
GRANT NUMBER E267-3A

Financing Agreement

**(Digital Transformation for Africa /
Western Africa Regional Digital Integration Program - WARDIP)**

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

SMART AFRICA ALLIANCE

GRANT NUMBER E267-3A

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and SMART AFRICA ALLIANCE (“Recipient”).

WHEREAS:

(A) Western Africa region faces pronounced disparities in terms of broadband connectivity, access and usage, which impedes inclusive access to broadband.

(B) The Participating Countries and the Regional Bodies intend to coordinate among each other for the carrying out of a series of activities to be implemented by the Participating Countries and the Regional Bodies to increase broadband access and usage and to promote the establishment of a single digital market in Western Africa.

(C) As a first step to increase broadband access and usage and establish a single digital market, the Participating Countries and the Regional Bodies have developed, a set of activities and decided to implement it in a coordinated manner, on the basis of their respective location, mandate and expertise.

(D) To facilitate the implementation of this decision:

(a) by a financing agreement to be entered into on or about the date hereof between the Republic of Guinea (“Guinea”) and the Association (“Guinea Financing Agreement”), the Association will extend to Guinea a credit of an amount approximately equivalent to US\$ 60,000,000, to assist Guinea in financing its activities, on the terms and conditions set forth in the Guinea Financing Agreement;

(b) by a financing agreement to be entered into on or about the date hereof between the Republic of Guinea-Bissau (“Guinea-Bissau”) and the Association (“Guinea-Bissau Financing Agreement”), the Association will extend to Guinea-Bissau a grant of an amount approximately equivalent to US\$ 60,000,000, to assist Guinea-Bissau in financing its activities on the terms and conditions set forth in the Guinea-Bissau Financing Agreement;

(c) by a financing agreement to be entered into on or about the date hereof between the Islamic Republic of Mauritania (“Mauritania”), and the Association (“Mauritania Financing Agreement”), the Association will extend to Mauritania a credit of an amount approximately equivalent to US\$ 60,000,000, to assist Mauritania in financing its activities, on the terms and conditions set forth in the Mauritania Financing Agreement;

(d) by a financing agreement to be entered into on or about the date hereof between the Republic of The Gambia (“The Gambia”) and the Association (“The Gambia Financing Agreement”), the Association will extend to The Gambia a grant of an amount approximately equivalent to US\$ 50,000,000, to assist The Gambia in financing its activities, on the terms and conditions set forth in The Gambia Financing Agreement;

(e) by a financing agreement to be entered into on or about the date hereof between the Association and the African Union (“AU”) (“AU Financing Agreement”), the Association will extend to AU a grant of an amount approximately equivalent to US\$ 6,000,000, to assist AU in financing its activities, on the terms and conditions set forth in the AU Financing Agreement;

(f) by a financing agreement to be entered into on or about the date hereof between the Association and the Economic Community of West African States (“ECOWAS”) (“ECOWAS Financing Agreement”), the Association will extend to ECOWAS a grant of an amount approximately equivalent to US\$ 10,500,000, to assist ECOWAS in financing its activities, on the terms and conditions set forth in the ECOWAS Financing Agreement; and

(g) the Recipient, having satisfied itself as to the feasibility and priority of its activities, has requested the Association to assist in their financing.

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 grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to fifteen million three hundred thousand Special Drawing Rights (SDR15,300,000) (“Grant”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Grant 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 Grant Balance.
- 2.04. The Payment Dates are April 1st and October 1st in each year.
- 2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the SAA Respective Part of the Project 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 Recipient's Founding Documents have, in the opinion of the Association, been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely 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, namely, that the Recipient has prepared, disclosed, consulted upon and adopted the Labor Management Plan, under terms and conditions acceptable to the Association and in accordance with the ESCP.
- 5.02. The Effectiveness Deadline is the date ninety days (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 Chief Executive Officer of the Smart Africa Secretariat.

6.02. 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

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

(a) the Recipient's address is:

Smart Africa Alliance
10th Floor, Career Center Building
KG 541 ST, Kigali
Rwanda

(b) the Recipient's Electronic Address is:

Email:
dg@smartafrica.org

AGREED as of the Signature Date.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Boutheina Guerhazi

Authorized Representative

Name: Boutheina Guerhazi

Title: Director, Regional Integration

Date: 20-Dec-2023

SMART AFRICA ALLIANCE

By

Lacina Kone

Authorized Representative

Name: Lacina Kone

Title: Mr

Date: 22-Dec-2023

SCHEDULE 1

Project Description

The objectives of the Project are to increase broadband access and usage in Participating Countries and to advance integration of digital markets in Western Africa.

The Project consists of the following parts:

Part 1: Enabling Environment for the Establishment of an African Single Digital Market

Part 1.1: Legal and regulatory environment for an African single digital market

Support the implementation of the AU Digital Transformation Strategy for Africa (2020-2030) for the development of an African single digital market, through: (a) support to the monitoring and evaluation of the implementation of the AU Digital Transformation Strategy for Africa (2020-2030) and its sectoral components, and the carrying out of its mid-term review; (b) the development of green continental digital infrastructure guidelines and policy framework to improve resilience and sustainability of digital infrastructure and mitigate their climate impact, especially linkages with energy and agriculture; (c) the development and implementation of the cross-border data flow framework; (d) the development of country-level assessment plans and annual audits of their implementation; (e) the formulation of a continental cybersecurity strategy, the harmonization of cybersecurity legal frameworks across Africa and recommendations on potential update of the AU Convention on Cyber Security and Personal Data Protection (2014), as well as the socialization of the AU policy on child online protection; and (f) the development of the African common position as a contribution to the global digital compact in preparation of the UN Summit of Futures 2024.

Part 1.2: Institutional capacities for a continental single digital market

Build the skills of policymakers, current and future decisionmakers and regulators in Africa on harnessing the potential of green and inclusive digital transformation and contributing to the establishment of a single digital market, through: (a) the development of accredited courses in the areas of agile regulation for digital transformation and green digital transition and, on that basis, (b) the implementation of capacity building activities (such as Regional in-person training events including training of trainers, self-paced and/or instructor-led online courses, webinars, and exchanges focused on peer learning) where participants are provided certification upon completion.

Part 2: Connectivity Market Development and Integration

2.1: Legal, regulatory, and institutional capacity for the telecommunications sector and digital economy

Support the strengthening, modernization, and harmonization of the legal, regulatory, and institutional frameworks governing the telecommunications sector to foster Regional and national competition and private sector investments and promote Regional and national climate-resilient, energy-efficient solutions, through:

- (a) (A) the design, implementation, and evaluation of policies and regulations at the national and Regional levels for the development of the national and Regional digital economy, embedding a gender lens and accessibility for people with disabilities, and (B) the transposition of Regional policies and strategies at national level following continental standards and guidelines, in a manner which focuses on the Specifically Identified Needs in: (i) Guinea, (ii) Guinea Bissau, (iii) Mauritania, and (iv) The Gambia;
- (b) the establishment of, and provision of technical assistance to, national-level entities to coordinate and supervise the implementation of digital initiatives, in a manner which focuses on the Specifically Identified Needs in: (i) Guinea, and (ii) Guinea-Bissau;
- (c) the strengthening of resources and capacities to monitor network performance and conformance, and the implementation of capacity building activities to remove policy, legal, and regulatory barriers that impede effective competition in the telecommunications/broadband sector, through the improvement and harmonization of regulatory guidelines at the national level in a manner which focuses on the Specifically Identified Needs in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, (iv) The Gambia, and (v) at the Regional level; and
- (d) the development and implementation of protocols aligned with international best practices and national legal, regulatory and institutional framework resulting from the implementation of Part 1.1 of the Project, for greening digital infrastructure (including reducing/adapting to potential environmental impact and leveraging renewable energy resources) at the national level in a manner which focuses on the Specifically Identified Needs in: (i) Guinea-Bissau, (ii) Mauritania, and (iii) at the Regional level.

2.2: International and national backbone network infrastructure

Support the deployment of key missing links, to increase resilience and coverage of international and core backbone network infrastructures, through:

- (a) the deployment, including through the provision of transaction advisory services, assessment of Participating Countries' special purpose vehicles established to

manage critical telecommunications infrastructure assets, as well as public funds and catalytic financing to encourage private sector investment, of: (A) submarine international infrastructure as part of the first phase of the Amilcar Cabral fiber optic cable, in: (i) Guinea, and (ii) The Gambia, and (B) core backbone network infrastructure in: (i) Guinea-Bissau, and (ii) Mauritania; and (C) the provision of transaction advisory services for the preparation of subsequent phase of the Amilcar Cabral at the Regional level;

- (b) the implementation of the recently or yet to be established internet exchange points, including technical assessments for improvement of existing internet exchange points, improvement of the regulatory framework, capacity building of technical teams, upgrade of equipment, promoting local and Regional peering, improvement of the internet exchange points' service offer, and the establishment of strategic partnership with international content providers, in: (i) Guinea, and (ii) Guinea-Bissau; and
- (c) the establishment and upgrade of the national research and education network and its linkage to the research and education network in Western and Central Africa, along with the connection of select education institutions to high-speed internet, with pre-purchase of internet bandwidth, provision of a network operation center, acquisition of network equipment, and capacity building support, including technical assistance for analytical and technical studies, in: (i) Guinea-Bissau, (ii) Mauritania, and (iii) The Gambia.

Part 3: Data Market Development and Integration

3.1: Data safeguards: legal, regulatory, and institutional capacity for cybersecurity and data protection

Support the implementation of data safeguards to promote trust in harmonized data transactions and enhance security of the digital infrastructure across the region, through:

- (a) (A) the harmonization and update of the legal, regulatory, and technical frameworks governing cybersecurity in response to evolving technology and continental, Regional and national threat trends, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, (iv) The Gambia, and (B) the development and implementation of training and capacity building activities for government cyber professionals, judicial and law enforcement staff, as well as awareness campaigns and events that target women and youth to promote career opportunities in cybersecurity in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, (iv) The Gambia, and the carrying out of a feasibility study to establish a Regional cybersecurity training center; and (v) at the Regional level;
- (b) the development and implementation of national cybersecurity operational frameworks aligned with Regional and continental standards, such as a national crisis management, public-private partnerships, and critical information

infrastructure protection, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia;

- (c) the establishment of (A) security operation centers in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, (iv) The Gambia, and (v) at the Regional level; and (B) national computer emergency response teams in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia, to monitor, prevent, detect, investigate, and respond to cyber threats in government ICT infrastructure in a harmonized manner consistent with their commitments to FIRST; and
- (d) (A) establishment or strengthening of a dedicated regulatory body responsible for data protection and privacy with an objective to safeguard personal information while facilitating cross-border data flows across sectors, including its institutional set up, organizational structure and operational framework, equipment to operate and staff, (B) development and implementation of data protection policies and guidelines in line with continental and Regional standards, and (C) development and implementation of capacity building programs and awareness campaigns for individuals and organizations on the importance of data protection and privacy, all in a manner which focuses on the Specifically Identified Needs, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia.

3.2: Data enablers: Data regulations for Regional data flow and data infrastructure

Support the establishment of a harmonized policy, legal, and regulatory framework that encourages domestic and cross-border data flows while establishing secure, cost-effective, sustainable data hosting and management mechanisms, through:

- (a) the development of a national policy, legal, and regulatory framework following Regional and continental standards and guidelines to facilitate use, re-use, and sharing of data across Regional data markets through openness, interoperability, and portability, including assessing data flow volumes in Regional and domestic data markets and identifying key restrictions on the free flow, storage, and processing of data in national, Regional, and continental data centers, with a view of attracting private sector investment, in a manner which focuses on the Specifically Identified Needs, in: (i) Guinea-Bissau; and (ii) Mauritania;
- (b) the readiness assessment, development and implementation of strategies for a government cloud using climate resilience measures, and the optimization of its operations (including business and marketing strategy) and the provision of equipment and capacity building for initial implementation of the cloud strategy, in: (i) Guinea-Bissau; and (ii) Mauritania; and
- (c) the modernization and upgrading of national data centers, including: (A) feasibility studies to identify potential investment needs, governance model options and private sector participation, recommendations on energy efficiency measures and

climate risks; and (B) data migration, equipment, and capacity-building, all in The Gambia.

Part 4: Online Market Development and Integration

4.1: Digital adoption for Regional integration: e-commerce, digital entrepreneurship, and digital skills

Support digital innovation and productivity growth and readiness of individuals and business to participate in the digital economy, through:

- (a) the implementation of the ECOWAS E-commerce Strategy (2023-2027) and its implementation plan, with a focus on promoting e-commerce adoption by women, youth, and persons with disabilities, including updating legal and regulatory frameworks to achieve a more harmonized Regional approach to domestic and cross-border e-commerce markets, supporting SMEs, improving data collection, and providing financing, technical assistance, and capacity-building for national and Regional government officials to facilitate growth of e-commerce transactions and deliveries (e.g., digital addressing system) in: (i) Guinea, (ii) Mauritania, (iii) The Gambia, and (iv) at the Regional level ;
- (b) the establishment of strategies, policies, and regulations for a digital innovation ecosystem that promotes growth of digital startups and digital adoption by small and medium enterprises, leveraging opportunities from a Regional integrated digital market, in: (i) Guinea, and (ii) Mauritania;
- (c) the design and implement a program to improve the quality of services provided by entrepreneur support organizations to enhance digital entrepreneurship and digital adoption, including through: (A) connection with Regional initiatives for learning and capacity building, activities for the dynamization of the ecosystem, facilitation for the development of prototype solutions by entrepreneurs, with a focus on women, youth and persons with disabilities; and (B) the rehabilitation of existing infrastructures to serve as digital innovation centers and digital learning centers, and the provision of equipment needed for digital skills and digital entrepreneurship programs, all in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia; as well as (C) provision of subgrants to entrepreneurs in (i) Guinea-Bissau; and
- (d) the development and implementation of digital skills policies, including capacity building and digital skills training programs (on the job training, training placement support, training of trainers) aligned with continental, Regional, and local labor market needs, with a focus on women, youth and persons with disabilities, as well as the development of a database of trained and certified graduates and trainers on intermediate and advanced digital skills, all in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia.

4.2: Access and use of digital financial services

Promote innovation, investment, and adoption of digital financial services across the region, through:

- (a) for the provision of technical assistance to support cross-border payment and settlement systems integration, the development of policy and regulatory frameworks and capacity for financial regulators, overseers and supervisors in charge of digital payments and e-transactions, in a manner which focuses on the Specifically Identified Needs, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) at the Regional level;
- (b) the establishment and/or strengthening of critical underlying payments infrastructures, such as national payment switches, automated clearing houses, and/or real-time gross settlement systems, with fast payments functionalities, include technical assistance to conduct feasibility studies and identify requirements, in a manner which focuses on the Specifically Identified Needs in: (i) Mauritania; and (ii) The Gambia;
- (c) the development of national payments and financial literacy strategies and financial education programs to meet the needs of targeted populations (with a focus on women, rural population, and persons with disabilities), in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia; and
- (d) the development or strengthening of a digital merchant payment ecosystem, through assessments and roadmaps to increase uptake of merchant acceptance by digital financial users and merchants and support interoperability, in a manner which focuses on the Specifically Identified Needs, in: (i) Guinea, (ii) Guinea-Bissau, and (iii) Mauritania.

4.3: Digital government services for Regional integration

Support delivery of digital public services to individuals and businesses to accelerate the development of a Regional online market, through:

- (a) operationalization of entities in charge of developing whole government digitalization strategies, including equipment, capacity building and training, and the provision of technical assistance for the development of national strategies, enterprise architecture and interoperability frameworks, awareness campaigns, business continuity and disaster recovery plans for the public sector, in a manner which focuses on the Specifically Identified Needs, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia;
- (b) the establishment of cross-cutting enablers for digital government or core layers of digital public infrastructure, such as payment platforms and data exchange

platforms, including provision of technical assistance for the review and update of policies, legislation, and regulations considering continental and Regional frameworks, feasibility studies to design and implement the digital public infrastructure, and equipment and related capacity-building training of government officials, and when needed, assessment and feasibility studies for digital identification, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia;

- (c) the development list of priority public digital services to promote Regional integration in Western Africa and related e-government strategies, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, (iv) The Gambia; and (v) at the Regional level; and
- (d) the digitization of selected key public services and business process reengineering to support end-to-end digitization of government-to-business and government-to-citizen transaction services for Regional integration; and the establishment of a one-stop-shop for accessing public services and information, including feasibility studies, in a manner which focuses on the Specifically Identified Needs, in: (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, and (iv) The Gambia.

Part 5: Project Management and Implementation Support

Support management and coordination of the implementation of Project activities, including procurement, financial management, monitoring and evaluation, communication, safeguards and citizen engagement, including the day-to-day operation dedicated entities included in the institutional arrangement for the Project, capacity strengthening and audits, by (i) Guinea, (ii) Guinea-Bissau, (iii) Mauritania, (iv) The Gambia; (v) AU, (vi) ECOWAS, and (vii) SAA.

Part 6: (intentionally omitted)

SCHEDULE 2

Execution of the SAA Respective Part of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Continental Project Coordination Committee

- (a) The Recipient shall, not later than three (3) months after the Effective Date, or such other date which the Association has confirmed in writing is acceptable for the Project, establish for the Project, and thereafter maintain throughout the period of implementation of the Project, a continental steering committee, with attributions, composition and resources acceptable to the Association ("Continental Project Steering Committee" or "CPCC").
- (b) Without limitation to Section I.A.1(a) of this Schedule, the CPCC shall include high level representatives duly authorized to make policy decisions of AU, EAC, ECOWAS, IGAD, and SAA, and other observers.
- (c) Without limitation to Section I.A.1(a) of this Schedule, the CPCC shall be responsible for, among other things, the annual review (during the Transform Africa Summit or any other event attended by all its members) of the progress made in the implementation of the AU Digital Strategy for Africa (2020-2030) for the development of an African single digital market.
- (d) For the operationalization of the CPCC, the Recipient shall designate, and take all measures under its control to ensure that other members of the CPCC shall designate, no later than one (1) week after the date of establishment of the CPCC, a representative, and shall thereafter ensure that its representative actively participates in the activities of CPCC throughout the period of implementation of the Project, in accordance with the attributions and rules of operation of the CPCC.

2. Project Implementation Unit

- (a) The Recipient shall, no later than three (3) months after the Effective Date, establish within its Secretariat, a team of experts (collectively referred to as the "SAA Project Implementation Unit" or "SAA PIU") with composition, attribution and resources acceptable to the Association, including staff and consultants in adequate number, each appointed or recruited on the basis of terms of reference, qualifications and experience acceptable to the Association, for the purpose of coordinating and

supervising the implementation of the SAA Respective Part of the Project.

- (b) Without limitation to Section I.A.2(a) of this Schedule, the SAA PIU shall include the following key staff or consultants: (i) a project coordinator; (ii) a project assistant; (iii) a monitoring and evaluation specialist; (iv) a financial management specialist; (v) an accountant; (vi) a procurement specialist; (vii) a part-time environmental and social specialist, and other staff as may be specified in the ESCP; as well as, not later than six (6) months after the Effective Date, (viii) an internal auditor.
- (c) Without limitation to Section I.A.2(a) of this Schedule, the SAA PIU shall be responsible for the day-to-day management of the activities included in the SAA Respective Part of the Project, including technical, fiduciary and environmental and social responsibilities, the preparation of plans, budgets and reports, and such other functions as may be detailed in the SAA PIM.

B. Project Implementation Manual

- 1. The Recipient shall, not later than three (3) months after the Effective Date, prepare and adopt, in accordance with terms of reference acceptable to the Association, a manual for the implementation of the SAA Respective Part of the Project (“SAA Project Implementation Manual” or “SAA PIM”), which shall include: (a) a detailed and sequenced description of the activities included in the SAA Respective Part of the Project, with a timeline, planning and budgeting procedures and staffing plan; (b) descriptions and guidelines for the application of all implementation, monitoring and evaluation arrangements, reporting, financial management procedures, contract management, grievance redress mechanism, procurement procedures and procedures to implement to comply with the Anticorruption Guidelines and the Environmental and Social Standards, including resources building plans and inspection matters; and (c) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for purposes of implementing the SAA Respective Part of the Project.
- 2. The Recipient shall carry out the SAA Respective Part of the Project in accordance with the SAA PIM. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the provisions of the SAA PIM without prior approval of the Association.
- 3. In the event of any conflict between the provisions of the SAA PIM and this Agreement, the provisions of this Agreement shall prevail.

C. Annual Work Plan and Budget

- 1. 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 November 30 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 SAA Respective Part of the Project during the following Fiscal Year, together with a proposed budget which shall include the funds from the Financing, as well as any other funds which may become available for the implementation of the SAA Respective Part of the Project.

2. Without limitation to the provision of Section I.C.1 of this Schedule, each annual work plan and budget prepared under Section I.C.1 of this Schedule shall set forth: (a) a detailed description of the planned activities, including any proposed conferences and training, under the SAA Respective Part of the Project for the period covered by the plan; (b) the sources and proposed use of funds for such activities; (c) procurement and environmental and social arrangements to assess and mitigate the impacts of such activities, as applicable, and; (d) responsibility for the execution of said activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity.
3. 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 before finalizing its annual work plan and budget not later than one (1) month after the date referred to in Section I.C.1 of this Schedule (once finalized, an "Annual Work Plan and Budget").
4. The Recipient shall carry out the activities included in each of the Annual Work Plans and Budgets during the Fiscal Year to which they relate. Annual Work Plans and Budgets may be revised during the Fiscal Year to which they relate, with the prior written agreement of the Association.

D. Environmental and Social Standards

1. The Recipient shall ensure that the SAA Respective Part of 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 SAA Respective Part of 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, among other things: (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 SAA Respective Part of 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 SAA Respective Part of the 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.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each SAA Respective Part of the Project Report not later than forty-five (45) days after the end of each six calendar months, covering the six calendar months. 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 included in its Respective Part of the Project, the Recipient shall ensure that such information, report or document does not include Personal Data.

Section III. Withdrawal of the Proceeds of the Grant

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 in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, consulting services, Training and Operating Costs under the SAA Respective Part of the Project	15,300,000	100%
TOTAL AMOUNT	15,300,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 1,500,000 may be made for payments made prior to this date but on or after December 1st, 2023, for Eligible Expenditures.
2. The Closing Date is December 29, 2028.

APPENDIX

Section I. Definitions

1. “African Union” or “AU” means the union established by the Constitutive Act of the African Union adopted on July 11, 2000.
2. “Annual Work Plan and Budget” means the plan and corresponding budget to be prepared annually by the Recipient in accordance with Section I.C.1 and 2 of Schedule 2 to this Agreement, which has been finalized in a manner which incorporates the comments provided by the Association in accordance with Section I.C.3 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. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “Continental Project Coordination Committee” or “CPCC” means the committee to be established by the Recipient in accordance with Section I.A.1 of Schedule 2 to this Agreement.
6. “EAC” means the East African Community, a regional intergovernmental organization institutionalized by the Treaty for the Establishment of the East African Community signed on 30 November 1999.
7. “ECOWAS” means the Economic Community of West African States (ECOWAS), established by a treaty signed on May 28, 1975.
8. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated October 20, 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.
9. “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.

10. “FIRST” mean the Forum of Incident Response and Security Teams) an association of incident response teams with global coverage founded for better coordination of incident response activities between organizations, during major cybersecurity incidents, formally incorporated on August 7, 1995.
11. “Fiscal Year” means a period of twelve consecutive calendar months starting on January 1 each year.
12. “Founding Documents” means the Agreement establishing the Smart Africa Alliance dated November 10, 2021.
13. “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), with the modifications set forth in Section II of this Appendix.
14. “ICT” means information and telecommunication technologies.
15. “IGAD” means the Intergovernmental Authority on Development created on March 21, 1986, among Djibouti, Ethiopia, Kenya, Somalia, Soudan and South Soudan and Uganda, and later joined by Eritrea.
16. “Operating Costs” means the reasonable incremental operating expenses, recorded in the Annual Work Plan and Budget to which the relate, incurred by or on behalf of the Recipient on account of its Respective Part of the Project implementation, management and monitoring, including operation and maintenance costs of office, vehicles and office equipment; water and electricity utilities, telephone, office supplies, bank charges, public awareness-related media expenditures, travel and supervision costs, *per diem*, additional staff costs, but excluding the salaries, indemnities and meeting allowances, other sitting allowances, salary top ups and all honoraria of officials and public servants of the Recipient.

17. “Participating Countries” means, collectively and indistinctively, Guinea, Guinea Bissau, Mauritania, and The Gambia; and “Participating Country” means individually any of the Participating Countries.
18. “Participating Country Financing Agreement” means any of the financing agreements listed in paragraphs (D) of the Preamble, as such agreement may be amended from time to time, and including all appendices, schedules and agreements supplemental thereto; and “Participating Countries Financing Agreements” means, collectively, more than one Participating Countries Financing Agreement.
19. “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.
20. “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.
21. “Regional Bodies” means collectively, African Union, ECOWAS and Smart Africa Alliance.
22. “SAA Project Implementation Manual” or “SAA PIM” means the manual to be developed and adopted in accordance with Section I.B.1 of Schedule 2 to this Agreement, as such manual may be amended from time to time in accordance with Section I.B.2 of such Schedule.
23. “SAA Project Implementation Unit” or “SAA PIU” means the unit to be established in accordance with Section I.A.2(a) of Schedule 2 to this Agreement.
24. “SAA Respective Part of the Project” or “Respective Part of the Project” when referring to SAA, means, collectively, Part 1.2 and Part 5(vii) of the Project.
25. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applied to all references to “the date of the Financing Agreement” in the General Conditions.
26. “Smart Africa Alliance” or “SAA” means multilateral organization established among its members by the Agreement establishing the Smart Africa Alliance dated November 10, 2021.
27. “SMEs” means micro, small and medium enterprises.

28. “Specifically Identified Needs” means the detailed Project activities to be implemented by the Participating Countries and Regional Bodies, identified on the basis of their respective needs, as further described in the manuals referred to in the respective Participating Country Financing Agreement or Regional Body Financing Agreement, as the case may be.
29. “Training” means the reasonable cost of training under the Recipient’s Respective Part of the Project, recorded in the Annual Work Plan and Budget to which they relate, 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.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 2.06 (Financing Taxes) is modified to read as follows:

“Section 2.06 *Financing Taxes*

The use of any proceeds of the Financing to pay for Taxes levied by, or in the territory of, the Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply, if permitted by the Legal Agreements, is subject to the Association’s policy of requiring economy and efficiency in the use of the proceeds of its credits and grants. To that end, if the Association at any time determines that the amount of any such Tax is excessive, or that such Tax is discriminatory or otherwise unreasonable, the Association may, by notice to the Recipient, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Financing.”

2. Paragraphs (b) and (c) of Section 3.18 (Manner of Payment) are modified to read as follows:

“(b) All Financing Payments shall be paid without restrictions of any kind imposed by, or in the territory of, the Member Country, and without deduction for, and free from, any Taxes levied by, or in the territory of, the Member Country.

(c) The Legal Agreements shall be free from any Taxes levied by, or in the territory of the Member Country, or in connection with their execution, delivery or registration.”

3. Paragraph (a) of Section 5.11 (Visits) is modified to read as follows:

“Section 5.11 *Visits*

“(a) The Recipient shall take all action necessary or useful to ensure that the Member Country affords all reasonable opportunity for representatives of the Association to visit any part of their territories for purposes related to the Financing or the Project.”

4. Section 6.01 (Financial and Economic Data) is deleted in its entirety and the remaining section in Article VI is renumbered accordingly.

5. Section 8.02 (Suspension by the Association) is modified as follows:

(a) Paragraph (j) on *Membership* is modified to read as follows:

“(j) *Membership*. The Member Country or any member of the Recipient: (i) has been suspended from membership in or ceased to be a member of the Association; or (ii) has ceased to be a member of the International Monetary Fund.”

(b) Paragraph (m) is renumbered as paragraph (n), and a new paragraph (m) is added to read as follows:

“(m) *Interference*. The Member Country: (i) has taken or permitted to be taken any action which would prevent or interfere with the execution of the Project or the performance by the Recipient of its obligations under the Financing Agreement; or (ii) has failed to afford a reasonable opportunity for representatives of the Association to visit any part of its territory for purposes relating to Financing or the Project.”

6. The Appendix (**Definitions**) is modified as follows:

(a) Paragraph 77 (Member Country) is modified to read as follows:

“77. “Member Country” means the member of the Association in whose territory the Project is carried out or any such member’s political or administrative subdivisions. If such activity is carried out in the territory of more than one such member, “Member Country” refers separately to each such member.”

(b) Paragraph 92 (Recipient) is modified to read as follows:

“92. “Recipient” means the party to the Financing Agreement to which the Financing is extended.”