
CREDIT NUMBER 7500-MR

Financing Agreement

(Senegal River Valley Development and Resilience Project)

between

ISLAMIC REPUBLIC OF MAURITANIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between ISLAMIC REPUBLIC OF MAURITANIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in the amount of thirty-three million eight hundred thousand Special Drawing Rights (33,800,000 SDR), as such amount may be converted from time to time through a Currency Conversion (variously, “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum, or such rate as may apply following a Currency Conversion, on the Withdrawn Credit Balance.
- 2.05. The Interest Charge is one and a quarter percent (1.25%) per annum, or such rate as may apply following a Currency Conversion, on the Withdrawn Credit Balance.
- 2.06. The Payment Dates are May 15 and November 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Dollar.

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 V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV —EFFECTIVENESS; TERMINATION

- 4.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Recipient has prepared and adopted the Project Implementation Manual (PIM) in form and manner acceptable to the Association.
 - (b) The Recipient has established the PIU in form and substance satisfactory to the Association, and has hired the following staff: a Project coordinator, a procurement specialist, a financial management specialist, a social development specialist with expertise in gender-based violence and sexual harassment, a specialist in community and social development and social cohesion and an environmental specialist.
 - (c) The Recipient has prepared, disclosed, consulted, and adopted the Stakeholder Engagement Plan set forth in Section 10.1 of the ESCP, and has established the Grievance Redress Mechanism set forth in Section 10.2 of the ESCP, all in form and manner acceptable to the Association.
- 4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the Signature Date.
- 4.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its minister in charge of economy.
- 5.02. For purposes of Section 11.01 of the General Conditions:
- (a) the Recipient's address is:

Ministry of Economy and Sustainable Development
Avenue Nelson Mandela
BP 238
Nouakchott
Mauritania; and

(b) the Recipient's Electronic Address is:

Facsimile: 222-45-25-33-35

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

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

Telex:	Facsimile:
248423 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

ISLAMIC REPUBLIC OF MAURITANIA

By

M. Abdessalam Ould Mohamed Saleh

Authorized Representative

Name: M. Abdessalam Ould Mohamed Saleh

Title: MINISTRE ECONOMY

Date: 22-Feb-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Keiko Miwa

Authorized Representative

Name: Keiko Miwa

Title: Country Director

Date: 14-Feb-2024

SCHEDULE 1

Project Description

The objective of the Project is to improve access to regionally integrated, climate resilient and inclusive infrastructure and services in targeted border communities of the Senegal River Valley.

The Project consists of the following parts:

Part 1: Investing in Community Resilience and Inclusion for Social Cohesion

Support the financing of local-level multi-sectoral investments, social cohesion activities and institutional strengthening to build community resilience, promote inclusion and foster social cohesion in the SRV through:

Part 1.1. Community Infrastructure Investments Driven by Climate Resilience

Carry out Community Subprojects for the construction, rehabilitation, upgrading, and/or equipment of community infrastructure in communities selected in accordance with criteria set forth in the Community Subprojects Manual and pursuant to local development plans approved by the Recipient and satisfactory to the Association.

Part 1.2. Youth Engagement and Social Cohesion Activities

- (a) Carry out youth engagement and social cohesion cross-border activities through: (i) inter-generational and inter-group dialogues/platforms bringing together different groups/communities and the local governments on climate and conflict vulnerability issues; (ii) community cultural/sports events centered around promoting cross-border climate resilience and social cohesion/inclusion, including events that promote understanding around climate change risks and impacts; and (iii) community volunteering and awareness-raising activities on climate change to galvanize community efforts to promote climate resilience and prevent related conflicts/tensions (e.g. flood control, tree planting, adoption of climate smart agricultural practices).
- (b) Carry out diagnostics and capacity building activities (particularly for youth), including: (i) participatory cross-border area based social cohesion diagnostics; and (ii) leadership, facilitation and conflict resolution skills and (iii) building and institutionalizing mechanisms for community-level alternative dispute resolution.

Part 1.3 Institutional Strengthening for Local Resilience

Support capacity building and institutional strengthening activities to support the regionally integrated and climate resilient community and local development process through:

- (a) Trainings to strengthen regional integration, resilience and inclusion and
- (b) Capacity building and strengthening of institutions for regional integration, resilience and inclusion, designing and developing of templates and methodology for strengthening local development plans.

Part 2: Regionally Integrated Territorial Investments for Connectivity and Local Economic Development and Economic Transformation

Support the financing of territorial infrastructure investments to enhance the connectivity to facilitate regional economic integration and cross-border trade and integrated approach to local economic development to boost economic opportunities within targeted communities through:

Part 2.1. Priority Climate-Resilient Infrastructure for Regional Integration

Support the rehabilitation or upgrading of infrastructure to promote trade and connectivity at the regional level through:

- (a) Connectivity Infrastructure: Rehabilitation or upgrading of all-weather rural or urban road networks and bridges, jetties, docks and river crossings, selected pursuant to criteria set forth in the PIM.
- (b) Market Infrastructure: support the upgrade of existing public local primary markets.
- (c) Small Urban Infrastructure in Intermediate Cities: carry out area-based rehabilitation and climate-resilient upgrading of municipal infrastructure, including (i) urban drainage systems; (ii) drinking water supply extension; (iii) electricity network extension; (v) public spaces; (vi) riverbank protection works; (vii) energy efficient street lighting; and (viii) infrastructure for socio-cultural, sports and cultural activities.
- (d) Carry out technical, environmental and social studies for future larger investments.

Part 2.2. Climate Resilient Livelihood and Economic Opportunities for Local Economic Development

Promote economic/ livelihood opportunities in key value chains through:

- (a) Value chain mapping: conduct mapping of stakeholders (including producer groups, technical service providers, financial sectors, private sector partners, and entrepreneurs), carry out market assessments to identify key sectors and business activities, and digital innovations.
- (b) Value chain regional platform building: Strengthen existing or establish value chain platforms selected on the basis of the mapping activities under Part 2.2(a) above, through supporting the aggregation of existing cooperatives or community groups/ associations for scale, and supporting regular meeting platforms, dialogues and forums.
- (c) Value chain resilience and inclusion improvement plans: Support the development and adoption of improvement plans for each value chain platform to identify key priority investments in infrastructure and capacity enhancement support activities.
- (d) Value chain support services: Support the local economic actors in selected value chains through: (i) the provision of equipment and inputs to support income generating activities and extension services; (ii) entrepreneurship and business development support; (iii) referrals to sustainable financing mechanisms and existing government employment programs and services and (iv) training, mentoring and peer learning.

Part 3: Project Management and Regional Knowledge Management and Dialogue Platform

Part 3.1. Project Management

Support project management and coordination at the regional, national, and subnational levels including the day to day operation and related capacity building of the Project Implementation Unit and local antennas in terms of: planning, implementation, and technical oversight of project activities; environmental and social risk management and monitoring; financial management and procurement; preparation of work plans, budgets, and progress reports; and communication and monitoring and evaluation arrangements, including relevant trainings, the setup of a management information system, community monitoring and a Project beneficiary feedback mechanism.

Part 3.2. Regional knowledge management and dialogue platform

Support the establishment of a regional knowledge management and dialogue platform for data collection and knowledge generation and dialogue building, pursuant to criteria set forth in the PIM.

Part 4. Contingent Emergency Response

Provision of immediate response to an Eligible Crisis or Emergency, as needed.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Committee for Regional Coordination

No later than three (3) months following the Effective Date, the Recipient shall establish a Committee for Regional Coordination (CRC) jointly with the Republic of Senegal in form and manner satisfactory to the Association, and thereafter take all actions under its control for the CRC to be maintained throughout the implementation of the Project, for the purpose of driving the regional dialogue, collaboration and knowledge sharing, including with other regional organizations operating in the Senegal River Valley.

2. Project Implementing Agency

The Recipient shall vest the primary implementation responsibility of the Project onto the MEDD.

3. National Steering Committee

The Recipient shall establish and thereafter maintain throughout the implementation of the Project, a National Steering Committee for the purpose of providing strategic direction of the project implementation, chaired a representative duly assigned by the minister of MEDD and comprised of representatives of the Recipient's relevant ministries, as further detailed in the PIM.

4. Technical Committee

The Recipient shall establish and thereafter maintain throughout the implementation of the Project a Technical Committee for the purpose of providing technical guidance and promoting synergies amongst government agencies for the implementation of Project activities, comprised of technical staff from the relevant ministries, departments, and agencies, as further detailed in the PIM.

5. Project Implementing Unit

The Recipient shall establish and thereafter maintain throughout implementation of the Project, a Project implementing unit (PIU), for the purpose of, among other things, managing and supervising the Project and coordinating the implementation of its activities, with resources and terms of reference satisfactory to the

Association. Without limitation to the immediately foregoing provision, the PIU shall include the following key staff, each selected on the basis of terms of reference, qualifications and experience acceptable to the Association: a Project coordinator, a procurement specialist, a financial management specialist, a social development specialist with expertise in gender-based violence and sexual harassment, a specialist in community and social development and social cohesion, and an environmental specialist, as well as, from a date, no later than ninety (90) days after the Effective Date, technical specialists on, respectively, monitoring and evaluation, community and social development and social cohesion, locally led climate adaptation, infrastructure and social communication.

6. Communal Participation

- (a) Each Targeted *Commune* selected to participate under Part 1.1 of the Project shall, *inter alia*: (i) check the eligibility of Community Subprojects according to the PIM and the Community Subprojects Manual; and (ii) ensure technical quality and compliance with the Project's objectives.
- (b) Without limitation upon the provisions of subparagraph (a) above, the Recipient shall provide support to the Project implementation at the regional level, in particular: (i) screen the applications for Community Subprojects, and (ii) provide support to the Targeted *Communes* and relevant regional authorities.

B. Project Implementation Manual

- 1. The Recipient shall prepare and adopt, in form and manner and in accordance with terms of reference acceptable to the Association, an implementation manual for the Project, containing, *inter alia*, detailed arrangements and procedures for: (i) implementation arrangements; (ii) administrative aspects; (iii) procurement; (iv) environmental and social aspects; (v) financial management and accounting; (vi) monitoring and evaluation; (vii) grievance redress mechanism; and (viii) such other technical, administrative, fiduciary or coordination arrangements as may be necessary to ensure effective Project implementation. The PIM will specify that regional integration benefits is an eligibility criterion for all Project investments and activities.
- 2. The Recipient shall afford the Association a reasonable opportunity to review such manual and shall thereafter adopt said manual as shall have been approved by the Association ("Project Implementation Manual").
- 3. The Recipient shall carry out the Project in accordance with the Project Implementation Manual and shall not nor permit to amend, abrogate, waive or permit to be amended, abrogated or waived, the manual, or any of its provision, without the prior written consent of the Association.

4. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the PIM, and those of this Agreement, the provisions of this Agreement shall prevail.

C. Community Subprojects

1. Community Subprojects Manual

- (a) The Recipient shall, no later than two (2) months after the Effective Date, prepare and adopt, in form and manner and in accordance with terms of reference acceptable to the Association, an implementation manual for the Community Subprojects, containing, *inter alia*, detailed arrangements and procedures for: (i) the operating procedures governing Community Subprojects including, *inter alia*, specific criteria for the selection of the infrastructure activities and locations to be eligible for financing under the Project, including regional integration benefits; (ii) implementation arrangements; (iii) administrative aspects; (iv) procurement; (v) environmental and social aspects; (vi) financial management and accounting including mechanisms to ensure compliance with the Anticorruption Guidelines; (vii) monitoring and evaluation; (viii) grievance redress mechanism; and (ix) such other technical, administrative, fiduciary or coordination arrangements as may be necessary to ensure effective Community Subprojects implementation.
- (b) The Recipient shall afford the Association a reasonable opportunity to review such manual and shall thereafter adopt said manual as shall have been approved by the Association (“Community Subprojects Manual”).
- (c) The Recipient shall cause the implementation of every Subproject in accordance with the Community Subprojects Manual and shall not amend, abrogate, waive or permit to be amended, abrogated or waived, the aforementioned manual, or any provision thereof, without the prior written consent of the Association.
- (d) Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the Community Subprojects Manual, and those of this Agreement, the provisions of this Agreement shall prevail.

2. Terms and conditions for the Community Subprojects.

- (a) To facilitate the carrying out of the activities under Part 1.1 of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Category (2) of the table set forth in Section IV.A.2

of this Schedule available to the Targeted *Communes* on a non-reimbursable basis under a contract between the PIU and Targeted *Communes* (“Subproject Agreement”) under terms and conditions approved by the Association, as further described in the Project Implementation Manual, which shall include, *inter alia*, the following:

- (i) The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (1) suspend or terminate the right of the Targeted *Commune* to use the proceeds of the Financing or obtain a refund of all or any part of the amount of the Financing then withdrawn upon the Targeted *Commune*’s failure to perform any of its obligations under the respective Subproject Agreement; and (2) require each Targeted *Commune* to: (A) carry out the activities under its respective Subproject Agreement 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: (AA) the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; and (BB) all measures required to be taken pursuant to the ESCP are taken prior to the commencement of works as required; (B) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the activities under respective Subproject Agreement and the achievement of its objectives; (C) (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 activities of the respective Subproject Agreement; and (2) at the Association’s or the Recipient’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 the Recipient and the Association; (D) procure goods, works and services to be financed out of the Financing in accordance with the provisions of the Agreement; (E) enable the Recipient and the Association to inspect the activities under the Subproject Agreement, and any relevant records and documents; and (F) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

- (ii) The Recipient shall exercise its rights under each Subproject Agreement in such 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 any Subproject Agreement or any of its provisions.
- (b) The Recipient shall ensure that each Targeted *Commune* carry out its respective Subproject Agreement in accordance with financial management, procurement and environmental and social management systems acceptable to the Association which are designed to ensure that:
 - (i) the Financing proceeds are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and
 - (ii) the actual and potential adverse environmental and social impacts of the Targeted *Commune*'s respective Subproject Agreement are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.

3. Eligibility Criteria and Procedures for Community Subprojects

No proposed Community Subproject shall be eligible for financing under a grant out of the proceeds of the Financing unless the Targeted *Commune* has determined, on the basis of an appraisal it has conducted in accordance with this Section and the guidelines set forth in the Project Implementation Manual, the Community Subprojects Manual and the ESCP, that the relevant Community Subproject satisfies the eligibility criteria specified in more detail in the Project Implementation Manual, the Community Subprojects Manual and the ESCP, which shall include, *inter alia*, the following:

- (a) the proposed Community Subproject is compatible with the Recipient's sector policies and standards, as applicable, as confirmed by the results of a technical appraisal by the relevant decentralized technical services of the Recipient;
- (b) the proposed Community Subproject is presented for financing under a grant by a Targeted *Commune* which meets the eligibility criteria specified in the Project Implementation Manual, including the regional integration benefits eligibility criterion;
- (c) the proposed Community Subproject shall be for activities such as, but not limited to, the following: (A) natural resource management and sustainable landscape management; (B) water, sanitation and hygiene

infrastructure; (C) socio-economic infrastructure/services; and (D) climate-resilient energy and information and communications technology infrastructure, as further detailed in the Community Subprojects Manual;

- (d) the proposed Community Subproject shall comply with the financial, procurement, environment and social guidelines and procedures set forth or referred to in the Project Implementation Manual, the Community Subprojects Manual, and the ESCP.

D. Annual Work Plans and Budgets

1. No later than November 30th of each year, or such later date as the Association may agree in writing, during the implementation of the Project, the Recipient shall prepare and furnish to the Association for its approval, the annual work plan and budget containing all proposed activities for inclusion in the Project during the following calendar year together with the financing plan for such activities (covering the Credit and any additional funds which may become available for the Project) and a timetable for their implementation.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on such proposed annual work plan and budget, approve the annual work plan and budget reflecting the inputs provided by the Association (once approved by the Association “Annual Work Plan and Budget” or “AWPB”) no later than the next December 31st, and thereafter ensure that the Project is implemented in accordance with the AWPB.
3. In the event of any conflict between the AWPB and the provisions of this Agreement, the provisions of this Agreement shall prevail.

E. Environmental and Social Standards

1. The Recipient shall 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 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 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. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall 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.
- 5. The Recipient shall 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.
- 6. The Recipient shall 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.

F. Contingent Emergency Response

1. For the implementation of contingent emergency response activities under Part 4 of the Project (“Contingent Emergency Response Part”), the Recipient shall ensure that:
 - (a) a manual (“CERC Manual”) is prepared and adopted in form and substance acceptable to the Association, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;
 - (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Association;
 - (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
 - (d) neither the CERC Manual or the Emergency Action Plan is amended, suspended, abrogated, repealed or waived without the prior written approval by the Association.
2. The Recipient shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Association.
3. The Recipient shall ensure that:

- (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Association; and
 - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Association.
4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of the Proceeds of the Financing

A. General

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

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services, Operating Costs and Training for the Project, except Community Subprojects under Part 1.1 of the Project	24,223,000	100%
(2) Community Subprojects under Part 1.1 of the Project	9,577,000	100%
(3) Emergency Expenditures under Part 4 of the Project	0	100%
TOTAL AMOUNT	33,800,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date; or
 - (b) under Category (2) unless: (i) the Recipient has prepared and adopted the Community Subprojects Manual in form and manner acceptable to the Association; and (ii) a Subproject Agreement has been signed; or
 - (c) for Emergency Expenditures under Category (3), unless and until all of the following conditions have been met in respect of said expenditures:
 - (i) (A) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw Financing amounts under Category (3); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

- (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association, and
- (iii) the Recipient has ensured that all environmental and social standards instruments required for said activities have been prepared and disclosed, and that any actions which are required to be taken under said instruments have been implemented, all in accordance with the provisions of Section I.F. of this Schedule.

2. The Closing Date is February 28, 2029.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each May 15 and November 15:	
commencing May15, 2029, to and including November 15, 2048	1.65%
commencing May 15, 2049, to and including November 15, 2053	3.40%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

APPENDIX

Definitions

1. “Annual Work Plan and Budget” means the annual work plan and budget for the Project, as prepared by the Recipient and approved by the Association in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.
2. “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.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “CERC Manual” means the manual referred to in Section I.F of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Association, and which is an integral part of the Project Operations Manual.
5. “Committee for Regional Coordination” means the committee referred to in Section I.A.1. of Schedule 2 to this Agreement.
6. “Community Subprojects” means a set of activities financed from the proceeds of the Financing to Targeted *Communes* under Part 1.1. of the Project.
7. “Community Subprojects Manual” means the manual to be adopted by the Recipient in accordance with the provisions of in Section I.C.1 of Schedule 2 to this Agreement.
8. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 4 of the Project to respond to an Eligible Crisis or Emergency.
9. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
10. “Emergency Action Plan” means the plan referred to in Section I.F of Schedule 2 to this Agreement, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.

11. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.F of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
12. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated December 14, 2023, 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.
13. “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 African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
14. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (Last revised on July 15, 2023).
15. “MEDD” means *Ministère de l’Economie et du Développement Durable*, the Recipient’s ministry in charge of economic affairs and sustainable development, or any successor thereto.
16. “National Steering Committee” means the steering committee to be set up under the Project pursuant to Section I.A.3 of Schedule 2 to this Agreement.
17. “Operating Costs” means the necessary and reasonable incremental expenses based on annual budgets approved by the Bank included in the AWPBs, incurred by the Recipient on account of Project implementation, management, and monitoring, including office supplies and consumables; communication costs;

operation and maintenance of office, vehicles and equipment; *per diem* and national and international travel costs and accommodations for Project staff; reasonable bank charges; and allowances and salaries of the Project's contractual staff (but excluding the salaries of the Recipient's civil/public servants).

18. "Procurement Regulations" means, for purposes of paragraph 85 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated September 2023.
19. "Project Implementing Unit" or "PIU" means the unit referred to in Section I.A.6 of Schedule 2 to this Agreement.
20. "Senegal River Valley" means, in the territory of the Recipient, the *Wilayas/Regions*: (i) Brakna; (ii) Gorgol; (iii) Trarza; (iv) Guidimaka; and in the territory of the Republic of Senegal, the *Regions (Departments)*: (i) Saint-Louis (Saint Louis; Dagana; Podor); (ii) Matam (Matam; Kanel); and (iii) Tambacounda (Bakel).
21. "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.
22. "Subproject Agreement" means an agreement entered into between the Recipient and a Targeted *Commune* for the financing and carrying out of Community Subprojects under Part 1.1 of the Project.
23. "Targeted *Communes*" means a set of communities (*communes*) in the territory of the Recipient selected to participate in the Project pursuant to the eligibility criteria set forth in the Project Implementation Manual.
24. "Technical Committee" means the technical committee to be set up under the Project pursuant to Section I.A.4 of Schedule 2 to this Agreement.
25. "Training" means the reasonable costs of training under the Project approved by the Association under the AWPBs, 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.