

Public Disclosure Authorized

OFFICIAL DOCUMENTS

CREDIT NUMBER 6255-BF

Financing Agreement

(Water Supply and Sanitation Program)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 6255-BF

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between BURKINA FASO (“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 — CREDIT

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Non-concessional Financing for purposes of the General Conditions, as set forth or referred to in this Agreement, in the amount of two hundred six million and seven hundred thousand euros (EUR 206,700,000), as such amount may be converted from time to time through a Currency Conversion (“Credit”), to assist in financing the program described in Schedule 1 to this Agreement (“Program”).
- 2.02. The Recipient may withdraw the proceeds of the Credit in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Credit Account shall be deposited by the Association into an account specified by the Recipient and acceptable to the Association.
- 2.03. The Front-end Fee is one quarter of one percent ($\frac{1}{4}$ of 1%) of the Credit amount.
- 2.04. The Commitment Charge is one-quarter of one percent ($\frac{1}{4}$ of 1%) per annum on the Unwithdrawn Credit Balance.
- 2.05. The Interest Charge is the Reference Rate plus the Fixed Spread or such rate as may apply following a Conversion; subject to Section 3.09(e) of the General Conditions.
- 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 Schedule 3 to this Agreement.

ARTICLE III — PROGRAM

- 3.01. The Recipient declares its commitment to the objective of the Program. To this end, the Recipient shall carry out Parts 1(d), 2(b), 3, and 4(a), and shall cause the Program Implementing Entity to carry out Parts 1(a), 1(b), 1(c), 2(a), and 4(b) of the Program, all in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement, and the Program Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Financing Agreement for the Grant has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
 - (b) The Recipient has established the PCU in a manner and with composition, functions, and resources satisfactory to the Association, including a Program coordinator, a monitoring and evaluation specialist, a procurement specialist, a financial management specialist, an environmental safeguards specialist, a social safeguards specialist, and an internal controller.
 - (c) The Recipient has opened the account referred to in Section 2.02 of this Agreement.
 - (d) The Subsidiary Agreement has been executed on behalf of the Recipient and the Program Implementing Entity.
 - (e) The Program Implementing Entity has established the PSU in a manner and with composition, functions, and resources satisfactory to the Association, including a unit coordinator, a monitoring and evaluation specialist, a procurement specialist, a financial management specialist, an environmental safeguards specialist, and a social safeguards specialist.
 - (f) The Recipient and the Program Implementing Entity have adopted the Program Operations Manual for their respective Parts in form and substance satisfactory to the Association.
- 4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the Signature Date.

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

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its Minister responsible for Economy, Finance and Development.

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

- (a) the Recipient's address is:

Ministry of Economy, Finance and Development
03 BP 7050
Ouagadougou 03
Burkina Faso; and

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

Facsimile:	E-mail:
226-25-31-27-15	cab_mef@yahoo.fr

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

- (a) The Association's address is:

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

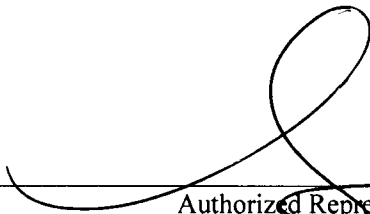
- (b) the Association's Electronic Address is:

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

AGREED as of the Signature Date.

BURKINA FASO

By



Authorized Representative

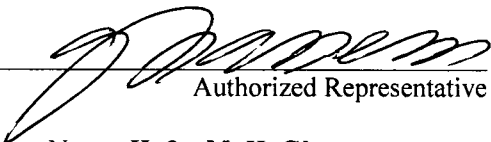
Name: **Hadizatou Rosine Coulibaly Sori**

Title: **Minister of Economy, Finance and Development**

Date: August 21, 2018

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: **Hafez M. H. Ghanem**

Title: **Vice-president Africa Region**

Date: August 21, 2018

SCHEDULE 1

Program Description

The objective of the Program is to improve access to water supply and sanitation services in Targeted Areas.

The Program supports the Specific Objectives of the PN-AEP, PN-AEUE, and PN-GIRE, and consists of the following activities:

:

Part 1: Improved Access to Water Supply

- (a) Incentivize the development of priority infrastructure to improve urban water supply service delivery in Urban Centers for Part 1 through *inter alia* (i) expansion of access to improved water supply through installation of approximately 81,885 new metered household connections and approximately 333 standposts; (ii) expansion of water production capacity, pumping and storage facilities in Selected Urban Centers for Part 1; (iii) development of water master plans for the city of Ouagadougou for the period following year 2030; and, (iv) development of pre-feasibility studies for Selected Urban Centers for Part 1;
- (b) Incentivize improvements in the operational efficiency of ONEA through, *inter alia*: (i) improving the geographic information system (GIS); (ii) the sectorization of the water supply network of the city of Ouagadougou to identify and reduce water losses; and (iii) strengthening the capacity of its operational and management staff;
- (c) Incentivize ONEA's financial equilibrium through, *inter alia*: (i) adjusting the Existing Urban Water Supply Tariff; (ii) carrying out of urban water supply tariff structure studies and adoption of new water supply tariff structure, and (iii) developing tools and applications to improve customer support and monitor service performance; and
- (d) Support in Selected Rural Communities (i) the installation of approximately 1,100 boreholes equipped with hand pumps, including approximately 400 in health centers and schools selected in accordance with criteria set out in the POM; (ii) the construction of 90 new water supply systems in locations selected in accordance with criteria set out in the POM; (iii) the rehabilitation of 60 existing water supply systems selected in accordance with criteria set out in the POM; (iv) the development of 10 feasibility studies for clustered water supply systems, (v) the adoption by the Recipient of a new rural water tariff; and (vi) scale-

up the DISE to the regions of Hauts-Bassins, Boucle du Mouhoun, Cascades, and Southwest.

Part 2: Improved Access to Sanitation

- (a) Support in Urban Centers for Part 2 (i) the construction of approximately 42,500 new household latrines (ventilated improved pit or flush toilet types only) and rehabilitation of 42,500 household latrines; (ii) the construction of approximately 1,050 new sanitation cabins with male, female, and handicapped compartments, provided with water and permanent hand-washing facilities, at schools, health centers and public places selected in accordance with criteria set out in the POM; (iii) the development of sanitation plans in eight Selected Urban Centers for Part 2; (iv) implementation of awareness and behavioral change campaigns aiming at improving hygiene practices and promoting the use of latrines; and (v) development of a fecal sludge management strategy; and
- (b) Support in Selected Rural Communities (i) the construction of approximately 50,000 new household latrines (type ventilated improved pit only); (ii) the construction of approximately 10,200 sanitation cabins with male, female, and handicapped compartments, provided with water and permanent hand-washing facilities, to be located at schools, health centers, and public places selected in accordance with criteria set out in the POM; (iii) the implementation of awareness and behavioral change campaigns aiming at improving hygiene practices and promoting the use of latrines; (iv) the development of key research in the sanitation field; and (v) the development of strategies for adequate management and sustainability of public latrines.

Part 3: Improve Access to Reliable Information on Water Resources

- (a) Strengthen the Recipient's surface water knowledge and monitoring network nationwide through, *inter alia* (i) , carrying out a study for and implementing the optimization of the existing hydrometric network, acquiring and installing necessary equipment and software to modernize maximum of 20 hydrometric stations, and equipping and training the staff of the units in charge of data collection at the MEA; and (ii) supporting the optimization of the surface water quality network through undertaking an optimization study and semi-annual sampling campaigns;
- (b) Strengthen the Recipient's groundwater knowledge and monitoring network nationwide through, *inter alia*, (i) undertaking a study for the optimization of the existing piezometric network; (ii) the organization and update of existing data on groundwater resources; (iii) the development of

Productive Boreholes in the hard rock aquifer by undertaking a multicriteria analysis for the identification of 50 favorable zones for productive boreholes and the drilling of 50 Productive Boreholes; and, (iv) the development of a model for the management of aquifers of the western sedimentary basin by undertaking geophysical seismic and electric campaigns, the drilling of 16 deep recognition wells equipped with 14 piezometers, reports on water withdrawals, and calibrated geological and hydrogeological models; and

- (c) Support the operationalization of the SNIEau through, *inter alia*, (i) providing support for the development of the SNIEau web-platform to be used for data dissemination; (ii) preparing a draft decree to institutionalize the SNIEau; (iii) establishing data exchange protocols between SNIEau and its partners, and (iv) publicizing the water data repository.

Part 4: Human Capital Strengthening

- (a) Support (i) the strengthening of the human capital of MEA and municipal technical services of the Recipient selected in accordance with criteria set out in the POM in critical areas of services delivery, with particular emphasis on integrated water resource management through the financing of financing of Beneficiaries' tuition and other related costs to participate in four types of programs: (A) Technical and Training Programs, (B) Specialization Programs, (C) Doctoral Programs, and (D) Short-term Training; and (ii) the integration of individuals having completed the Technical and Training Programs referred to in (A) above into the MEA, or municipal technical services selected in accordance with criteria set out in the POM; and
- (b) Support (i) the strengthening of the human capital of ONEA in critical areas of services delivery, through the financing of financing of Beneficiaries' tuition and other related costs to participate in three types of programs: (A) Technical and Training Programs, (B) Doctoral Programs, and (C) Short-term Training; and (ii) the integration of individuals having completed the Technical and Training Programs referred to in (A) above into ONEA.

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Program Institutions

1. The Recipient shall:

- (a) (i) establish by no later than ninety (90) days after the Effective Date and thereafter maintain the Steering Committee (*Comité de Revue*), chaired by the Secretary General of MEA, and integrated by functionaries of the Recipient's entities participating in the Program, with resources, staffing and terms of reference satisfactory to the Association, for purposes of advising the MEA and the Program Implementing Entity on matters relative to the carrying out of the Program; and (ii) ensure the Steering Committee meets at a minimum two times per year in ordinary sessions - and as needed in extraordinary sessions- for the purposes of (A) reviewing and adopting the Program's implementation plan in conformity with the POM; (B) reviewing and adopting the Program's evaluations; (C) reviewing and adopting the financial reports; the annual activity, budget, and procurement plans; and carries out other advisory functions provided for steering committees of development projects and programs by the Recipient's Decree 2018-0092/PRES/PM/MINEFID of February 15, 2018 on regulation of development projects and programs implemented in Burkina Faso.
- (b) maintain the PCU throughout the implementation of the Program with resources, staffing and terms of reference satisfactory to the Association.
- (c) cause the Program Implementing Entity to carry out its Respective Parts of the Program and coordinate all related Program activities including reporting on the achievements of the Disbursement Linked Indicators (as defined in Section IV of Schedule 2), with MEA, all in accordance with the POM.
- (d) cause the Program Implementing Entity to maintain the PSU throughout the implementation of the Program with resources, staffing and terms of reference satisfactory to the Association. The PSU shall report to the PCU.
- (e) by no later than the date eight (8) months following the Effective Date, recruit, under terms of reference and in a manner satisfactory to the Association, the Independent Verification Agent for purposes of carrying

out the independent verification of all DLIs and achievement of the DLRs, pursuant to the criteria and procedures set out in the POM.

- (f) submit to the Association the corresponding verification reports in a timely manner and in form and substance satisfactory to the Association.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Program Implementing Entity's Respective Parts of the Program, the Recipient shall make part of the proceeds of the Credit available to the Program Implementing Entity under a subsidiary agreement between the Recipient and the Program Implementing Entity, under terms and conditions approved by the Association ("Subsidiary Agreement").
2. The Recipient shall exercise its rights under the Subsidiary 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 Subsidiary Agreement or any of its provisions.

C. Additional Program Implementation Arrangements

1. In the carrying out of its Respective Parts of the Program, the Recipient, through MEA and the PCU shall be supported by:
 - (a) the General Directorate for Water Supply and the General Directorate for Sanitation in the implementation of activities under Parts 1(d) and 2(b), which shall work through the Regional Directorates for Water and Sanitation to implement Program activities related to rural water supply and sanitation, in particular to ensure data collection for the verification of results;
 - (b) the Permanent Secretariat for Integrated Water Resource Management in the implementation of activities under Part 3, working in close collaboration with the General Directorate for Water Resources; and
 - (c) the Human Resources Directorate in the implementation of activities under Part 4(a).
2. The Recipient shall cause the Program Implementing Entity to carry out its Respective Parts of the Program through the PSU, with the support of:
 - (a) the Ouagadougou Works Department in the implementation of the water supply-related activities in Part 1 related to the city of Ouagadougou;

- (b) the Department of Planning and Investment in the implementation of the urban water supply-related activities under Part 1 that are not related to the water supply to the city of Ouagadougou;
- (c) the Department of Sanitation in the implementation of activities under Part 2(a); and
- (d) the Human Resources Department implementation of activities under Part 4(b).

D. Program Action Plan and Program Operations Manual

1. The Recipient shall and shall cause the Program Implementing Entity to carry out the Program Action Plan in accordance with the schedule set out in the said Program Action Plan and in a manner satisfactory to the Association.
2. The Recipient shall and shall cause the Program Implementing Entity to carry out the Program, in accordance with the provisions of a manual satisfactory to the Association (“Program Operations Manual” or “POM”), which shall include, *inter alia*, the following:
 - (a) the Program Action Plan and pertinent schedule of actions;
 - (b) the Program implementation arrangements, procurement procedures, and financial management procedures;
 - (c) the arrangements for monitoring, evaluation, administration and reporting of Program implementation, including all relevant protocols and procedures for the verification of DLI achievement;
 - (d) the operating procedures and functions of the Steering Committee;
 - (e) protocols for interaction between the PCU and PSU, including resolution of any controversies; and
 - (f) a technical manual for environmental and social management of the Program.
3. The Recipient shall not, and shall ensure the Project Implementing Entity does not, amend any provision of the POM without the prior agreement of the Association.
4. In case of any conflict between the terms of the Program Operations Manual and those of this Agreement, the terms 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, including but not limited to schemes that involve construction or rehabilitation of dams that are greater or equal to 10 m in height, sludge treatment plans, extensions of the sewerage system, groundwater-based schemes in overexploited and critical basins that do not integrate source sustainability measures, undertaking of any activity that uses asbestos, and undertaking of any activity involving major land acquisition; or
- B. involve the procurement of: (1) works, estimated to cost US\$75,000,000 equivalent or more per contract; (2) goods, estimated to cost US\$50,000,000 equivalent or more per contract; (3) non-consulting services, estimated to cost US\$50,000,000 equivalent or more per contract; or (4) consulting services, estimated to cost US\$20,000,000 equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Program Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section IV. Withdrawal of Credit 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 Credit to (a) pay the Front-end Fee; and (b) finance Program Expenditures, on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Recipient or the Program Implementing Entity, 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 Credit (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 Credit to each Category:

Category (including Disbursement Linked Indicator as applicable)	Disbursement Linked Result (as applicable)	Amount of the Credit Allocated (expressed in EUR)	Disbursement Linked Result Scalability Formula (as applicable)
<p>(1) DLI #1: People provided with access to an improved water source under the Program</p> <p>DLI#1.1. People provided with access to an improved water source in Targeted Urban Areas</p>	<p>DLR#1.1.1: Total number of People for Program Year 1: 123,500 EUR 7,930,820</p> <p>DLR#1.1.2: Total number of People for Program Year 2: 166,000 EUR 10,660,050</p> <p>DLR#1.1.3: Total number of People for Program Year 3: 181,000 EUR 11,623,307</p>	<p>DLR#1: 74,401,686</p>	<p>DLR#1 Scalable. EUR 64.23 per each individual physical person up total of 1,158,595 People.</p>

<p>DLI#1.2. People provided with access to an improved water source in Targeted Rural Areas</p>	<p>DLR#1.1.4: Total number of People for Program Year 4: 139,200 EUR 8,939,029</p> <p>DLR#1.1.5: Total number of People for Program Year 5: 16,695 EUR 1,072,106</p> <p>DLR#1.2.1: Total number of People for Program Year 1: 161,420 EUR 10,365,935</p> <p>DLR#1.2.2: Total number of People for Program Year 2: 251,040 EUR 16,121,077</p> <p>DLR#1.2.3: Total number of People for Program Year 3: 119,740 EUR 7,689,363</p>		
<p>(2) DLI #2: Water production capacity constructed under the Program</p>	<p>DLR#2.1:</p>	<p>DLR#2: 0</p>	<p>DLR#2: Scalable. SDR 0 per m3/day in each</p>

	<p>Increased water production capacity in cubic meters per day (m3/day) added in Program Year 1: 1,680 SDR 0</p> <p>DLR#2.2: Increased water production capacity in cubic meters per day (m3/day) added in Program Year 2: 1,864 SDR 0</p> <p>DLR#2.3: Increased water production capacity in cubic meters per day (m3/day) added in Program Year 3: 14,000 SDR 0</p>		<p>Program Year up to 17,544m3/day</p>
<p>(3) DLI #3 Adoption of water supply tariff structures</p>	<p>DLR#3.1: Rural water supply tariff structure adopted by the Recipient: EUR 2,480,057</p> <p>DLR#3.2 Existing Urban Water Supply Tariff adjusted: EUR 1,653,371</p> <p>DLR#3.3:</p>	<p>DLR#3: EUR 12,400,282</p>	<p>Not scalable</p>

	<p>New urban water tariff study completed: EUR 2,480,056</p> <p>DLR#3.4: Proposed new urban water tariff structure validated/publicly consulted: EUR 2,480,056</p> <p>DLR#3.5: New urban water tariff structure adopted by Recipient: EUR 3,306,742</p>		
<p>(4) DLI #4 People provided with access to improved sanitation facilities under the Program</p> <p>DLI#4.1 People provided with access to improved sanitation facilities in Targeted Urban Areas</p>	<p>DLR#4.1.1: Total number of People for Program Year 1: 150,000 EUR 6,429,776</p> <p>DLR#4.1.2: Total number of People for Program Year 2: 200,000 EUR 8,573,033</p>	<p>DLR#4: 57,867,978</p>	<p>DLR#4: Scalable. EUR 42.90 per each individual physical person up to 1,350,000 People</p>

<p>DLI#4.2 People provided with access to improved sanitation facilities in Targeted Rural Areas</p>	<p>DLR#4.1.3: Total number of People for Program Year 3: 200,000 EUR 8,573,033</p> <p>DLR#4.1.4: Total number of People for Program Year 4: 200,000 EUR 8,573,033</p> <p>DLR#4.1.5: Total number of people for Program Year 5: 100,000 EUR 4,286,517</p> <p>DLR#4.2.1: Total number of People for Program Year 2: 150,000 EUR 6,429,776</p> <p>DLR#4.2.2: Total number of People for Program Year 3: 150,000 EUR 6,429,776</p>		
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	<p>DLR#4.2.3: Total number of People for Program Year 4: 150,000 EUR 6,429,776</p> <p>DLR#4.2.4: Total number of People for Program Year 5: 50,000 EUR 2,143,259</p>		
<p>(5) DLI #5 Number of new sanitation cabins in schools, health centers, and public places built under the Program and equipped with handwashing facilities</p> <p>DLI#5.1 Number of new sanitation cabins in schools, health centers, and public places built under the Program and equipped with handwashing facilities in Targeted Urban Areas</p>	<p>DLR#5.1.1: Total number of new sanitation cabins for Program Year 1: 150 SDR 0</p> <p>DLR#5.1.2: Total number of new sanitation cabins for Program Year 2: 300 SDR 0</p>	<p>DLR#5: 0</p>	<p>DLR#5.1: Scalable. SDR 0 per each new sanitation cabin up to 1,050.</p>

<p>DLI#5.2 Number of new sanitation cabins in schools, health centers, and public places built under the Program and equipped with handwashing facilities in Targeted Rural Areas</p>	<p>DLR#5.1.3: Total number of new sanitation cabins for Program Year 3: 300 SDR 0</p> <p>DLR#5.1.4: Total number of new sanitation cabins for Program Year 4: 300 SDR 0</p> <p>DLR#5.2.1: Total number of new sanitation cabins for Program Year 2: 1,700 SDR 0</p> <p>DLR#5.2.2: Total number of new sanitation cabins for Program Year 3: 3,800 SDR 0</p> <p>DLR#5.2.3: Total number of new sanitation cabins for Program Year 4: 3,200 SDR 0</p>		<p>DLR#5.2: Scalable. SDR 0 per each new sanitation cabin up to 10,200</p>
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<p>DLI#5.3 Percentage of sanitation cabins in schools, health centers, and public places built under the Program and equipped with handwashing facilities that are operational and properly maintained</p>	<p>DLR#5.2.4: Total number of new sanitation cabins for Program Year 5: 1,500 SDR 0</p> <p>DLR.#5.3.1: equal or greater than 70% by end of Program Year 2 SDR 0</p> <p>DLR.#5.3.2: equal or greater than 70% by end of Program Year 3 SDR 0</p> <p>DLR.#5.3.3: equal or greater than 80% by end of Program Year 4 SDR 0</p> <p>DLR.#5.3.4: equal or greater than 80% by end of Program Year 5 SDR 0</p>		<p>DLR#5.3: Not Scalable</p>
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<p>(6) DLI #6 A decision -support model for the management of the aquifers is available</p> <p>DLI #6.1 A model for the management of aquifers of the western sedimentary basin is available.</p>	<p>DLR#6.1.1: One geophysical seismic and electric campaign completed until end of Program Year 1: EUR 2,095,364</p> <p>DLR#6.1.2: Two geophysical seismic and electric campaigns completed and 6 Deep Recognition Wells with piezometers drilled until end of Program Year 2: EUR 3,100,070</p> <p>DLR#6.1.3: 10 Deep Recognition Wells with 8 piezometers drilled and report on water withdrawals completed until end of Program Year 3: EUR 5,166,784</p> <p>DLR#6.1.4: Reports on aquifer geometry, lithology and aquifer characteristics and a calibrated geological model completed until end of Program Year 4: EUR 5,166,784</p> <p>DLR#6.1.5: A calibrated hydrogeological model completed and hydrogeological</p>	<p>DLR#6: 28,962,639</p>	<p>Not Scalable</p>
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<p>DLI#6.2: Number of Productive Boreholes in the hard rock aquifer drilled</p>	<p>maps of the aquifer updated until end of Program Year 5: EUR 5,166,784</p> <p>DLR#6.2.1: 25 Productive Boreholes drilled until end of Program Year 2: EUR 4,133,427</p> <p>DLR#6.2.2: 25 Productive Boreholes drilled until end of Program Year 3: EUR 4,133,427</p>		
<p>(7) DLI#7 Improved human capital for water, sanitation, and water resources management</p> <p>DLI#7.1: Number of Beneficiaries of Technical and Training Programs financed by the Program.</p>	<p>DLR#7.1.1: Total number of Beneficiaries for Program Year 1: 137 EUR 4,696,075</p> <p>DLR#7.1.2: Total number of Beneficiaries for Program Year 2: 108 EUR 3,702,015</p> <p>DLR#7.1.3: Total number of Beneficiaries for Program Year 3: 35 EUR 1,199,727</p>	<p>DLR#7: 32,550,737</p>	<p>DLR#7: Scalable as follows:</p> <p>DLR#7.1: EUR 34,278 per Beneficiary</p>

<p>DLI#7.2: Number of Beneficiaries of Specialization Programs financed by the Program.</p>	<p>DLR#7.2.1: Total number of Beneficiaries for Program Year 1: 20 EUR 1,901,376</p> <p>DLR#7.2.2: Total number of Beneficiaries for Program Year 2: 7 EUR 665,482</p> <p>DLR#7.2.3: Total number of Beneficiaries for Program Year 3: 7 EUR 665,482</p>		<p>DLR#7.2: EUR 95,069</p>
<p>DLI#7.3: Number of Beneficiaries of Doctoral Programs financed by the Program.</p>	<p>DLR#7.3.1: Total number of Beneficiaries for Program Year 1: 1 EUR 538,724</p> <p>DLR#7.3.2: Total number of Beneficiaries for Program Year 2: 2 EUR 1,077,447</p>		<p>DLR#7.3: EUR 538,724 per Beneficiary</p>
<p>DLI#7.4: Number of Beneficiaries of Short-term Training financed by the Program.</p>	<p>DLR#7.4.1: Total number of Beneficiaries for Program Year 1: 453 EUR 1,937,009</p>		<p>DLR#7.4: EUR 4,276 per Beneficiary</p>

<p>DLI#7.5: Number of Beneficiaries of Technical and Training Programs financed by the Program integrated into the Public Administration.</p>	<p>DLR#7.4.2: Total number of Beneficiaries for Program Year 2: 406 EUR 1,736,039</p> <p>DLR#7.4.3: Total number of Beneficiaries for Program Year 3: 250 EUR 1,068,989</p> <p>DLR#7.4.4: Total number of Beneficiaries for Program Year 4: 225 EUR 962,091</p> <p>DLR#7.5.1: Total number of Beneficiaries for Program Year 3: 82 EUR 6,067,281</p> <p>DLR#7.5.2: Total number of Beneficiaries for Program Year 4: 65 EUR 4,782,965</p> <p>DLR#7.5.3: Total number of Beneficiaries for Program Year 5: 21 EUR 1,550,035</p>		<p>DLR#7.5: EUR 73,811 per Beneficiary</p>
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(8) Front-end Fee to be paid pursuant to Section 2.03 of this Agreement in accordance with Section 3.08 (b) of the General Conditions		516,678	
TOTAL AMOUNT		206,700,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for purposes of Section 2.05 of the General Conditions, for payments for Program Expenditures made prior to the date of this Agreement and
 - (b) for any DLR under Categories (1) through (7), until and unless the Recipient has furnished evidence satisfactory to the Association that said DLR has been achieved.
2. Notwithstanding the provisions of Part B.1(b) of this Section, the Recipient may withdraw: an amount not to exceed EUR 53,700,000 as an advance under Categories (1), (3), (4), (6), and (7), provided, however, in each case, that if the DLRs for said Categories, in the opinion of the Association, are not achieved or only partially achieved by the date by which the said DLR is set to be achieved, the Recipient shall refund such advance (or portion of such advance as determined by the Association in accordance with the provisions of paragraph (3) 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 the Association is not satisfied that any of the DLRs under Categories (1) through (7) has been achieved by the date by which the said DLR is set to be achieved, the Association may, at any time, by notice to the Recipient, decide, in its sole discretion, to: (a) in respect of Categories (1), (2), (4), (5 in respect of the Scalable portions only), and (7), authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Loan 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 in accordance with the formula set out in the column "Disbursement Linked Result Scalability Formula" of the table under Section IV.A.2 of this Schedule 2; or (b) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR to any other DLR ; or (c) cancel all or a portion of the proceeds of the Loan then allocated to said DLR.
4. The Closing Date is December 31, 2023.

SCHEDULE 3

Disbursement-Linked Amortization Repayment Schedule – Level Repayment

1. Subject to the provisions of Section 3.10 of the General Conditions, the Recipient shall repay each Disbursed Amount in semiannual installments payable on each April 15 and October 15, the first installment to be payable on the fifteenth (15th) Payment Date following the Maturity Fixing Date for the Disbursed Amount and the last installment to be payable on the -forty-eighth (48th) Payment Date following the Maturity Fixing Date for the Disbursed Amount. Each installment except for the last one shall be equal to one-thirty fourth ($1/34$) of the Disbursed Amount. The last installment shall be equal to the remaining outstanding amount of the Disbursed Amount.
2. If any one or more installments of principal of the Disbursed Amount would, pursuant to the provisions of paragraph 1 of this Schedule, be payable after April 15, 2048, the Recipient shall also pay on such date the aggregate amount of all such installments.
3. The Association shall notify the Recipient of the amortization schedule for each Disbursed Amount promptly after the Maturity Fixing Date for the Disbursed Amount.

APPENDIX

Definitions

1. “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.
2. “Beneficiary” means, in respect of Part 4 of the Program and DLI#7, an individual physical person benefitting from a scholarship to receive training or formal education under a program under Part 4 of the Program, namely, Technical and Training Programs, Specialization Programs, Doctoral Programs, or Short-term Training.
3. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
4. “Deep Recognition Well” means a well that is used to observe changes in groundwater levels over a period, which for the purpose of the Program should be of 500 meters, 1000 meters or 2,000 meters deep.
5. “Department of Planning and Investment” means ONEA’s *Direction de la Planification et des Investissements (DPI)*, the department in charge of urban water supply investment in ONEA’s centers different from Ouagadougou, or any successor thereto satisfactory to the Association.
6. “Department of Sanitation” means ONEA’s *Direction de l’Assainissement (DASS)*, the department in charge of sewerage, on-site sanitation, wastewater treatment, and sludge treatment investments in ONEA’s centers, or any successor thereto satisfactory to the Association.
7. “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.
8. “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.
9. “DISE” means *Dispositif Intégré de Suivi Evaluation*, the Recipient’s integrated monitoring and evaluation system covering, *inter alia*, water supply and sanitation-related information.

10. “Doctoral Programs” means postgraduate doctoral programs 4 years in length, delivered by accredited universities in areas of integrated water resources management, and sanitation.
11. “Existing Urban Supply Tariff” means the water tariff adopted by the Recipient’s Council of Ministers, through Decree 2014-616/PRES/PM/MEAHA, dated July 24, 2014.
12. “Financing Agreement for the Grant” means the financing agreement for the Program between the Recipient and the Association (Grant Number D330-BF), dated the same date as this Agreement, as such financing agreement may be amended from time to time. “Financing Agreement for the Grant” includes all appendices, schedules and agreements supplemental to the Financing Agreement for the Grant.
13. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Program-for-Results Financing”, dated July 14, 2017.
14. “General Directorate for Sanitation” means the Recipient’s *Direction Générale de l’Assainissement, (DGA)*, within MEA, in charge of sewerage, on-site sanitation, wastewater treatment, and sludge treatment investments in rural areas of the Recipient’s territory or any successor thereto satisfactory to the Association.
15. “General Directorate for Water Resources” means the Recipient’s *Direction Générale des Ressources en Eau, (DGRE)*, within MEA, in charge of water supply investment in rural areas of the Recipient’s territory, or any successor thereto acceptable to the Association.
16. “General Directorate for Water Supply” means the Recipient’s *Direction Générale de l’Eau potable (DGEP)*, within MEA, or any successor thereto satisfactory to the Association.
17. “Human Resources Directorate” means the Recipient’s *Direction des Ressources Humaines, (DRH)*, within MEA, in charge of managing MEA’s human resources, or any successor thereto satisfactory to the Association.
18. “Human Resources Department” means ONEA’s department in charge of managing ONEA’s human resources, or any successor thereto satisfactory to the Association.
19. “Independent Verification Agent” means an independent entity to be engaged by the Recipient for the purposes of certifying the achievement of the DLIs as referred to in Section I.A. of Schedule 2 to this Agreement.

20. “National Program for Integrated Water Resource Management (PN-GIRE)” means *Programme National pour la Gestion Intégrée des Ressources en Eau*, the Recipient’s program for integrated water resources management, adopted by Arrêté 2016/MEA/CAB, of June 9, 2016.
21. “National Sanitation and Sewerage Program (PN-AEUE)” means *Programme National d’Assainissement des Eaux Usées et Excréta*, the Recipient’s program for sanitation and sewage, adopted by Arrête 2017-041/MEA/CAB, dated March 28, 2017.
22. “National Water Supply Program (PN-AEP)” means *Programme National d’Approvisionnement en Eau Potable*, the Recipient’s program for water supply, adopted by Arrêté 2016-15/MEA/CAB, dated May 31, 2016
23. “ONEA” means *Office National de l’Eau et de l’Assainissement*, the National Office for Urban Water Supply and Sanitation, an autonomous publicly owned utility of the Recipient, established and operating pursuant to Decree 85-387/CNR/PRES dated July 22, 1985, and Decree 94-391/PRES/MICM/EAU dated November 2, 1994 on the transformation of ONEA into a state owned enterprise.
24. “Ouagadougou Works Department” means ONEA’s *Direction Projet AEP Ouaga, (DPAEP)*, in charge of urban water supply investment in ONEA’s Ouagadougou center, or any successor thereto satisfactory to the Association.
25. “PCU” means the Recipient’s Program coordination unit, within MEA, responsible for the coordination and day-to-day management of the Program activities, monitoring results, generating performance and financial reports on Program implementation, and for providing relevant information to the Independent Verification Agent for the verification of DLI and DLR achievement.
26. “People” means, for purposes of calculation of the results and disbursements under DLIs 1 and 4 under Section IV of Schedule 2 to this Agreement, one or more individual physical persons.
27. “Permanent Secretariat for Integrated Water Resource Management” means the Recipient’s *Secrétariat Permanent de la Gestion Intégrée des Ressources en Eau, (SP-GIRE)*, within MEA, in charge of water resources management, or any successor thereto acceptable to the Association.
28. “Productive Boreholes” means a water borehole with a yield above the minimum yield set forth in the POM.
29. “Program Action Plan” means the Recipient’s plan dated May 02, 2018 and referred to in Section I.D of Schedule 2 to this Agreement, and included in the POM, as may be amended from time to time with the agreement of the Association.

30. "Program Implementing Entity" means ONEA.
31. "Program Operations Manual" means the manual referred to in Section I.D.2. of Schedule 2 to this Agreement.
32. "Program Year" means, the period of twelve calendar months ending in December in each year, beginning in December of the year following the year of the Signature Date
33. "PSU" means the Program support unit within ONEA in charge of supporting the implementation of the Program Implementing Entity's Respective Parts of the Program.
34. "Regional Directorates for Water and Sanitation" means the Recipient's *Direction Régionale de l'Eau et de l'Assainissement*, (*DREAs*), within MEA, in charge of carrying out MEA's mission at the regional administrative level, or any successor thereto satisfactory to the Association.
35. "Selected Rural Community" means a rural community within a Targeted Rural Area selected to participate in Part 1(d) or 2(b) of the Program in accordance with criteria set forth in the POM, including : (a) availability of water sources allowing people in the community access to improved water supply; (b) completion of sanitation, hygiene and behavioral change campaigns; (c) commitment of the municipal authority towards latrine campaigns and reduction of open defecation; and, (d) level of commitment of the households in the community to build the superstructure of the latrines with their own resources.
36. "Selected Urban Centers for Part 1" means certain Urban Centers for Part 1 selected to participate in Part 1(a)(ii) or Part 1(a)(iv), or both, of the Program, in accordance with criteria set out in the POM, and listed in the POM.
37. "Selected Urban Centers for Part 2" means certain Urban Centers for Part 2 selected to participate in Part 2(a)(iii) of the Program, in accordance with criteria set out in the POM, and listed in the POM
38. "Short-term Training" means technical programs of less than one month in length, delivered largely by ONEA's Center of Water Resources (or by an entity selected in accordance with criteria set forth in the POM) to personnel of MEA, ONEA, and municipal technical services of the Recipient in areas such as integrated water resource management, rural water and sanitation, urban water and sanitation, and management and finance
39. "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.

40. “SNIEau” means National Water Information System (*Système National d'information sur l'Eau*), the Recipient's system for the storage and retrieval of water related data.
41. “Specialization Programs” means postgraduate professional master degree programs between 9 months and 2 years in length, delivered by accredited universities in areas of water resource management, including, *inter alia*, hydrogeological modeling; flood forecasting; water chemistry and quality standards; geological modeling; information systems; and biology, ecology, and aquatic ecosystems management.
42. “Specific Objectives of the PN-AEP, PN-AEUE, and PN-GIRE” means, in respect of (i) PN-AEP, the specific objectives set forth in Table 16 of Section 3.6.; (ii) PN-AEUE, the specific objectives set forth in its Section 2.1.2; and (iii) PN-GIRE, the specific objectives No. 5 and 6 set forth in Table 3 of Section 6.
43. “SP-GIRE” means *Secretariat Permanent de la Gestion Intégrée des Ressources en Eau*, the Recipient's Permanent Secretariat for Integrated Water Resource Management, under the MEA.
44. “Steering Committee” means the committee referred to in Section I.A.(1)(a) of Schedule 2 to this Agreement.
45. “Targeted Areas” means the Targeted Urban Areas and the Targeted Rural Areas.
46. “Targeted Rural Area” means a municipality in any of the Recipient's regions of Hauts-Bassins, Boucle du Mouhoun, Cascades, and Southwest, selected to participate in the Program and listed in the POM.
47. “Targeted Urban Areas” means the totality of the urban centers comprising Urban Centers for Part 1 and Urban Centers for Part 2
48. “Technical and Training Programs” means programs between 2 to 3 years in length, delivered by academic and training centers in the fields of urban and rural water and sanitation and integrated water resources management.
49. “Urban Centers for Part 1” means the Recipient's urban centers of Ouagadougou, Kaya, Korsimoro, Boussouma, Yako, Gourcy, Boussé, Gomboussougou, Mogtédo, Béguédo, and Tiébélé, and such list may be revised from time to time with the written approval of the Association, and -if revised- included in the POM.
50. “Urban Centers for Part 2” means the Recipient's urban centers of Ouagadougou, Kaya, Korsimoro, Boussouma, Yako, Gourcy, Boussé, Gomboussougou, Mogtédo, Béguédo, Tiébélé, Dédougou, Nouna, and Bobo-Dioulasso, and such list may be revised from time to time with the written approval of the Association, and -if revised- included in the POM.