Project Agreement or the BRD Project Agreement, as the context may require, and “Project Agreements” means collectively, the RISA Project Agreement and the BRD Project Agreement.
38. “Project Implementation Manual” or “PIM” means, individually, the RISA Project Implementation Manual or the BRD Project Implementation Manual, as the context may require, and “Project Implementation Manuals” means collectively, the RISA Project Implementation Manual and the BRD Project Implementation Manual.
39. “Project Implementing Unit” or “PIU” means the unit at BRD referred to in Section I.A.4(b) of Schedule 2 to this Agreement and established in accordance with Section 1.A.2 of the Schedule to the BRD Project Agreement
40. “Project Implementing Entity” means, individually, RISA or BRD, as the context may require, and “Project Implementing Entities” means, collectively, RISA and BRD.
41. “RISA” or “Rwanda Information Society Authority” means a government institution established in 2017, governed by law No. 02/2017 of 18/02/2017.
42. “RISA Legislation” means Law no. 02/2017 of 18/2/2017, establishing the Rwanda Information Society Authority and determining its mission, organization,

and function, official gazette no. 10 of 06/03/2017 and any other relevant legislation of the Recipient that regulates the operations of RISA.

43. “RISA Project Agreement” means the Project Agreement entered into between the Association and RISA for the implementation of its Respective Part of the Project.
44. “RISA Project Implementation Manual” or “RISA PIM” means the PIM for the implementation of RISA’s Respective Part of the Project referred to in Section I.B (1)(b) of Schedule 2 to this Agreement and to be adopted in accordance with Section 5.01(b) of this Agreement.
45. “RISA Subsidiary Agreement” means the Subsidiary agreement to be entered into between the Recipient and RISA in accordance with Section I.C of Schedule 2 to this Agreement.
46. “RURA” means Rwanda Utilities Regulatory Authority.
47. “Rwanda Coding Academy” or “RCA” means the hybrid general education and Technical and Vocational Education and Training program managed in partnership with the MINICT, MINEDUC, and Rwanda Polytechnic that trains students in software programming and coding.
48. “Rwanda Development Board” or “RDB” means the Recipient’s development board established to *inter alia* foster economic development in Rwanda by enabling private sector growth, or any successor entity thereto.
49. “Rwanda Computer Security Incident Response Team” or the acronym “Rw-CSIRT” means the team operating under the auspice of the NCSA that acts as a national point of contact for the coordination of cybersecurity incident handling activities.
50. “Scholar” means the beneficiaries of Student Loans for bachelor, master and Phd degree programs and diplomas in the digital field.
51. “Student Loans” means the education loans under Part 3.2(c) of the Project.
52. “Student Loan Agreement” means a loan agreement to be entered into between BRD and each Scholar, as described in section I.F of schedule 2 to this agreement and further detailed in the BRD PIM.
53. “Student Loan Administration Agreement” means the tri-partite agreement to be entered into between BRD, HEC and RISA, detailing the administration and implementation arrangements for student loans under Part 3.2(c) of the Project.

54. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.
55. “Single Project Implementing Unit” or “SPIU” means the unit at RISA, referred to in Section I.A.3(b) of Schedule 2 to this Agreement and established in accordance with Section 1.A.2 of the Schedule to the RISA Project Agreement.
56. “Student Loan Fund” means the fund established pursuant to Law No. 44/2015 of 14/09/2015 governing student loans and bursaries' and recent 'Ministerial Order No. 001/MINEDUC/2023 of 04/01/2023 determining benefits for learners, study loans, and their management', managed by BRD and HEC.
57. “Sub-Project” means the device access and early-stage finance initiatives under Parts 1.1(b) and 3.1(d) of the Project.
58. “Subsidiary Agreement” means, individually, the RISA Subsidiary Agreement or the BRD Subsidiary Agreement, as the context may require, and “Subsidiary Agreements” means collectively, the RISA Subsidiary Agreement or the BRD Subsidiary Agreement.
59. “Training” means the reasonable cost of training under the Project, as approved by the Association and included in the Annual Work Plan and Budget, including costs associated with seminars, workshops, conference and study tours, travel and subsistence costs 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.