
**CREDIT NUMBER 6753-RW
CREDIT NUMBER 6119-RW (Amendment)
GRANT NUMBER D700-RW**

Financing Agreement

**(Additional Financing for the Priority Skills for Growth Program and Amendment
to the Original Financing Agreement)**

between

REPUBLIC OF RWANDA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 6753-RW
CREDIT NUMBER 6119-RW (Amendment)
GRANT NUMBER D700-RW

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between the Republic of Rwanda (the “Recipient”) and the INTERNATIONAL DEVELOPMENT ASSOCIATION (the “Association”) for the purpose of providing additional financing for the Original Program and activities related to the Original Program and for amending specific provisions of the Original Financing Agreement (as defined in the Appendix to this Agreement). 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 and a credit, which are deemed as Concessional Financing for purposes of the General Conditions (collectively, “Financing”) in the following amounts to assist in financing the program described in Schedule 1 to this Agreement (“Program”):
 - (a) an amount equivalent to fifty-four million nine hundred thousand Special Drawing Rights (SDR 54,900,000) (“Grant”); and
 - (b) the amount of sixty-nine million Euros (€ 69,000,000) (“Credit”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Financing Account shall be deposited by the Association into an account specified by the Recipient and acceptable to the Association.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.

- 2.05. The Payment Dates are January 15 and July 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Euro.

ARTICLE III — PROGRAM

- 3.01. The Recipient declares its commitment to the objective of the Program. To this end, the Recipient shall:
 - (a) carry out Parts 2 and 3 of the Program through MINEDUC, with the support of BRD, HEC, RP, UR and WDA; and
 - (b) cause RDB to carry out Parts 1 and 4 of the Program

in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Program Agreements.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely that any one of the Program Implementing Entities' Legislation has, in the opinion of the Association, been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the relevant Program Implementing Entity to perform any of its obligations under its Program Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) the Subsidiary Agreements, in form and substance satisfactory to the Association, have been executed between the Recipient and each of the Program Implementing Entities; and
 - (b) the Recipient shall have prepared, and taking into account the Association's comments, adopted a Verification Plan in form and substance acceptable to the Association.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

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

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

(b) the Recipient's Electronic Address is:

Tel:	Fax:	E-mail:
+250 25 257 7581	+250 25 257 5756	mfin@minecofin.gov.rw

- 6.03. For purposes of Section 11.01 of the General Conditions: (a) The Association's address is:

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

(b) the Association's Electronic Address is:

Telex:	Facsimile:	E-mail:
248423 (MCI)	1-202-477-6391	rwandainfo@worldbank.org

AGREED as of the Signature Date.

REPUBLIC OF RWANDA

By

Dr. Uzziel Ndagijimana

Authorized Representative

Dr. Uzziel Ndagijimana

Name: _____

Title: _____ Minister of Finance and Economic Planning

05-Jul-2020

Date: _____

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Yasser El-Gamal

Authorized Representative

Yasser El-Gamal

Name: _____

Title: _____ Country Manager

04-Jul-2020

Date: _____

SCHEDULE 1

Program Description

The objective of the Program is to expand opportunities for the acquisition of quality, market-relevant skills in Selected Economic Sectors.

The Program consists of the activities under the Original Program modified as highlighted below:

Part 1: Reinforcing Governance of the Skills Development System, through

- (a) strengthening the skills related component of the NEP Joint Performance Contract;
- (b) developing an integrated Skills Development and Employment Promotion Strategy to succeed the NEP; and
- (c) support for the implementation of and development of monitoring systems for the National Skills Development and Employment Promotion Strategy (NSDEPS, 2019-2024).

Part 2: Provision of Quality Training Programs with Market-relevance, through improving

- (a) targeted long-term university-level programs under the UR;
- (b) targeted technical and educational vocational programs; and
- (c) quality in development and delivery of more relevant skills development programs at Rwanda Polytechnic (RP) and University of Rwanda (UR).

Part 3: Expanding Opportunities for Continuous Upgrading of Job-relevant Skills for Sustained Employability, through

- (a) operationalizing the national qualifications framework to clarify learning and career pathways; and
- (b) providing financial incentives to eligible beneficiaries to foster market-responsive investment in job-relevant skills, including through:
 - (i) student loans and bursaries for long-term training opportunities; and
 - (ii) establishing a financing fund (the “Skills Development Fund”) and providing Sub-Grants to eligible Sub-Grant Beneficiaries through the Skills Development Fund for specific development projects for short-term

training opportunities, such as rapid response training, out-of-school youth training and apprenticeships and internships.

Part 4: Capacity Building for Program Implementation, including for

- (a) cross-ministerial collaboration to formulate a comprehensive Skills Development and Employment Promotion Strategy to succeed the NEP;
- (b) curriculum development to create new or update training courses and programs leading to specialized professional and technical qualifications in Selected Economic Sectors;
- (c) quality assurance of the training programs;
- (d) management of student loans recovery;
- (e) overall Program management, including monitoring and evaluation;
- (f) Development of a Curriculum (DACUM) training and certification of trainers;
- (g) quality assurance systems;
- (h) design and conduct of tracer studies;
- (i) student loan administration;
- (j) electronic case management system for the Skills Development Fund (SDF);
- (k) occupational health and safety and grievance redress; and
- (l) training in advanced project management (including monitoring and evaluation, financial management and procurement).

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Program Institutions

Ministry of Education (MINEDUC)

1. The Recipient shall maintain, or cause to be maintained, as the case may be, throughout the implementation of the Program, the offices, units and departments within MINEDUC, and the Program Implementing Entities, and ensure that they are staffed with technical, social and environmental safeguards, fiduciary and other responsibilities for implementing the Program, all with powers, functions, institutional capacity and staffing acceptable to the Association and with resources adequate to fulfill their respective functions under the Program, as further detailed in the Program Operational Manual.
2. MINEDUC shall coordinate overall Program implementation, monitoring and evaluation and reporting.
3. Without limitation to the provisions of paragraph A.2 above, MINEDUC shall be responsible for implementation of Parts 2 and 3 of the Program, with support from the Program Implementing Entities (specifically HEC, UR, WDA, RP and BRD).
4. The following Program Implementing Entities shall be responsible for the following parts of the Program:
 - (a) HEC shall be responsible for HEC's Respective Part under Parts 2(a), 3(a) and 3(b)(i);
 - (b) UR shall be responsible for UR's Respective Part under Parts 2(a) and 3(a);
 - (c) WDA shall be responsible for WDA's Respective Part under Parts 2(b), 3(a) and 3(b)(ii);
 - (d) RP shall be responsible for RP's Respective Part under Part 2(b); and
 - (e) BRD shall be responsible for BRD's Respective Part under Part 3(b)(i).

Rwanda Development Board (RDB)

5. The Recipient shall throughout Program implementation cause to be maintained, to the satisfaction of the Association, the Rwanda Development Board ("RDB")

with adequate resources, facilitation and key staff as further detailed in the Program Operation Manual.

6. RDB, through the Chief Skills Office (RDB-CSO) shall be responsible for implementation of Parts 1 and 4 of the Program. RDB-CSO shall be responsible for the procurement and financial management under Parts 1 and 4 with support from the RDB-SPIU. RDB-CSO shall also track the overall results indicators for the NEP and the successor program thereto, the NSDEPS.
7. The Recipient shall maintain the RDB-SPIU throughout Program implementation with adequate resources and facilitation including the identification of and provision of training opportunities and composed of key staff including a finance and administration manager, financial management specialist, procurement specialist, internal auditor and two accountants.

B. Subsidiary Agreements

1. To facilitate the carrying out of each Program Implementing Entity's Respective Part of the Program, the Recipient shall make part of the proceeds of the Financing available to each of RDB, HEC, UR, BRD, RP and WDA under subsidiary agreements executed between the Recipient and each Project Implementing Entity, under terms and conditions approved by the Association, which shall, *inter alia*, include the provision of the Financing to the relevant Project Implementing Entity on a grant basis (respectively the "RDB Subsidiary Agreement", "HEC Subsidiary Agreement", "UR Subsidiary Agreement", "BRD Subsidiary Agreement", "RP Subsidiary Agreement" and "WDA Subsidiary Agreement" and collectively the "Subsidiary Agreements").
2. The Recipient shall exercise its rights under the Subsidiary 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 Subsidiary Agreements or any of their provisions.

C. Additional Program Implementation Arrangements

1. Program Action Plan

- (a) Without limitation upon the generality of Part A of this Section I, the Recipient shall carry out the Program Action Plan, or cause the Program Action Plan to be carried out, in accordance with the schedule set out in the said Program Action Plan in a manner satisfactory to the Association, and shall not amend, abrogate or suspend, or permit to be amended, abrogated or suspended any provision of the Program Action Plan without the prior written agreement of the Association.

- (b) Notwithstanding the foregoing, if any provision of said Program Action Plan is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail.

2. Program Operational Manual

- (a) The Recipient shall and shall cause the Program Implementing Entities to implement the Program in accordance with the revised Program Operational Manual, setting forth, *inter alia*, detailed institutional, administrative, financial, environmental and social, technical and operational guidelines and procedures for the implementation of the Program.
- (b) The Recipient shall not amend, abrogate or suspend, or permit to be amended, abrogated or suspended, any provision of the Program Operational Manual, without the prior written agreement of the Association.
- (c) Notwithstanding the foregoing, if any provision of the Program Operational Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail.

Section II. Excluded Activities

The Recipient shall ensure that the Program excludes any activities which:

- A. in the opinion of the Association, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
- B. involve the procurement of: (1) works, estimated to cost US\$ 115 million equivalent or more per contract; (2) goods and information technology systems estimated to cost US\$ 75 million equivalent or more per contract; (3) non-consulting services, estimated to cost US\$ 75 million equivalent or more per contract; or (4) consulting services, estimated to cost US\$ 30 million equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

A. Program Reports

The Recipient shall furnish to the Association each Program Report not later than two (2) months after the end of each calendar semester, covering the calendar semester. Each Program Report shall include reporting on any fraud and corruption (F&C) incidence within the program using such F&C reporting format as

acceptable to the Association and such F&C report shall be signed by the Recipient.

B. Verification of Program Results

Without limitation on the provisions of Part A of this Section III, the Recipient shall prior to each payment under the Program carry out in accordance with the Verification Protocol, an assessment to determine the extent to which the Disbursement Linked Results (“DLR”) in respect of which payment is requested has been achieved. To this end, the Recipient shall:

- (a) vest in the Office of the Auditor General (“OAG”) the responsibility of undertaking the verification of compliance with the DLIs/DLRs which are set forth in the table in Section IV.A.2 of this Schedule;
- (b) cause the OAG to maintain throughout Program implementation, adequate resources, facilitation and key staff (including any consultants as may be deemed necessary), with qualification, experience and under terms of reference satisfactory to the Association, to undertake the verification of compliance with the DLIs/DLRs; and
- (c) cause the OAG to, not later than thirty (30) days, after the verification of compliance of the DLIs/DLRs has been completed, prepare and furnish to the Recipient and the Association, a report on the results of said verification of compliance process of such scope and in such detail as the Association shall reasonably request.

Section IV. Withdrawal of Financing Proceeds

A. General

- 1. 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 Program Expenditures (inclusive of Taxes), on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Recipient/Program Implementing Entities, as measured against specific indicators (“Disbursement Linked Indicators” or “DLIs”); all as set forth in the table in paragraph 2 of this Part A.
- 2. The following table specifies each category of withdrawal of the proceeds of the Financing (including the Disbursement Linked Indicators as applicable) (“Category”), the Disbursement Linked Results for each Category (as applicable), and the allocation of the amounts of the Financing to each Category:

Category (including Disbursement Linked Indicator as applicable)	Disbursement Linked Result (as applicable)	Amount of the Credit Allocated (expressed in EUR)	Amount of the Grant Allocated (expressed in SDR)
(1) DLI #3: Number of accredited new or updated programs taught by staff participating in Industry Attachments in energy, transport and logistics and manufacturing	Achievement of targeted number of programs Baseline: 15 Program Target: 33	6,900,000 (766,667 for each program, up to 9 programs)	5,500,000 (611,111 for each program, up to 9 programs)
(2) DLI #4: Number of graduates of SDF-supported programs by window	DLR #4.3 - SDF Operational Manual Revised to reflect changes in program design under each window and training targets DLR #4.4 - Achievement of graduate targets by window Baseline: 9,000 Program Target: 22,900	2,300,000 8,950,000 (1,278,571 for each batch of 1,070 graduates trained for a maximum of 7 batches. A batch qualifies hereunder if at least 30% of the graduates are female)	1,800,000 7,100,000 (1,833,333 for each batch of 1,070 graduates trained for a maximum of 6 batches. A batch qualifies hereunder if at least 30% of the graduates are female)
(3) DLI #5: Improved sustainability of financing for long term training programs as measured by student loan recovery	DLR #5.3 - Percentage point improvement from baseline in loan recovery rate Baseline: 27% Program Target: 31%	5,500,000 (€1,375,000 - Credit and SDR 1,100,000 - Grant, for each percentage point increase)	4,400,000 (1,375,000 - Credit and SDR 1,100,000 - Grant, for each percentage point increase)

<p>(4) DLI #6: Capacity building for targeted entities in at least five areas of the seven specified areas, with mandatory and other progress milestones, is completed.</p>	<p>DLR #6.3 - Three-year consolidated capacity building plan for targeted entities approved by RBD-CSO</p> <p>DLR #6.4 - Completion of progress milestones in capacity building plans for five out of seven Additional Capacity Building Areas</p>	<p>2,800,000</p> <p>4,150,000 (2,075,000 for each area up to maximum of two areas)</p>	<p>2,200,000</p> <p>3,300,000 (1,100,000 for each area up to maximum of three areas)</p>
<p>(5) DLI #7: Strengthened NSDEPS implementation, monitoring and evaluation and reporting</p>	<p>DLR #7.1 – Enhanced capacity of RDB-CSO to carry out its functions, through timely preparation of annual analytical reports on NSDEPS implementation progress, timely provision of technical support to NSDEPS implementing entities and overall coordination of the NSDEPS</p> <p>DLR #7.2 – Phase 1 of the Labor Market Information System (LMIS) operationalized</p>	<p>2,300,000</p> <p>2,300,000</p>	<p>1,800,000</p> <p>1,800,000</p>

	<p>through: (a) adoption of a comprehensive LMIS design (€900,000 and SDR 800,000); and (b) publication of semi-annual reports on labor market opportunities and trends (€ 230,000 and SDR 180,000 per report)</p> <p>DLR #7.3 - Independent mid-term evaluation of the NSDEPS completed</p>	900,000	800,000
(3) DLI #8: Students enrolled in the new/updated TVET and degree programs in energy, transport and logistics, manufacturing agro-processing	<p>DLR - Number of students enrolled in TVET and degree programs</p> <p>Target enrolment: 4,318 (of which UR = 1,672 and RP = 2,646)</p>	5,500,000 (254,747 per 100 students up to a maximum of 2,159 students)	4,400,000 (203,798 per 100 students up to a maximum of 2,159 students)
DLI #9: Upgrading of teaching-learning environment (staffing and facilities)	<p>DLR #9.1 – Contracts signed by UR and RP with technical support firm(s) on integrated package (facilities and ICT-enabled pedagogies) for effective delivery of new/updated programs in energy, transport and</p>	8,750,000	7,000,000

	logistics and agro-processing		
	DLR #9.2 - Implementation of staff recruitment plan by recruitment of qualified individuals to fill the required number of staff positions	4,600,000 (920,000 for every 20% of targets achieved)	3,600,000 (720,000 for every 20% of targets achieved)
	DLR #9.3 - Implementation of staff development plan through training and enrollment of faculty in Bachelor's, Master's and PhD programs	6,900,000 (1,380,000 for every 20% of targets achieved)	5,500,000 (1,100,000 for every 20% of targets achieved)
	DLR #9.4 - Number of new/updated programs in Energy, transport and logistics and agro-processing that are being taught in newly equipped SMART classrooms/labs/workshops using new pedagogical methodologies including ICT-enabled continuous student assessment	7,150,000 (650,000 for each program up to a maximum of 11 programs)	5,700,000 (518,182 for each program up to a maximum of 11 programs)
TOTAL AMOUNT		Total Credit: € 69,000,000	Total Grant: SDR 54,900,00

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) on the basis of DLRs achieved prior to the Signature Date; or
 - (b) for any DLR until and unless the Recipient has furnished evidence satisfactory to the Association that said DLR has been achieved, including verification reports from the OAG, in accordance with procedures and arrangements and verification protocols satisfactory to the Association.
2. Notwithstanding the provisions of Part B.1(b) of this Section, the Recipient may withdraw: (i) an amount not to exceed € 17,250,000 and SDR 13,725,000 as an advance; provided, however, that if the DLR in the opinion of the Association, is not achieved (or only partially achieved) by the Closing Date, the Recipient shall refund such advance (or portion of such advance as determined by the Association in accordance with the provisions of and formula referred to paragraph 3(a) of this Part B) to the Association promptly upon notice thereof by the Association. Except as otherwise agreed with the Recipient, the Association shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the Association shall specify by notice to the Recipient.
3. Notwithstanding the provisions of Part B.1(b) of this Section, if any of the DLRs has not been achieved by the date by which the said DLR is set to be achieved, the Association may, by notice to the Recipient: (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to said Category which, in the opinion of the Association, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated taking into account the formula set out in the third column of the table in Part A of Section IV; (b) reallocate all or a portion of the proceeds of the Financing then allocated to said DLR to any other DLR ; and/or (c) cancel all or a portion of the proceeds of the Financing then allocated to said DLR.
4. The Closing Date is September 29, 2023.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage) *
On each January 15 and July 15, commencing July 15, 2026 to and including January 15, 2058	1.5625%

* 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

Section I. Definitions

1. “Additional Capacity Building Areas” means the new identified capacity building areas under the Program which are, (a) DACUM training and certification of trainers, (b) internal quality assurance systems and tools at UR and RP, (c) design and conduct of tracer studies (HEC, WDA, UR, RP), (d) IT training (BRD), (e) electronic case management system for the SDF (WDA), (f) occupational Health and Safety and Grievance Redress Mechanism (for all Program Implementing Entities and targeted training institutions), and (g) advanced project management (including M&E, financial management and procurement).
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the Association’s “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015.
3. “BRD” means the Development Bank of Rwanda, a public company limited by shares, incorporated on August 5, 1967, registered at the Recipient's office of the registrar general with company code no. 1000003547.
4. “BRD Legislation” means the BRD incorporation certificate issued on July 7, 2011 and banking license no. 003, issued by the National Bank of Rwanda on August 11, 2009.
5. “BRD Respective Part” means the part of the Program to be implemented by BRD under Part 3(b)(i) of the Program including managing funds for student loans and bursaries on behalf of the Recipient, to include providing tuition fees for eligible students at University of Rwanda and Rwanda Polytechnic and providing living allowances to eligible students granted student loans.
6. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
7. “CESB” means the Recipient’s Capacity Development and Employment Services Board, established and operating pursuant to Law No. 43/2016 of October 18, 2016 *establishing the Capacity Development and Employment Services Board and determining its mission, powers, organization and functioning*, published on the Official Gazette No Special of October 18, 2016, and the Prime Minister Order No.39/03 of February 24 determining organizational structure, salaries and fringe benefits for employees of the Capacity Development and Employment Services Board (CESB).

8. “Disbursement Linked Indicator” or “DLI” means in respect of a given Category, the indicator related to said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
9. “Disbursement Linked Result” or “DLR” means in respect of a given Category, the result under said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement, on the basis of the achievement of which, the amount of the Financing allocated to said result may be withdrawn in accordance with the provisions of said Section IV.
10. “Fiscal Year” or “FY” means the financial year of the Recipient commencing July 1 of every calendar year and ending June 30 of the subsequent year.
11. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Program-for-Results Financing”, dated December 14, 2018.
12. “HEC” means the Recipient's Higher Education Council, established and operating pursuant to Law No. 72/2013 of September 10, 2013 establishing the Higher Education Council published on the Official Gazette No 38 of September 23, 2013 and the Prime Minister Order No. 20883 of December 12, 2013.
13. “HEC Legislation” means Law No. 72/2013 of September 10, 2013 *establishing the Higher Education Council and determining its mission, powers, organization and functioning*, published on the Official Gazette No 38 of September 23, 2013, and the Prime Minister Order No. 20883 of December 12, 2013.
14. “HEC Respective Part” means the part of the Program to be implemented by HEC under Parts 2(a), 3(a) and 3(b)(i) of the Program including conducting accreditation process of the programs, operationalizing the national qualification framework to clarify learning and career pathways and selecting the eligible students admitted at University of Rwanda and Rwanda Polytechnic to be granted student loans and bursaries.
15. “Industry Attachment” means a work-based experience providing organizational context for the instructors to develop specific or generic skills valuable for their professional development.
16. “Joint Performance Contract” or “JPC” means the performance contract entered into between the Recipient and each of the Program Implementing Entities, and any others, pursuant to each of the Program Implementing Entities’ Legislation.
17. “MINEDUC” means the Recipient’s Ministry in charge of education or any successor thereof satisfactory to the Association.

18. “NEP” means the Recipient's National Employment Program, which sets out the 2014-2019 national employment program of the Recipient and approved by the Recipient’s Cabinet on December 15, 2014.
19. “NSDEPS” means the Recipient’s National Skills Development and Employment Promotion Strategy for 2019-2024 approved by the Recipient’s Cabinet in June 2019.
20. “Original Financing Agreement” means the Financing Agreement dated July 17, 2017 between the Recipient and the Association for Credit Number 6119-RW.
21. “Original Program” means the Program described in Schedule 1 to the Original Financing Agreement.
22. “Program Action Plan” means the Recipient’s plan dated May 29, 2020 and referred to in Section I.B of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the Association.
23. “Program Implementing Entity” means each of RDB, HEC, UR, BRD, RP and WDA and collectively referred to as “Program Implementing Entities”.
24. “Program Implementing Entities’ Legislation” means the BRD Legislation, the RDB Legislation, the HEC Legislation, the RP Legislation, the UR Legislation and the WDA Legislation.
25. “Program Operational Manual” means the manual referred to in Section I.C.2 of Schedule 2 to this Agreement as may be revised from time to time with prior written agreement of the Association.
26. “RDB SPIU” means the RDB Single Project Implementation Unit.
27. “RP” means the Rwanda Polytechnic Higher Learning Institution established pursuant to Law N°22/2017 of 30/05/2017 published in Official Gazette N°23 of 05/06/2017.
28. “RP Respective Part” means the part of the Program to be implemented by RP under Parts 2(b) and (c) of the Program including enrolling students in the new and updated programs, placing TVET-trainers teaching the new and updated programs in industrial attachment, enhancing teaching of the new and updated programs by using new pedagogical methodologies and upgrading of target smart classrooms and workshops for effective delivery of the new/updated programs.
29. “Selected Economic Sectors” means each of the following sectors, energy, transport and logistics and manufacturing (with a focus on ‘made in Rwanda’), plus the SDF initiative target economic sectors including automotive, information and communications technology, mining and construction.

30. “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.
31. “Sub-Grant” means a grant made out of the proceeds of the Financing to a Sub-Grant Beneficiary.
32. “Sub-Grant Agreement” means an agreement between the WDA and a Sub-Grant Beneficiary for a Sub-project.
33. “Sub-Grant Beneficiary” means a legal entity duly established under the laws of the Recipient to which WDA has made a Sub-Grant under Part 3.b.(ii) of the Program.
34. “Subsidiary Agreements” means collectively the agreements referred to in Section I, part B of Schedule 2 to this Agreement between the Association and the respective Program Implementing Entities.
35. “UR” means the Recipient's University of Rwanda, established and operating pursuant to Law No. 71/2013 of September 10, 2013 establishing the University of Rwanda.
36. “UR Legislation” means Law No. 71/2013 of September 10, 2013 *establishing the University of Rwanda and determining its mission, powers, organization and functioning*, published on the Official Gazette No 38 of September 23, 2013, and the Prime Minister Order No. 218/03 of December 2, 2013.
37. “UR Respective Part” means the part of the Program to be implemented by UR under Parts 2(a), (c) and 3(a) of the Program including enrolling students in new/updated programs, placing UR trainers teaching new/updated programs in industrial attachment, enhancing teaching of new/updated programs by using new pedagogical methodologies, conducting ICT enabled continuous student assessment, upgrading smart classrooms and laboratories for effective delivery of new/updated programs and operationalizing the national qualifications framework to clarify learning and career pathways.
38. “Verification Plan” means the plan prepared by the Recipient, furnished to the Association for approval and taking into account comments from the Association, adopted by the Recipient providing for protocols for the verification of DLI 9 and including, among others, details on how the right expertise will be mobilized by the Office of the Auditor General for purposes of conducting the DLI 9 verification.

39. “Verification Protocol” means the Recipient’s protocol, detailing the technical standards and arrangements and procedures for the monitoring, reporting and verification of DLRs under the Program.
40. “WDA” means the Recipient’s Workforce Development Authority established and operating pursuant to Law No. 42/2016 of October 18, 2016 published in the Official Gazette No Special of October 18, 2016.
41. “WDA Legislation” means Law No. 42/2016 of October 18, 2016 *establishing the Workforce Development Authority and determining its mission, powers, organization and functioning*, published on the Official Gazette No Special of October 18, 2016.
42. “WDA Respective Part” means the part of the Program to be implemented by WDA under Parts 2(b), 3(a) and 3(b)(ii) of the Program including conducting accreditation of TVET programs, developing TVET standards and conducting quality assurances under national qualification framework, establishing the Skills Development Fund and providing Sub-Grants to eligible Sub-Grant Beneficiaries through the Skills Development Fund for specific development projects for short-term training opportunities, such as rapid response training, out-of-school youth training and apprenticeships and internships.

Section II. Amendments to the Original Financing Agreement

Following receipt by the Association of the letter dated August 19, 2019 from the Ministry of Finance and Economic Planning indicating the transfer of CESB’s mandate to RDB, the Original Financing Agreement is hereby amended as follows:

1. Section 3.01(b) of the Original Financing Agreement is amended by replacing it with the provisions of Section 3.01(b) of this Agreement.
2. Section I, Part C.4 of Schedule 2 of the Original Financing Agreement is amended by replacing the references to “CESB” therein with “RDB”.
3. Section III, Part C(c) of Schedule 2 of the Original Financing Agreement is amended to read as follows:

“cause RDB to maintain throughout Program implementation, an Independent Verification Agent, with qualification, experience and under terms of reference satisfactory to the Association, to undertake the verification of compliance of DLI/DLR #2 which is set forth in the table in Section IV.A.2. of this Schedule”

4. Category 6 of the table under Section IV, Part A of Schedule 2 of the Original Financing Agreement is amended by replacing the references to “CESB” therein with “RDB”.
5. Paragraph 3 of Part B Section IV of Schedule is amended to read as follows:
“The Closing Date is September 29, 2023”.
6. Definition 6 under Section I of the Appendix of the Original Financing Agreement is deleted and replaced with the following definition:
“RDB” means the Recipient’s Rwanda Development Board established to *inter alia* foster economic development in Rwanda by enabling private sector growth, or any successor entity thereto.
7. Definition 7 under Section I of the Appendix of the Original Financing Agreement is deleted and replaced with the following definition:
“RDB Legislation” means the Recipient’s Law no 46/2013 of 16/06/2013 establishing the Rwanda Development Board (RDB) and determining its mission, organization and functioning.
8. Definition 17 under Section I of the Appendix of the Original Financing Agreement is deleted and replaced with the following definition:
“MoU” means the Memorandum of Understanding entered into by CESB and targeted training institutions for purposes of Part 4 of the Program and assigned by CESB to RDB.
9. Definition 22 under Section I of the Appendix of the Original Financing Agreement is amended by replacing the reference to “CESB” therein with “RDB”.
10. Definition 23 under Section I of the Appendix of the Original Financing Agreement is amended by replacing the reference to “CESB” therein with “RDB”.