
CREDIT NUMBER 7382-CG

Financing Agreement

(Central Africa Regional Waterways Project)

between

REPUBLIC OF CONGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 7382-CG

FINANCING AGREEMENT

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

WHEREAS:

(A) the Recipient, having satisfied itself as to the feasibility and priority of the project described in Schedule 1 to this Agreement (“Project”) has requested the Association to assist in the financing of Parts 1.1, 1.2, 2.1, 2.4, 3, 4.1, 4.3, and 5.2 of the Project; and

(B) by a financing agreement to be entered into between the Central African Republic (“CAR”) and the Association (“CAR Financing Agreement”), the Association will extend to CAR a grant in an amount equivalent to two hundred forty million United States Dollars (USD 240,000,000) to assist CAR in financing part of the cost of activities related to Parts 1.2, 1.3, 1.4, 2, 3, 4, and 5.1 of the Project on the terms and conditions set forth in the CAR Financing Agreement.

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing, to extend the credit provided for in Article II of this Agreement to the Recipient upon the terms and conditions set forth in this Agreement.

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 — 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 eighty-two million Euros (€82,000,000) (“Credit”), to assist in financing the Project described in Schedule 1 to this Agreement.
- 2.02. The Recipient may withdraw the proceeds of the Credit in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Financing Account shall be deposited by the Association into an account specified by the Recipient and acceptable to the Association.

- 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 the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.
- 2.05. The Interest Charge is the greater of: (a) the sum of one and a quarter percent (1.25%) per annum plus the Basis Adjustment to the Interest Charge; and (b) zero percent (0%) per annum; 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 Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out Parts 1.1, 1.2, 2.1, 2.4, 3, 4.1, 4.3 and 5.2 of the Project, all in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely the GIE-SCEVN Constitutive Agreement has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the Association, the ability of the Recipient to perform any of its obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) the CAR Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement) have been fulfilled;
 - (b) the Recipient has established the Project Coordination Unit and recruited its key staff, including: (i) a Project coordinator; (ii) a financial management specialist; and (iii) a procurement specialist; each on the

basis of terms of reference, qualification and experience acceptable to the Association; and

- (c) the Recipient has prepared and adopted a Project Implementation Manual in form and substance satisfactory to the Association.

- 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 its minister in charge of finance.
- 6.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

Ministry of Economy and Finance
Boulevard Denis Sassou Nguesso
B.P.2083
Brazzaville
Republic of Congo; and

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

E-mail:

contact@finances.gouv.cg

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

AGREED as of the Signature Date.

REPUBLIC OF CONGO

By

Jean Baptiste Ondaye
Authorized Representative
Name: Jean Baptiste Ondaye
Title: jbo
Date: 29-Sep-2023

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Cheick Kante
Authorized Representative
Name: Cheick Fantamady Kante
Title: Country Director
Date: 25-Sep-2023

SCHEDULE 1

Project Description

The objective of the Project is to enhance transport and trade efficiency, infrastructure climate-resilience, and socio-economic inclusion, along the selected waterway and road corridor sections between Central African Republic (“CAR”) and Republic of Congo (“Congo”).

The Project consists of the following parts:

Part 1: Waterways, Ports and Road Infrastructure Improvement

Carrying out of a program of investments by the Participating Countries aimed at improving the Congo-Ubangi waterways and ports infrastructure and upgrading CAR’s selected road sections, and encompassing the provision of works, goods, and services as required for the following activities:

1.1. Congo-Ubangi Waterways Improvement Investments

Carrying out by Congo, through GIE-SCEVN and under the Constitutive Agreement and the Service Agreement, of a program aimed at maintaining the Congo-Ubangi river and encompassing the provision of works, services and goods as required for the following activities: (a) navigation improvement works, i.e., five annual campaigns of maintenance including replacement of river equipment, removal of obstacles and navigation hazards; (b) localized dredging operations to facilitate access to the ports of Bangui and Brazzaville and other ports selected under Part 1.2 of the Project; (c) acquisition of information technology and navigation equipment, including acquisition and installation of dredging equipment; (d) identification of additional dredging equipment needs and technical design; and (e) rehabilitation of the hydrometric stations network to monitor river levels and flows and produce navigation maps.

1.2. Congo-Ubangi Ports Infrastructure Improvement Investments

Carrying out by the Participating Countries of a program of investments to improve ports infrastructure through the provision of: (a) detailed design and environmental and social safeguards studies for selected ports and piers; (b) rehabilitation/upgrading works for selected ports and piers (including construction of ramps, offices, warehouses, access roads) to be rehabilitated or upgraded as green and climate-resilient facilities; (c) supervision of the rehabilitation/upgrading works; and (d) handling and firefighting equipment.

1.3. Key Road Infrastructure Investment and Asset Preservation in CAR

Carrying out by CAR of road infrastructure improvements entailing design and environmental and social safeguards studies, upgrading/construction works and

supervision activities for: (a) the Bossembélé–Bossangoa road section aimed to make it climate-resilient and safe; (b) selected feeder roads in Bossangoa; and (c) weighing stations and acquisition of traffic counting equipment along selected key road sections in CAR.

1.4. Digital Connectivity along the Road in CAR

Strengthening CAR’s digital network by providing detailed design and environmental and social safeguards studies, and carrying out upgrading/construction works and supervision activities for the installation of fiber-optic cables along the Bossembélé-Bossangoa road section.

Part 2: Support for Waterway and Road Sectors Governance and Trade Facilitation

Carrying out of a program by the Participating Countries to implement measures relevant and critical to facilitate trade in both countries, and to improve waterway and road sectors governance, encompassing the provision of goods, services and training as required for the following activities:

2.1. Technical Assistance on Trade Facilitation for Enhanced Efficiency

Harmonization and improvement of trade and customs operations between the Participating Countries, through the provision of technical assistance and equipment required for: (a) the improvement of trading standards procedures and of current digital processes used for customs transactions in the Participating Countries; (b) the investigation of simplified regimes for small-scale traders in the Participating Countries; (c) the development of a digital system for trade data collection targeting both the formal and informal sectors; (d) the update of the authorization system for the public and private actors that officially provide regulatory and trade-related services along the river; and (e) training, capacity building and citizen engagement activities for border and customs public agents.

2.2. Technical Assistance to GIE-SCEVN for Improved Waterways Maintenance Capacity

Carrying out by CAR, through GIE-SCEVN and under the Constitutive Agreement and the Service Agreement, of a program aimed at improving regional waterways maintenance capacity and encompassing: (a) the provision of training programs for GIE-SCEVN staff; (b) the carrying out of certification or training programs on hydrography for eligible students in an eligible school; (c) the development of hydrographic and geodesy studies on the Congo, Ubangi, and Sangha rivers; (d) the conduct of a study on new river marking devices; and (e) the contracting of a technical expert on waterways facility management to support the GIE-SCEVN in implementing activities under Part 2.2 of the Project.

2.3. Technical Assistance to CICOS for Improved Water Resources and Waterways Management

Carrying out by CAR, through CICOS, under the CICOS Agreement and the Service Agreement, of a program aimed at improving regional management of water resources and waterways in the Congo basin and encompassing: (a) the upgrade of the Congo Basin information system and the acquisition of new early warning systems to inform and alert the population in case of climate and pollution hazards; (b) the acquisition of communications technologies for navigation safety purposes; (c) the acquisition, installation and monitoring of hydro-pluviometric and water quality measurement stations; (d) the review and harmonization of procedures related to water resource management and navigation; (e) an inventory of the fleet and operators, both formal and informal, as well as their capacity-building needs; and (f) capacity building activities to strengthen CICOS's ability to share data, promote safe navigation rules and harmonize policies among its member countries.

2.4. Technical Assistance for Enhanced Climate Resilience, Navigability, Road and River Transport Safety, Port and Waterway Security, and Road and Port Asset Management

Supporting the Participating Countries in implementing a gradual approach to provide resilient, safe, secure, and sustainable infrastructure and navigation services, encompassing the provision of services and training as required for the following activities: (a) the preparation of a *Green and Resilient Ports and Waterways Development Strategy* and of a preliminary investment plan in the Participating Countries; (b) the development (or update) of climate-smart asset management strategies in the Participating Countries for roads, ports, and waterways; (c) the preparation of a feasibility study on the navigability issue at Zinga including recommendations of technically, financially, environmentally and socially sound options to increase the navigability period on the Ubangi River; (d) the implementation of road and navigation safety awareness campaigns or related priority actions in the Participating Countries; and (e) capacity building activities in the Participating Countries for the public and private sectors involved in the climate-resilient and safe development, maintenance and management of road, port and/or waterway infrastructure.

Part 3: Socially Inclusive Investments and Capacity Building for Riparian Communities

3.1. Community-Level Infrastructure Works

Carrying out of infrastructure works by the Participating Countries to maximize socioeconomic and job opportunities for riparian communities by improving access to trade, markets, and basic services along the Project Corridor, entailing: (a) in CAR's selected villages located around ports selected under Part 1.2 of the Project, and along the Bossembélé-Bossangoa road section, community-level works (including supervision, operation and maintenance activities, design and environmental and social safeguards

studies) to improve food security, work conditions, hygiene and safety in local markets and small-scale rehabilitation works in selected existing schools and health centers; and (b) in Congo's selected villages located around ports selected under Part 1.2 of the Project, community-level works (including supervision, operation and maintenance activities, design and environmental and social safeguards studies) to improve food security, work conditions, hygiene and safety in local markets and small-scale rehabilitation works in selected existing schools and health centers.

3.2. Capacity Building for Local Traders

Supporting the capacity building in the Participating Countries of local traders under Part 3.1 of the Project, through: (a) the carrying out of training programs to improve local traders' entrepreneurial and trading skills; (b) the establishment of information desks or digital kiosks providing information to traders on trade laws and procedures; and (c) the provision of training to selected community-level organizations on operation and maintenance of community-level facilities.

Part 4: Project Management, Implementation Support, and Institutional Strengthening

4.1. Project Management and Operating Costs

Supporting Project management, including technical assistance and compliance with fiduciary, including audits, procurement, and environmental and social risk management requirements (including *inter alia* the establishment and operation of grievance redress mechanisms, ESCP implementation support, and financing of third-party monitoring), security planning and management, remote supervision, monitoring and evaluation, impact assessment, knowledge management and communication and the provision of goods, services and financing of Operating Costs: (a) in CAR, for the PURIC-PCU; and (b) in Congo, for the PCU.

4.2. Resettlement Costs

Supporting the implementation of the CAR Resettlement Action Plans, including the total cost of cash compensation for land and other assets acquired to Affected Persons and restoration of livelihoods of Affected Persons.

4.3. Institutional Strengthening

Carrying out: (a) training programs and capacity building activities on technical, safeguards and management aspects, for: (i) the PURIC-PCU staff in CAR; (ii) the PCU staff in Congo; (iii) selected staff of Participating Countries' ministries involved in Project implementation; and (b) studies for the future development of the Pointe-Noire–Brazzaville–Bangui–N'Djamena multimodal corridor.

Part 5: Contingent Emergency Response

- 5.1. Provision to CAR of immediate response to an Eligible Crisis or Emergency, as needed.
- 5.2. Provision to Congo of immediate response to an Eligible Crisis or Emergency, as needed.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Ministry of Planning

The Recipient shall designate, at all times during the implementation of the Project, the Ministry of Planning, to be responsible for overall oversight and implementation of activities under Parts 1.1, 1.2, 2.1, 2.4, 3, 4.1, 4.3 and 5.2 of the Project, and shall take all actions including the provision of funding, personnel and other resources necessary to enable said Ministry of Planning to perform said functions.

2. Regional Steering Committee

- (a) The Recipient shall establish, not later than three (3) months after the Effective Date, and thereafter maintain throughout Project implementation, under terms of reference and with a composition satisfactory to the Association, the Regional Steering Committee to function with CAR. In Congo, the Regional Steering Committee shall comprise ministers from the various sectors concerned with the Project and the head of the Project coordination unit.
- (b) The Regional Steering Committee shall be vested with the specific responsibility for the overall oversight of the Project and for:
 - (i) providing strategic orientations;
 - (ii) facilitating coordination issues raised by the Participating Countries; and
 - (iii) reviewing and reporting collectively on Project implementation progress; and for such purposes, shall meet for the first time within three (3) months after the Effective Date, and thereafter as and when required, but at least once each year during Project implementation.

3. National Steering Committee

The Recipient shall establish, not later than three (3) months after the Effective Date, and thereafter maintain at all times throughout Project implementation, under terms of reference and with a composition satisfactory to the Association, the National Steering Committee. The main responsibility of the National Steering Committee is to provide strategic supervision of the Project and review and approve Project annual work plans and budget. The National Steering Committee shall function under the authority of the Recipient's Minister of Planning and shall include high-level representatives of the ministries involved in the implementation

of the Project and focal point staff from the different ministries and agencies involved in the implementation of the Project, and shall meet as and when required, but at least once every six (6) months.

4. Project Coordination Unit

- (a) The Recipient shall create and, thereafter, maintain at all times during the Project implementation period, a Project Coordination Unit (“PCU”) within the Recipient’s Ministry of Planning, with composition, mandate, staffing and resources decided by the Recipient and satisfactory to the Association.
- (b) Without limitation on the provisions of sub-paragraph 4(a) immediately above, the PCU shall have responsibility for Project implementation, management and day-to-day coordination of the Project activities, including *inter alia*: (i) the coordination, monitoring, evaluation, reporting and communication of the Project; (ii) planning and implementation of the Project; (iii) fiduciary management (*i.e.*, financial and procurement management) of the Project; (iv) ensuring compliance with social and environmental safeguards aspects of the Project; (v) supervision, monitoring and evaluation; and (vi) preparing Annual Work Plans and Budgets.
- (c) To this end, the Recipient through the PCU shall, prior to the Effective Date, recruit and retain at all times during Project implementation the following staff, each with terms of reference, qualifications and experience satisfactory to the Association: (i) a Project coordinator; (ii) a procurement specialist; and (iii) a financial management specialist.
- (d) The Recipient, through the PCU shall, not later than two (2) months after the Effective Date, recruit and retain at all times during Project implementation: (i) an accountant; (ii) a social safeguards specialist; (iii) an environmental safeguards specialist; (iv) a GBV expert; (v) an assistant procurement specialist; (vi) a civil engineer; (vii) a port expert and (viii) a waterway expert; all with terms of reference, qualifications and experience satisfactory to the Association.
- (e) The Recipient, through the PCU shall, not later than six (6) months after the Effective Date, recruit and retain throughout Project implementation an external auditor with terms of reference, qualifications and experience satisfactory to the Association.

5. Decentralized PCU Staff

In order to ensure proper coordination and implementation of Project activities under the Project, the Recipient shall recruit and, thereafter, maintain at all times during the Project implementation period, at least the following decentralized PCU staff in each selected port, with terms of reference, qualifications and experience satisfactory to the Association, in accordance with the Project Implementation Manual: (a) a civil engineer; and (b) a safeguards specialist.

6. GIE-SCEVN

Prior to the technical implementation of Part 1.1 of the Project, the Recipient shall:

- (a) (i) enter into a Service Agreement (“Service Agreement”) with GIE-SCEVN, whose form and substance shall be satisfactory to the Association and in accordance with the Procurement Regulations related to the carrying out of Part 1.1 of the Project which falls within its institutional mandate, as set forth in the Project Implementation Manual; (ii) ensure that all Project activities to be undertaken by GIE-SCEVN under the Service Agreements shall be carried out with due diligence and efficiency and in accordance with sound technical and managerial standards and practices acceptable to the Association; and (iii) exercise its rights and carry out its obligations under the Service Agreements in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing;
- (b) not assign, amend, abrogate or waive the Service Agreement or any provision thereof, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof (except as the Association shall otherwise agree); and
- (c) ensure that the Service Agreement provides that GIE-SCEVN shall, *inter alia*: (i) ensure efficient technical management of activities which fall within their respective institutional mandate; (ii) procure technical services to implement activities under Part 1.1 of the Project; (iii) report to the PCU on Project progress; and (iv) collaborate and support the PCU in supervision missions.

B. Project Implementation Manual.

- 1. The Recipient shall prepare and adopt a Project Implementation Manual (“PIM”), in form and substance satisfactory to the Association, which shall include the rules, guidelines, standard documents and procedures for the carrying out of the Project, including the following: (a) a detailed description of the institutional and implementation arrangements of the Project; (b) the Project accounting, auditing,

reporting, financial management, procurement and disbursement procedures; (c) the environmental and social obligations and arrangements for the Project, including a Project-level grievance redress mechanism to manage complaints including GBV complaints; (d) role, responsibilities and Project activities to be undertaken by GIE-SCEVN under the Service Agreement; (e) the indicators to be used in the monitoring and evaluation of the Project and procedures for Project monitoring, supervision, evaluation, reporting and communication, including the format and content of the Project Reports; (f) the requirements of the Anti-Corruption Guidelines; (g) detailed principles, procedures and guidelines to approve, finance and implement RAPs necessary under the Project, including the administration, disbursement and payment of Resettlement Costs; and (h) other such administrative, financial, technical and organizational arrangements and procedures as shall be required for purposes of implementing the Project.

2. The Recipient shall: (a) furnish the PIM to the Association for review; (b) afford the Association a reasonable opportunity to exchange views with the Recipient on said manual; and (c) thereafter adopt said manual as shall have been approved by the Association.
3. The Recipient shall maintain throughout Project implementation the PIM and ensure that the Project is carried out in accordance with said manual.
4. The PIM may not be assigned, amended, abrogated or waived, or permitted to be assigned, amended, abrogated or waived, or any provision thereof, in a manner which, in the opinion of the Association, may materially and adversely affect the implementation of the Project. The PIM may only be amended in consultation with, and after approval of, the Association.
5. Notwithstanding the foregoing, in the event that any provision of the PIM shall conflict with any provision of this Agreement, the terms of this Agreement shall prevail.

C. Annual Work Plans and Budgets.

1. The Recipient shall, by no later than November 30 of each Year during the implementation of the Project, prepare and furnish to the Association a proposed annual work plan and budget containing all activities proposed to be included in the Project during the following year, and the proposed financing plan for the expenditures required thereunder, indicating the amounts and source of financing, all in accordance with the PIM, each said annual work plan and budget of such scope and detail as the Association shall reasonably request.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such annual work plan and budget prior to its finalization and approval by the National Steering Committee (once finalized in a

manner which takes into account the Association's views, an "Annual Work Plan and Budget"), and, thereafter, ensure that the Project is implemented with due diligence during said following Year in accordance with said Annual Work Plan and Budget.

3. The Recipient shall not make or allow to be made any change(s) to the approved Annual Work Plan and Budget, once approved, without the Association's prior written approval.

D. 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, including *inter alia* any case of sexual exploitation and abuse, sexual harassment, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. The Recipient shall, not later than three (3) months after the Effective Date, 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 and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and/or (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.

E. Contingent Emergency Response.

1. In order to ensure the proper implementation of contingent emergency response activities under Part 5 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 Contingent 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 Contingent 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 forty-five (45) days 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 Euros)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Training and Operating Costs under Parts 1.2, 2.1, 2.4, 3, 4.1 and 4.3 of the Project	66,510,000	100%
(2) Goods, works, non-consulting services, consulting services under Part 1.1 of the Project	15,490,000	100%
(3) Emergency Expenditures under Part 5.2 of the Project	0	100%
TOTAL AMOUNT	82,000,000	

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 and until has received evidence that the Recipient has entered into a Service Agreement with GIE-SCEVN, in form and substance satisfactory to the Association; or

- (c) under Category (3) for Emergency Expenditures, 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 credit amounts under Category (3); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.

2. The Closing Date is October 31, 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 November 15, 2028 to and including May 15, 2048	1.65%
commencing November 15, 2048 to and including May 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. “Affected Persons” means persons or entities who, as a result of: (a) the involuntary taking of land under the Project is affected in any of the following ways: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas suffer adverse impacts on his or her livelihood.
2. “Annual Work Plan and Budget” and “AWPB” each means a plan and budget prepared by the Recipient and approved by the Association for the Project and finalized in accordance with the provisions of Section I.C of Schedule 2 to this Agreement.
3. “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.
4. “CAR Financing Agreement” means the financing agreement for the Project between CAR and the Association, dated the same date as this Agreement, as such financing agreement may be amended from time to time. “CAR Financing Agreement” includes all appendices, schedules and supplemental agreements.
5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. “Central African Republic” and “CAR” each means the territory of the Recipient.
7. “CERC Manual” means the manual referred to in Section I.E 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 Operational Manual.
8. “CICOS” means the *Commission Internationale du Bassin Congo-Oubangui-Sangha*, which, pursuant to the CICOS Agreement (as hereinafter defined), is the regional organization responsible in the territory of its member countries for the promotion of domestic waterways navigation and the integrated management of water resources, and responsible for the technical implementation of Part 2.3 of the Project.
9. “CICOS Agreement” means agreement entitled *Accord instituant un régime fluvial uniforme et créant la CICOS* entered into between the Recipient, Congo,

Democratic Republic of Congo, Cameroon, Gabon, Angola and CICOS on November 21, 1999, as amended on February 22, 2007.

10. “Constitutive Agreement” means the agreement entitled *Contrat Constitutif pour le Groupement d’Interet Economique pour le Service Commun d’entretien des Voies Navigables Congolaises et Centrafricaines (GIE-SCEVN)* entered into between the Recipient and CAR on March 29, 2007, as amended by Amendment No. 1 on November 6, 2009, Amendment No. 2 of May 15, 2012, and Amendment No. 3 of February 3, 2022.
11. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 5 of the Project to respond to an Eligible Crisis or Emergency.
12. “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.
13. “Emergency Action Plan” means the plan referred to in Section I.E, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
14. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.E of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
15. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 25, 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.
16. “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”;
(x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.

17. “GBV” means gender-based violence.
18. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020, April 1, 2021, and January 1, 2022).
19. “GIE-SCEVN” means the economic interest group which, pursuant to the Constitutive Agreement (as hereinafter defined), is the authority responsible in the territory of CAR and Congo for the technical and commercial operation of navigation services and the maintenance of navigable waterways, and responsible for the technical implementation of Parts 1.1 and 2.2 of the Project.
20. “Livelihood Restoration” means restoration of livelihood of those affected by Resettlement.
21. “Ministry of Equipment and Public Works” means CAR’s ministry responsible for equipment and public works, or any successor thereto acceptable to the Association.
22. “Ministry of Planning” means the Recipient’s ministry responsible for planning, or any successor thereto acceptable to the Association.
23. “National Steering Committee” means the committee to be established by the Recipient’s Ministry of Equipment and Public Works for ensuring technical coordination and monitoring the achievement of the objective of the Project, pursuant to the provisions of Section I.A.3 of Schedule 2 to this Agreement.
24. “Operating Costs” means the expenditures incurred by the PCU to finance:
(i) the salaries of support staff of the PCU involved in the implementation of Parts 1.1, 1.2, 2.1, 2.4, 3, 4.1, and 4.3 of the Project (excluding civil servants) and state contributions thereon; (ii) *per diem* and travel expenses of the operational staff performing their responsibilities under Parts 1.1, 1.2, 2.1, 2.4, 3, 4.1, 4.3 of the Project; (iii) fuel and vehicle maintenance and insurance; (iv) communication technology (including, without limitation, internet and telephone) and maintenance of equipment; (v) rental expenses and utilities; (vi) building security and maintenance; (vii) translation services, photocopies and publications; and (viii) utilities and office supplies, and which Operational Costs are hereby deemed an Eligible Expenditure for purposes of Section 2.05 of the General Conditions.

25. “Participating Countries” means, collectively and indistinctively, the Participating Countries, being the Recipient and Congo, and “Participating Country” means individually each and any of the Participating Countries.
26. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
27. “Project Coordination Unit” or “PCU”, means, each, the unit to be established within the Recipient’s Ministry of Planning in accordance with the provisions of Section 5.01(b) of this Agreement for the purposes of carrying out Parts 1.1; 1.2; 2.1; 2.4; 3; 4.1; and 4.3 of the Project.
28. “Project Corridor” means both the Brazzaville-Bangui waterway and the Bossembélé-Bossangoa road section.
29. “Project Implementation Manual” or “PIM” means, each, the manual to be elaborated and adopted by the Recipient in accordance with the provisions of Section I.B of Schedule 2 to this Agreement for the purposes of defining the detailed implementation arrangements and the monitoring and evaluation indicators for Parts 1.1, 1.2, 2.1, 2.4, 3, 4.1, and 4.3 of the Project, as the same may be amended from time to time with the prior written agreement of the Association.
30. “Regional Steering Committee” means the committee to be established by each Participating Country for ensuring the overall oversight of the Project pursuant to the provisions of Section I.A.2 of Schedule 2 to this Agreement.
31. “Republic of Congo” and “Congo” each means the territory of the Participating Country.
32. “Resettlement” means: (i) the involuntary (i.e., an action that may be taken without a person’s informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected persons, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.
33. “Resettlement Action Plan” or “RAP” means, each, any of the documents to be prepared and adopted by the Recipient, as the case may be, for Parts 1 and 3.1 of the Project in accordance with the procedures and requirements of the RPF (as

hereinafter defined) which includes the principles, guidelines, procedures, organizational arrangements and budget to implement the resettlement related activities under Parts 1 and 3.1 of the Project, as said resettlement action plan may be revised from time to time with the prior written agreement of the Association; and “RAPs” means, collectively and indistinctively, all such RAPs.

34. “Resettlement Costs” means the expenditures incurred by the Recipient on account of implementation of a resettlement action plan, and which consist of the costs to finance expenditures for cash payments for compensation or other cash payments for assistance due to a Project Affected Person, for Livelihood Restoration, or for the cost of land acquisition related to the activities to be carried out under Parts 1 and 3.1 of the Project. Such expenditures and compensation shall be financed by the Recipient’s own financing and made available prior to implementing any RAP under the Project.
35. “Resettlement Policy Framework” or “RPF” means the resettlement policy framework prepared and adopted by the Recipient for the Project, satisfactory to the Association, and disclosed in-country on May 19, 2023, and on the Association’s website on May 19, 2023, which sets out the resettlement principles, guidelines, organizational arrangements (including consultation and budget), and design criteria for the preparation of RAPs under the Project, as such framework may be amended from time to time with the prior written agreement of the Association.
36. “Service Agreement” means the agreement to be concluded between the Recipient and GIE-SCEVN pursuant to the provisions of the Constitutive Agreement, and referred to in Section I.A.6 of Schedule 2 to this Agreement.
37. “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.