



CREDIT NUMBER 7116-CM

# Financing Agreement

(EMERGENCY PROJECT TO COMBAT THE FOOD CRISIS IN CAMEROON)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION



CREDIT NUMBER 7116-CM

## FINANCING AGREEMENT

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

### ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

### ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in the amount of ninety million and two hundred thousand Euros (EUR 90,200,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is 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plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.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percent (1.25%) per annum plus the Basis Adjustment to the Interest Charge; and (b) zero percent (0%) per annum; on the Withdrawn Credit Balance.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 April 15 and October 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 the Project through MINADER Part 2.1, Part 3, Part 4, and Part 5 and cause MINEPIA to carry out Part 2.2 and Part 3 of the Project, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

**ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Effectiveness Deadline is the date thirty (30) days after the Signature Date.
- 4.02. For purposes of Section 10.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Recipient's Representative is its minister at the time responsible for the economy, planning and regional development.

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

- (a) the Recipient's address is:

Ministry of Economy, Planning, and Regional Development  
P.O. Box. 660  
Yaoundé  
Cameroun; and

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

Facsimile:  
(+237) 22222-1509

Cc: Autonomous Sinking Fund (CAA)

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

- (a) the Association's address is:

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

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(b) the Association's Electronic Address is:

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

AGREED as of the Signature Date.

REPUBLIC OF CAMEROON

By



Authorized Representative

**Alamine Ousmane Mey**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: **26 OCT 2022**

INTERNATIONAL DEVELOPMENT ASSOCIATION

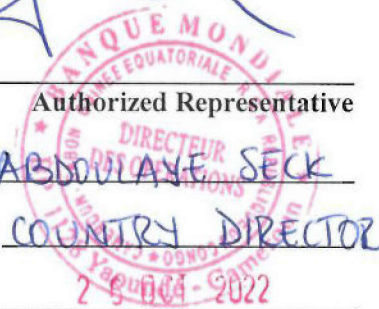
By

Authorized Representative

Name: **ABDOULAYE SECK**

Title: **COUNTRY DIRECTOR**

Date: **29 OCT 2022**



## SCHEDULE 1

### Project Description

The objective of the Project is to strengthen food and nutrition security and increase resilience to climate shocks of targeted households and producers.

The Project consists of the following parts:

#### **Part 1: Support for Early Response Food and Nutrition Stabilization Towards Early Recovery and Resilience Building**

##### 1.1. Provision of emergency food and nutrition assistance.

Carrying out a program of activities to support poor and vulnerable households in selected areas of the Recipient's territory, through:

- (a) (i) Conditional Cash Transfers ("CCT") to eligible and duly registered households ("CCT Beneficiaries") in Targeted Areas in order to focus on rapid deployment of food assistance; (ii) payment of transfer fees; and (iii) delivery of accompanying measures including *inter alia*: (A) providing the support to participate in economic empowerment; and (B) providing training sessions on nutrition sensitive messaging;
- (b) providing emergency and home-grown school feeding ("HGSF") through matching schools with smallholder farmers to provide safe, diverse, nutritious local food; and
- (c) providing support for the prevention of acute malnutrition through: (i) providing emergency nutrition food supplies to address acute malnutrition in conflict-affected areas; (ii) delivering integrated malnutrition preventive package; and (iii) carrying out social behavior change communication for promotion of essential nutrition and other family practices.

##### 1.2. Labor-intensive public works for resilience.

- (a) design and implementation of specific LIPW to selected poor households, in accordance with the procedures outlined in the PIM, aimed at providing temporary employment for LIPW Beneficiaries around three priority axes: (i) climate adaptation and mitigation; (ii) infrastructure rehabilitation including *inter alia*: (A) construction of small infrastructure; (B) rehabilitation of feeder roads; (C) restoration of fodder routes; and (D) rehabilitation and construction of irrigation canals, micro dams, and water ponds, and pastoral hydraulics, tiered water retainers, open pit wells,

- and fishponds; and (iii) food system resilience;
- (b) payment of transfer fees; and
- (c) providing LIPW Beneficiaries with tools, equipment, and raw materials to implement selected sub-projects.

**Part 2: Strengthening Productive Capacities of Smallholders Through Crop and Livestock Support for Climate and Nutritional Resilience**

2.1. Support for food production and processing for farmers and agri-food processors.

Increasing the sustainable productive capacity of eligible farming and agri-food processing beneficiaries through:

- (a) provision of inputs including *inter alia* improved drought resistant seed varieties and fertilizer;
- (b) provision of basic tools for primary production including *inter alia* small-scale irrigation;
- (c) developing and constructing post-harvest infrastructure including *inter alia* storage facilities; and
- (d) carrying out technical assistance and training to promote CSA Techniques and strengthen producer's resilience to climate change.

2.2. Support to pastoralists and fishermen, and related processing.

Developing livestock and aquaculture sub-sectors to diversify and strengthen population nutrition outcomes through:

- (a) acquiring and distributing climate-smart inputs, equipment, and minor construction and rehabilitation in the livestock and aquaculture sub-sectors acquiring and distributing of equipment, and support for the development of pastoral and fisheries infrastructure;
- (b) providing technical assistance in sustainable management practices for improving rangeland and grassland quality, reducing deforestation, and promoting sustainable aquaculture; and
- (c) providing capacity building in sustainable fishing practices and environmentally-friendly fish processing techniques will accompany the investment in each of these activities.

**Part 3: Support for Strengthening Government Food Security Crisis Monitoring Capacity, Information Systems and Agrometeorological Services**

3.1. Strengthening of government capacity and information on food security, agrometeorological conditions, and market prices.

Strengthen inter-institutional coordination capacity in the area of monitoring of food security and climate risk to facilitate early warning and early action through:

- (a) providing technical assistance and Training at the national and regional level on food security planning, monitoring, and surveying capacity;
- (b) carrying out intergovernmental coordination and capacity building within MINADER, MINEPIA, and other relevant agencies;
- (c) preparing and developing the Food Security Crisis Response Plan (“FSCR”);
- (d) collecting, monitoring and publishing of agro-meteorological information; and
- (e) carrying out of survey data collection and analysis on the CH, the Food Security Monitoring Survey (“FSMS”), National Food Security and Nutrition Assessment (“ENSAN”), and market price information.

3.2. Development of digital tools to support food security response and climate resilience.

Optimizing access to relevant information on risks related to climate change, food security and markets that would increase climate adaptation through:

- (a) developing an information system that centralizes all data from food security surveys, agricultural market prices, agro-climatic data. including the provision of training and sustainability for all system maintenance;
- (b) developing and acquiring digital tools that allow diffusion of this information to farmers, herders, fishermen and households including climate services and alerts, and market price information;
- (c) developing a digital platform with mobile and tablet applications to link food demand and supply in the project’s Targeted Areas; and
- (d) acquiring and distributing smartphones to farmers and herders to facilitate access to digital applications developed through the Project.

**Part 4: Project Management, Monitoring and Evaluation**

Providing technical advisory services and other material assistance to support implementation of the Project, to: (i) strengthen the coordination, design, and implementation of the Project; (ii) strengthen the administrative, technical, and financial management of the project by Project Implementation Unit (“PIU”); (iii) support the establishment of monitoring and evaluation mechanism of the project’s results and impact; (iv) support the design and rollout of a project-wide Grievance and Redress Mechanism (“GRM”); and (v) conduct a Project impact evaluation.

**Part 5: Contingent Emergency Response**

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





## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

##### 1. Project Steering Committee ("PSC")

- (a) The Recipient shall establish by no later than one (1) month after the Effective Date (or such later date as agreed with the Association), and thereafter maintain at all times during the implementation of the Project, the PSC with a mandate, composition, and resources satisfactory to the Association.
- (b) Without limitation upon the provisions of paragraph (a) of Section I.A.1 of this Schedule 2, the PSC shall be chaired by the minister in charge of agriculture and rural development or his/her delegate, and vice chaired by the minister in charge of MINEPIA or his/her delegate and shall be comprised of, *inter alia*, representatives of: MINADER, MINEPIA, MINEPAT, MINFI, MINAS, MINSANTE, CAPEF and Autonomous Amortization Fund.
- (c) The PSC shall meet at least once every semester and shall be responsible for Project oversight, including *inter alia*: (i) reviewing the proposed Annual Work Plans & Budgets for the Project, reviewing the semestrial draft implementation and audit reports prepared by the Project Implementation Unit; (ii) validating the geographical areas where the project is to be implemented and various documents such as operational manuals; (iii) overseeing overall implementation and performance of the Project and providing strategic guidance; and (iv) identifying necessary Project adjustments based on monitoring and evaluation results.

##### 2. Project Implementation Unit ("PIU")

- (a) The Recipient shall establish by no later than one (1) month after the Effective Date (or such later date as agreed with the Association), and thereafter maintain within MINADER, at all times during Project, the PIU, with composition, terms of reference and resources satisfactory to the Association.
- (b) Without limitation to the provisions of paragraph (a) immediately above, the PIU shall be responsible for the general coordination of the project, overall administrative, fiduciary, and safeguards responsibility of the

project, the day-to-day management of the of the Project as well as the coordination of related activities.

- (c) Without limitation upon the provisions of paragraph (a) of Section I.A.2 of this Schedule 2, the PIU shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers; and (ii) be responsible for day-to-day Project coordination and implementation, including, *inter alia*: (A) preparing proposed annual work plans of activities for inclusion in the Project, and updating the budgets and consolidating Project reports for the PSC's review; (B) carrying out all Project financial management, procurement activities and contract execution; and (C) monitoring and evaluating the Project.
- (d) Without limiting the foregoing, the PIU shall include, *inter alia*: (i) the Project coordinator; (ii) an administrative and financial manager; (iii) a procurement specialist; (iv) a food security specialist; (v) an agriculture specialist; (vi) a livestock specialist; (vii) a specialist in information system and digital tools; (viii) a communication specialist; (ix) a monitoring and evaluation specialist; (x) an environmental specialist; (xi) a gender/GBV specialist; (xii) a social specialist; (xiii) an accountant, and (xiv) an internal auditor; all such staff to be recruited and appointed by no later than two (2) months after the Effective Date, and all with qualifications, experience, integrity and terms of reference acceptable to the Association.
- (e) Without limiting the foregoing, not later than three (3) months after the Effective Date, the Recipient, through the PIU, shall have recruited and appointed an external auditor, with qualifications, experience, integrity, and terms of reference acceptable to the Association.

### 3. MINEPIA

- (a) To facilitate the carrying out of activities under Part 2.2 and Part 3 of the Project, the Recipient shall ensure the coordination and collaboration with MINEPIA with the responsibility in the technical implementation of Part 2.2 and Part 3 of the Project all pursuant to adequate arrangements as set forth in the PIM.
- (b) The Recipient shall maintain, at all times during Project implementation, MINEPIA. To this end, the Recipient shall maintain MINEPIA in form and substance and with resources and functions satisfactory to the Association, including staff all with qualifications, integrity, experience, and terms of reference satisfactory to the Association.

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**B. Project Implementation Manual**

1. The Recipient shall, and shall cause the FAO, WFP, and Selected Public Institutions to carry out the Project in accordance with the provisions of the Project Implementation Manual ("PIM"), approved by the Association, containing detailed guidelines and procedures for the implementation of the Project, including, *inter alia*:
  - (a) (i) administration and coordination, including monitoring and evaluation, environmental and social, and procurement procedures; (ii) corruption and fraud mitigation measures; (iii) a grievance redress mechanism; (iv) roles and responsibilities for Project implementation; (v) detailed guidelines and procedures for monitoring and evaluation matters under the Project; (vi) disbursement, financial management, auditing for the Project; (vii) rules and procedures for processing and collection of Personal Data in accordance with good international practice; and (viii) such other arrangements and procedures as shall be required for the effective implementation of the Project;
  - (b) eligibility criteria and procedures to be applied for selection of CCT Beneficiaries for receiving Conditional Cash Transfers under Part 1.1 of the Project, as well as schedules and modalities of delivering CCT, and the monitoring and evaluation of the CCT delivered; and
  - (c) the operating procedures governing Public Works Microprojects, including, *inter alia*, specific criteria for Public Works Microprojects to be eligible for financing under the Project, selection criteria for beneficiaries to participate in Public Works Microprojects; and guidelines for selection, approval, implementation, monitoring, and evaluation of Public Works Microprojects.
2. The Recipient shall afford the Association a reasonable opportunity to review and approve the PIM and shall thereafter adopt such manual.
3. The Recipient shall ensure that the PIM is not amended, suspended, repealed or abrogated without the prior written approval of the Association.
4. In the event of any conflict between the provisions of the PIM and this Agreement, the provisions of this Agreement shall prevail.

**C. Selected Public Institution's Implementation Agreement**

1. No later than sixty (60) days after the Effective Date, or any other date as agreed by the Association, the Recipient shall enter into a Implementation Agreement with Selected Public Institutions under terms and conditions approved by the

Association, which shall include the Public Institutions' obligation to assist the Recipient in the technical implementation and procurement of Part 2.1, Part 2.2, and Part 3 of the Project in accordance with the provisions set forth in this Agreement, including the PIM.

2. The Recipient shall exercise its rights and carry out its obligations under the Implementation Agreements in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Implementation Agreement. In case of any conflict between the terms of the Implementation Agreement and those of this Agreement, the terms and conditions of this Agreement shall prevail.

**D. Agreements with UN Agencies**

1. For purpose of carrying out Part 1, Part 2, and Part 3 of the Project the Recipient shall enter into, not later than one (1) month after the Effective Date, and thereafter maintain throughout the period of Project implementation, an output agreement with World Food Program (WFP), under terms and conditions approved by the Association (the "WFP Output Agreement"), whereby the Recipient shall: (a) hire the services of WFP to implement the above referred Component activities in accordance with the provisions of the Project Implementation Manual, and the requirements of the ESSs and ESCP, including *inter alia*: (i) improving access to food (quantity and quality); (ii) increasing the economic resilience of household and communities; (iii) reducing the vulnerability to climate shocks through LIPW programs; (iv) increasing food security through sustainable production to reduce climate vulnerability; (v) supporting processing for farmers and agri-food processors; and (vi) supporting strengthening government food security crisis monitoring capacity; (b) transferring beneficiary data to MINADER in accordance with appropriate protocols; (c) reporting regularly to MINADER on the progress achieved in the implementation of Project activities and any challenges and/or obstacles thereto; and (d) agree the direct payment/advance of the proceeds of the Financing from the Association to MINADER.
2. For purpose of carrying out Part 2 and Part 3 of the Project, the Recipient shall enter into, not later than one (1) month after the Effective Date, and thereafter maintain throughout the period of Project implementation, an output agreement with FAO, under terms and conditions approved by the Association (the "FAO Output Agreement"), whereby the Recipient shall: (a) hire the services of FAO to carry out the referred activities in accordance with the provisions of the Project Operations Manual, and the requirements of the ESSs and ESCP, including *inter alia*: (i) technical and operational support; (ii) increasing food security through sustainable production that reduces climate vulnerability; and (iii) strengthening government food security crisis monitoring capacity; (b) transfer beneficiary data to MINADER in accordance with appropriate protocols; (c) report regularly to

MINADER on the progress achieved in the implementation of Project activities and any challenges and/or obstacles thereto; and (d) agree the direct payment/advance of the proceeds of the Financing from the Association to FAO.

3. In furtherance to the provisions of paragraphs 1 and 2 (above) of this Section I.D, the Recipient shall ensure that the WFP Output Agreement and the FAO Output Agreement require that WFP and FAO (collectively the "UN Agencies"):
  - (a) maintain in a separate account in their respective records ("Financing Control Account") a complete, true and faithful record of all the advances received from, and transaction done with, the proceeds of the Financing and of all the expenditures paid from such advance;
  - (b) retain all records (contracts, orders, invoices, bills, receipts, wiring instructions and other documents) evidencing the expenditures under the Project until at least the later of: (i) one (1) year after the Association has received the interim unaudited financial reports covering the period during which the last withdrawal from the Financing Control Account was made; and (ii) two (2) years after the Closing Date;
  - (c) prepare, on a quarterly basis, interim unaudited financial reports, as per the format to be agreed with the Association to adequately reflect the operations, resources and expenditures related to the Project. the first said interim unaudited financial reports shall be furnished to the Association no later than thirty (30) days after the end of the first quarter after the date of the respective output agreement;
  - (d) at the request of the Recipient, carry out an audit of Project activities with terms of reference acceptable to the Recipient and/or the Association; and
  - (e) do not transfer or channel any of the proceeds of the Grant to public officials or employees employed by any government entities of the Recipient, nor procure any items from them or their immediate family members.
4. The Recipient shall exercise its rights under the WFP Output Agreement and the FAO Output Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the agreements or any provision contain therein (whether in whole or in part).
5. In the event of any conflict between the provisions of the WFP Output Agreement and/or FAO Output Agreement, on the one side, and those of this Agreement, on the other, the provisions of this Agreement shall prevail.

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**E. CCT**

1. In order to achieve the objectives of Part 1.1 of the Project, the Recipient shall provide CCT to Beneficiaries in accordance with eligibility criteria and procedures acceptable to the Association and further detailed in the PIM and as detailed below:
  - (a) said CCT Beneficiary shall have been identified as a representative for a poor household in the PIM;
  - (b) said CCT Beneficiary has been duly registered under the appropriate registration process and is enrolled in the Beneficiaries' Registry presented;
  - (c) said CCT Beneficiary has presented a valid Beneficiary identification card provided by the Project, including as further detailed in the PIM, which shall be verified by the Payment Agent;
  - (d) the Recipient shall have confirmed CCT Beneficiaries' compliance with any applicable conditionality including, *inter alia*, the participation in the accompanying measures; and
  - (e) said CCT Beneficiaries have been selected through a combination of community-based targeting and the use of proxies to assess their poverty level.
2. Each CCT shall be in an amount acceptable to the Association and the Recipient.
3. The Recipient shall ensure that the amount of each CCT is paid for its intended CCT Beneficiary, and that CCT Beneficiaries participate in the accompanying measures provided for under the Project.

**F. Labor Intensive Public Works ("LIPW")**

1. In order to carry the Project, the Recipient shall conclude a Temporary Employment Agreement with each LIPW Eligible Beneficiary which shall include the following minimum conditions, and other such terms and conditions as may be specified in the PIM:
  - (a) each LIPW Eligible Beneficiary shall be a minimum of eighteen (18) years of age;
  - (b) each LIPW Eligible Beneficiary shall receive a maximum Stipend of 0.38 Euro per day; and

- (c) each LIPW Eligible Beneficiary shall be permitted to work a maximum of fifteen (15) days per month for a maximum period of four (4) months per year.
- 2. The Recipient shall, through the Payment Agent, ensure that each Temporary Employment Agreement is based upon the template included in the PIM.
- 3. The Recipient shall, through the Payment Agent, ensure that each such Temporary Employment Agreement is carried out with due diligence and efficiency and in accordance with sound technical, financial, and managerial standards and practices acceptable to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to the Temporary Employment Agreement.
- 4. The Recipient shall, through the Payment Agent, ensure that payment under each Temporary Employment Agreement is subject to a Verification Process satisfactory to the Association.

**G. Payment Agent**

To facilitate Cash Transfers to Beneficiaries under Part 1 and Part 3 of the Project, and to ensure that Beneficiaries are compensated for work performed under Microprojects under Part 1.2 of the Project in a timely manner, the Recipient shall employ a Payment Agent, under terms of reference, qualifications, experience, and terms and conditions of employment satisfactory to the Association.

**H. Third Party Monitoring**

The Recipient shall select and engage, by no later than four (4) months after the Effective Date, and thereafter retain throughout the period of implementation of the Project, the services of a duly qualified and experienced monitoring consultant satisfactory to the Association, under terms of reference acceptable to the Association, in order to carry out quarterly operational audits of the implementation of Part 1, Part 2, and Part 3 of the Project, including, *inter alia*: (a) beneficiary feedback on the registration and enrolment processes; (b) timeliness and transparency of CCT payments and LIPW program; (iii) outreach, effectiveness and impact of the public information/awareness campaigns; and (iv) compliance with the provisions of the PIM

**I. 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:

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- (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 in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
5. The Recipient shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and subcontractors and



supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

**J. Contingent Emergency Response**

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 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.
- I. The Recipient shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent

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Emergency Response Part, with adequate staff and resources satisfactory to Association.

2. 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 Safeguard Instruments, 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.
3. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

**K. Preparedness Plan**

The Recipient shall ensure that not later than six (6) months after the Effective Date, a Preparedness Plan is prepared and adopted in form and substance acceptable to the Association.

**L. Annual Work Plan & Budget ("AWP&B")**

For purposes of implementation of the Project, the Recipient shall:

- (a) prepare a draft AWP&B for each year of Project implementation, setting forth, *inter alia*: (i) a detailed description of the planned activities, including any proposed conferences and training, under the Project for the following year; (ii) the sources and proposed use of funds therefor; (iii) procurement and environmental and social safeguards arrangements therefor, as applicable; and (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity;
- (b) not later than November 30 of each year, furnish the draft AWP&B for the following year to the Association for its review, and promptly thereafter finalize the draft annual work plan and budget, taking into account the Association's comments thereon; provided, that for the first year of Project implementation, the Recipient shall furnish the draft AWP&B by no later than one (1) month after the Effective Date; and
- (c) thereafter adopt and carry out such draft AWP&B for the relevant year as shall have been agreed with the Association ("Annual Work Plan &

Budget”), as such plan may be subsequently revised during such year with the prior written agreement of the Association.

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

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

**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 EUR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, Operating Cost, Training and consulting services for the Project except Part 1.1(a), Part 1.2, and Part 5 of the Project	71,200,000	100%
(2) Conditional Cash Transfers under Part 1.1(a) of the Project	7,400,000	100%
(3) LIPW under Part 1.2 of the Project	10,200,000	100%

(4) Refund of Preparation Advance	1,400,000	Amount payable pursuant to Section 2.07(a) of the General Conditions
(5) Emergency Expenditures under Part 5 of the Project	0	100%
<b>TOTAL AMOUNT</b>	90,200,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date; or
  - (b) for category (2) unless and until the: (i) Recipient has adopted and updated the PIM in accordance with Section I.B of Schedule 2 to this Agreement and in form and substance acceptable to the Association, to include the CCT Transfers specific procedures; and (ii) Recipient has furnished evidence satisfactory that the WFP Output Agreement and the FAO Output Agreement has been executed and delivered;
  - (c) (i) for category (3) unless and until the Recipient has adopted and updated the PIM in accordance with Section I.B of Schedule 2 to this Agreement, in form and substance acceptable to the Association, to include the LIPW specific procedures; and (ii) Recipient has furnished evidence satisfactory that the WFP Output Agreement and the FAO Output Agreement has been executed and delivered;
  - (d) under Category (5) 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 Financing amounts under Category (4); 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 December 31, 2025.

AS

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each October 15 and April 15:	
commencing October 15, 2027 to and including April 15, 2047	1.65%
commencing October 15, 2047 to and including April 15, 2052	3.40%

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



## APPENDIX

### Definitions

1. "Annual Work Plan & Budget" or "AWP&B" means each annual work plan together with their envisioned budgets, to be prepared by the Recipient for each Fiscal Year of Project implementation, pursuant to the provisions of Section I.L of Schedule 2 to this Agreement.
2. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. "Autonomous Amortization Fund" means the Recipient's autonomous amortization fund established by Decree No. 85/1176 dated 28 August 1985, or any successor thereto.
4. "Basis Adjustment to the Interest Charge" means the Association's standard basis adjustment to the Interest Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association and expressed either as a positive or negative percentage per annum.
5. "Basis Adjustment to the Service Charge" means the Association's standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association and expressed either as a positive or negative percentage per annum.
6. "CAPEF" means the Recipient's Chamber of agriculture fisheries, livestock and forest established by Decree Number 2009/249 dated August 6, 2009 or any successor thereto.
7. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
8. "CCT Beneficiaries" means a household which has been declared eligible to receive conditional cash transfers in accordance with Section I.E of Schedule 2 to this Agreement; and "CCT Beneficiary" means any of the Beneficiaries.
9. "CCT" means the conditional cash payment to be made to a Beneficiary referred to in Part 1.1(a) of Schedule 1 to this Agreement, and "CCTs" mean, collectively, two or more such conditional cash payments.

10. "CERC Manual" means the manual referred to in Section I.J 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.
11. "Code of Conduct" means the code of conduct applicable to Eligible Beneficiaries hired for Labor Intensive Public Works under the Project, detailing standards and procedures relevant to work sites, including expected behaviors, as well as information on the GRM; such Code of Conduct shall also be included in the Temporary Employment Agreement to be concluded with Eligible Beneficiaries.
12. "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.
13. "CSA Techniques" means Climate Smart Agriculture practices.
14. "Disease Outbreak" means an outbreak of viral pathogens with a primary zoonotic reservoir or an outbreak due to deliberate or accidental release of pathogens previously eliminated from the human population, which in accordance with criteria acceptable to the Association poses a significant threat of spreading within a country or across countries, with potential to cause a large-scale regional epidemic or a global pandemic.
15. "National Food Security and Nutrition Assessment" or "ENSAN" means the Recipient's National Food Security and Nutrition Assessment implemented by the Recipient's ministry in charge of agriculture.
16. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated April 12, 2022, 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.
17. "Environmental and Social Standards" or "ESSs" means, collectively:
  - (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts";
  - (ii) "Environmental and Social Standard 2: Labor and Working Conditions";
  - (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management";
  - (iv) "Environmental and Social Standard 4: Community Health and Safety";
  - (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement";
  - (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural

Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.

18. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.J of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
19. “Emergency Action Plan” means the plan referred to in Section I.J of Schedule 2, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
20. “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.
21. “FAO” means the Food and Agriculture Organization, a specialized agency of the United Nations.
22. “FAO Output Agreement” means the agreement to be entered into between the Recipient and FAO for purposes of carrying out Parts 2 and 3 of the Project, pursuant to Section I.D of Schedule 2 to this Agreement.
23. “Financing Control Account” means each of the accounts to be opened by WFP and FAO in their financial management records pursuant to their respective WFP Output Agreement and FAO Output Agreement and the provisions of Section I.D.3(a) of Schedule 2 to this Agreement.
24. “Food Insecurity Crisis” means an event or events driven by natural disasters, economic shocks, and/or public health threats, which pose a significant threat of becoming a large-scale food security crisis within a country or across countries, in accordance with criteria acceptable to the Association.
25. “Food Security Crisis Response Plan” or “FSCR” means a plan adopted by the UGP no later than six (6) months of the Effective Date outlining the measures that the Recipient would implement to deal with an emerging food crisis based on their existing capacities.
26. “Food Security Monitoring Survey” or “FSMS” means the Recipient’s Food Security Monitoring Survey.
27. “GBV” means gender-based violence.



28. "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).
29. "GRM" means the Grievance Redress Mechanism established under the Project and maintained throughout the period of Project implementation whereby grievances from Eligible Beneficiaries and other stakeholders can be communicated to the Service Provider for resolution as necessary.
30. "HGSP" means Home Grown School Feeding program.
31. "Implementation Agreements" means the agreements entered into between the Recipient and each of the Selected Public Institutions for purposes of implementing activities under Part 2.1, Part 2.2, and Part 3.1 of the Project, with terms and conditions acceptable to the Association, pursuant to Section 1.C. of Schedule 2 to this Agreement; "Implementation Agreement" means the singular thereof.
32. "Labor Intensive Public Works" or "LIPW" means the activities referred to in Part 1.2 of the Project carried out using a labor-based methodology (i.e., a public works technology that maximizes opportunities for the employment of labor rather than machines), such activities Targeted Areas of the territory of the Recipient.
33. "LIPW Beneficiaries" means any poor household or a person eligible selected in accordance with the procedures outlined in the PIM, aimed at providing temporary employment under Part 1.2 of the Project to carry out sub-projects to be financed from Project proceeds in accordance with eligibility criteria and procedures set forth in the PIM; and "LIPW Beneficiary" means more than one LIPW Beneficiary.
34. "MINADER" means the Recipient's ministry responsible for the country's agriculture and rural development, or any successor thereto acceptable to the Association.
35. "MINAS" means the Recipient's ministry responsible for the country's social affairs, or any successor thereto acceptable to the Association.
36. "MINEPAT" means the Recipient's ministry responsible for the country's economy, or any successor thereto acceptable to the Association.
37. "MINEPIA" means the Recipient's ministry responsible for the country's livestock, fisheries, and animals, or any successor thereto acceptable to the Association.
38. "MINFI" means the Recipient's ministry responsible for the country's finance, or any successor thereto acceptable to the Association.



39. "MINSANTE" means the Recipient's ministry responsible for the country's health, or any successor thereto acceptable to the Association.
40. "Operating Costs" means reasonable cost of goods and non-consulting services required for the day-to-day implementation of the Project, incurred by the Recipient (which expenditures would not have been incurred absent the Project), including consumable materials and supplies, communications services (postage, telephone and internet), media and printing services, translation and interpretation services, office space rental and utilities, leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises, fuel costs, bank and insurance charges required for the Project, Payment Agents Fees, administrative support staff, and Project staff travel, lodging and *per diems*, but excluding salaries (including bonuses, fees and honoraria or equivalent payments) of officials of the Recipient's civil service.
41. "Payment Agent" means a competitively selected financial institution, including, *inter alia*, banks, post office, credit union, microfinance institutions and mobile phone companies, and duly established and operating under the Recipient's laws and regulations, for the purpose of making Cash Transfers and LIPW payment to Beneficiaries and "Payment Agents" means all such Payment Agents.
42. "Personal Data" means any information relating to an identified individual or an Identifiable Individual.
43. "Preparedness Plan" means the plan referred to in Section I.K of Schedule 2 to this Agreement, setting out the operational procedures to respond to and contain a Disease Outbreak or Food Insecurity Crisis.
44. "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.
45. "Project Implementation Manual" and "PIM" mean the manual for Project implementation, to be prepared and adopted by the Recipient pursuant to Section I.B. of Schedule 2 to this Agreement.
46. "Project Implementation Unit" or "PIU" means the Project Implementation Unit referred to in Section I.A.2 of Schedule 2 to this Agreement which will be responsible for the implementation of the Project.
47. "PSC" means the Project Steering Committee to be established by the Recipient pursuant to Section I.A.1 of Schedule 2 to the Financing Agreement.



48. "Public Works Microprojects" means the projects referred to in Part 2.1 of the Project consisting of (i) climate adaptation and mitigation; (ii) infrastructure rehabilitation including and (iii) food system resilience;
49. "Selected Public Institutions" means selected public establishment, satisfactory to the Association, endowed with a legal personality and financial autonomy established and operating pursuant to the Recipient's Legislation and within the Recipient's territory, as said law and decree may be amended from time to time.
50. "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.
51. "Stipend" means the monetary remuneration paid by the Payment Agent to a LIPW Eligible Beneficiary participating in the Labor Intensive Public Works Activities. "Stipends" means collectively all such monetary remunerations.
52. "Targeted Areas" means Recipient's districts where the Project is implemented as further described in the PIM.
53. "Temporary Employment Agreement" means a simple employment contract executed between the Payment Agent and LIPW Eligible Beneficiaries governing the terms of such Eligible Beneficiaries employment under Part 1.2 of the Project, based on a template to be included in the PIM and to include all relevant criteria and procedures included in the PIM. Such a contract shall also include the Project's Code of Conduct, which describes required behaviors on the work sites and provides information on the project's GRM.
54. "Training" means the reasonable costs of training, workshops and conferences conducted in the territory of the Recipient, or, subject to prior approval by the Association in connection with the Project, including the purchase and publication of materials, rental of facilities, course fees and travel and subsistence of trainees.
55. "UN Agencies" means collectively WFP and FAO.
56. "Verification Process" means the process by which the Payment Agent shall verify that a LIPW Eligible Beneficiary has completed a Worked Day and has been paid his or her Stipend in accordance with the terms of the Temporary Employment Agreement.
57. "WFP" means the World Food Program, a specialized agency of the United Nations responsible for providing humanitarian aid.

58. "WFP Output Agreement" means the agreement to be entered into between the Recipient and WFP for purposes of carrying out Part 1, 2, and 3 of the Project, pursuant to Section 1.D of Schedule 2 to this Agreement.
59. "Worked Day" means a day worked by a LIPW Eligible Beneficiary, verified by the Service Provider and paid for by the Project under a Temporary Employment Agreement.