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CREDIT NUMBER 4070-CM

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# **Agreement Providing for Amendment and Restatement of the Development Credit Agreement**

(Education Development Capacity Building Project)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 9, 2010



# **CREDIT NUMBER 4070-CM**

## **AGREEMENT PROVIDING FOR AMENDMENT AND RESTATEMENT OF THE DEVELOPMENT CREDIT AGREEMENT**

AGREEMENT dated June 9, 2010 between REPUBLIC OF CAMEROON (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) (the Agreement providing for the Amendment and Restatement the Development Credit Agreement).

WHEREAS the Recipient and the Association have agreed to amend and restate the Development Credit Agreement (the “DCA”) dated August 1, 2005 between the Recipient and the Association, in the manner hereinafter set forth.

NOW, THEREFORE, the parties hereto agree as follows:

### **ARTICLE I**

Section 1.01. As of, and with effect from, the effective date of this Agreement pursuant to Section 1.02 hereof, the DCA shall be (and is hereby) amended and restated in the form set out in the Annex hereto.

Section 1.02. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto (the “Restructuring Date”).

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in Yaoundé, Republic of Cameroon, as of the day and year first above written.

REPUBLIC OF CAMEROON

By //s// Louis Paul Motaze

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By //s// Mary A. Barton-Dock

Authorized Representative

**ANNEX**  
**To Agreement providing for Amendment and Restatement of the**  
**Development Credit Agreement**

**CREDIT NUMBER 4070-CM**

# **Development Credit Agreement**

**(Education Development Capacity Building Project)**

**between**

**REPUBLIC OF CAMEROON**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**Dated August 1, 2005**

**CREDIT NUMBER 4070-CM**

**DEVELOPMENT CREDIT AGREEMENT**

AGREEMENT dated August 1, 2005, 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) constitute an integral 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, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to twelve million one hundred Special Drawing Rights (SDR 12,100,000). (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 IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are February 1 and August 1 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 the currency of the French Republic.

### ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions. The Recipient shall in particular, for the purpose of the Project: (i) provide facilities for Global Development Learning Network (GDLN), ICRD, IITC and the PCU; (ii) mobilize MINEDUB and MINESEC expertise at the central, provincial and department levels to implement the activities under Parts A, B and C of the Project; and (iii) undertake surveys on the performance indicators under Schedule 2 of this Agreement.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.
- 3.03. Without limitation to its obligations under Section 3.01 of this Agreement, the Recipient shall, for the purposes of the Project:
  - (a) open and thereafter maintain, for the duration of the Project, an account in CFA Francs (the Project Account) in a commercial bank on terms and conditions satisfactory to the Association;
  - (b) deposit into the Project Account an initial contribution of CFA Francs 30,000,000;
  - (c) thereafter deposit in the Project Account, at the end of each calendar quarter, until the completion of the Project, such amounts as shall be required to timely replenish the Project Account back to the amount of CFA Francs 60,000,000, or whenever the balance of the Project Account shall be less than CFA Francs 30,000,000; and
  - (d) ensure that amounts deposited into the Project Account shall be used exclusively to make payments to meet expenditures made or to be made in respect of the reasonable cost of goods, works and services for the Project in addition of those financed from the proceeds of the Credit.
- 3.04. The Recipient shall, within six months of the Effective Date, adopt a regulation for the establishment of DC satisfactory to the Association.
- 3.05. The Recipient shall, within twelve months of the Effective Date, legally establish the GDLN Center in a form satisfactory to the Association.

#### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Event of Suspension consists of the following, namely, that the Project Implementation *Arrêté* or any text governing the operations of SC, PCU, TSCCM, Operational Monitoring Units, MINEDUB, MINESEC, MINESUP, Governance Committee, GIS and any other entity involved in Project implementation, shall have been amended, suspended, abrogated, repealed or waived so to materially and adversely affect the implementation of the Project.
- 4.02. The Additional Event of Acceleration consists of the following, namely, that any event specified in Section 4.01 of this Agreement shall occur and shall continue for a period of 60 days after notice thereof shall have been given by the Association to the Recipient.

#### **ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) the Project Account has been opened and the initial contribution referred to in Section 3.03 (b) of this Agreement has been deposited therein;
  - (b) the Recipient has established an accounting and financial management system for the Project satisfactory to the Association and adopted a Project Administrative, Financial and Accounting Manual (PAFAM) satisfactory to the Association; and
  - (c) the Recipient has employed the independent auditors referred to in Schedule 2 of this Agreement, in accordance with the provisions of Section III of Schedule 2 to this Agreement.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.



**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

6.01. The Recipient's Representative is the Minister of the Recipient responsible for economy and finance.

6.02. The Recipient's Address is:

Ministry of Economy and Finance  
Yaoundé  
Republic of Cameroon

Cable address:

Telex:

Facsimile:

237 223 37 17

6.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS  
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at in the District of Columbia, United States of America, as of the day and year first above written.

REPUBLIC OF CAMEROON

By: /s/ Jérôme Mendouga  
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: /s/ Ali M. Khadr  
Authorized Representative

## **SCHEDULE 1 Project Description**

As of the Restructuring Date, the objective of the Project is to develop and apply management and learning tools for use by the Recipient and communities of the Recipient to improve the efficiency and accountability of the Cameroon education sector.

As of the Restructuring Date, the Project consists of the following parts, subject to such modifications thereof as the Recipient and the Association may agree upon from time to time to achieve such objectives:

### **Part A: Develop and update the strategic vision for the education sector**

Create capacity for continuous development of Cameroon's Education Sector Strategy by supporting knowledge exchange, the production of relevant studies and the establishment of the GDLN and ICRD, all through the carrying out of Training programs and the provision of studies, goods and services.

### **Part B: Strengthening the education information system and planning capacity**

Improve management of the education system at all levels by reinforcing the information systems and planning capacity for the production of timely and accurate statistical data and the production of sector action plans, through the development of management information systems that improve the collection, compilation, analysis and dissemination of statistics to support the decision making and accountability of each level of the education system.

### **Part C: Reinforcing sector monitoring**

(i) Reinforce sector norms, (ii) improve capacity to monitor compliance with norms and regulations, and (iii) improve education resource management at the primary and secondary levels, through activities that reinforce the capacity to evaluate management reforms and support the development of tools and instruments to improve the implementation of the new private education law.

### **Part D: Improving public participation**

Improve public participation to support and monitor education reforms, through public awareness campaigns and governance workshops and the implementation through the Technical Support Agency of School-projects in the EPZ regions with beneficiary participation.

### **Part E: Project Management**

Assistance to Project management by the PCU through the acquisition of vehicles and provision of Operating Costs.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Project Implementation

1. SC

(a) The Recipient shall maintain the SC in form and with functions and resources satisfactory to the Association.

(b) The SC shall be responsible for Project oversight.

(c) The SC shall be chaired by the Minister of Basic Education with the Minister of Secondary Education and Minister of Higher Education as co-chairs, and shall include representatives of the Presidency, the Prime Minister's office, the Ministry of Economy and Finance and the Ministry of Planning.

2. TSSCM

(a) The Recipient shall maintain the SC in form and with functions and resources satisfactory to the Association.

(b) TSSCM is established within SC and shall ensure project supervision and technical coordination of project activities.

3. PCU

(a) The Recipient shall maintain within the MINEDUB the PCU, in a form and with functions and resources satisfactory to the Association, and with the following staff with qualifications and experience acceptable to the Association: a project coordinator, a technical coordinator, a financial management specialist, an accountant and a procurement specialist.

(b) The PCU shall be responsible for technical coordination, operational and environmental monitoring of Project activities and management of implementation, procurement, financial and environmental management of Project operations including supervising the implementation of Subprojects.

(c) The PCU shall maintain a financial and accounting system, satisfactory to the Association, for the Project.

4. Operational Monitoring Unit

(a) The Recipient shall maintain an Operational Monitoring Unit in each of three participating ministries, namely MINEDUB, MINESEC and MINESUP, in a form and with functions and resources satisfactory to the Association.

(b) Each of the three Operational Monitoring Units shall be chaired by the relevant ministry's permanent secretary and shall include representatives of the technical departments involved in Project implementation.

(c) The Operational Monitoring Units shall be responsible for technical implementation of the Project including, preparation of action plans, terms of reference and technical specifications for equipments.

**B. Delegated Management Contract**

1. The Recipient shall implement School-projects under Part D of the Project through a Technical Support Agency recruited pursuant to terms of reference satisfactory to the Association, and in accordance with the provisions of Schedule 2, Section III of this Agreement under contracts in form and substance satisfactory to the Association, describing *inter alia* the functions to be undertaken by such contractor, setting forth dated objectives to be attained and performance indicators, and requiring the service provider to comply with disbursement, financial management, procurement requirements and environmental and social safeguards, all in accordance with the PAFAM, this Agreement, the EMP and any additional instruments to be required to be adopted and implemented pursuant to the terms of the EMP.

**C. Reports and Mid-Term Review**

1. The Recipient shall:

(a) maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with the indicators set forth in Schedule 2 to this Agreement, the carrying out of the Project and the achievement of the objectives thereof;

(b) prepare, under terms of reference satisfactory to the Association, and furnish to the Association, on or about October 31 of each year of Project implementation, a report integrating the results of the monitoring and evaluation activities performed pursuant to paragraph (a) of this Section, and including community, School Council and Technical Support Agency feedback reports and Subproject completion reports on the progress achieved in the carrying out of the Project during the period preceding the date of said report and setting out the measures recommended to ensure the

efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date;

(c) review with the Association, by November 30, or such later date as the Association shall request, the report referred to in paragraph (b) of this Section, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Association's views on the matter; and

(d) comply with auditing and reporting obligations provided for under the EMP.

## 2. Midterm Review

(a) On or about twelve months after the date of the Agreement Providing for the Amendment and Restatement of the Development Credit Agreement, the Recipient shall carry out jointly with the Association, SC, PCU, the technical committees involved in project implementation, a midterm review of the progress made in carrying out the Project (hereinafter referred to as the Midterm Review).

The Midterm Review shall cover, amongst other things:

- (i) progress made in meeting the Project's objective; and
- (ii) overall Project performance against Project performance indicators.

(b) The Recipient shall cause PCU to prepare and, at least four weeks prior to the Midterm Review, furnish to the Association a separate report describing the status of implementation of each component of the Project and a summary report of Project implementation generally.

(c) The Recipient shall, not later than four weeks after the Midterm Review, prepare and submit to the Association an action program, acceptable to the Association, for the further implementation of the Project having regard to the findings of the Midterm Review and, thereafter, implement such action program. The Association shall provide its comments on said report within 15 days from its presentation to the Recipient

## **D. Anti-Corruption**

The Recipient shall ensure that, as of the Restructuring Date, the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

**E. Manuals; Safeguards**

1. The Recipient shall implement the Project, or cause the Project to be implemented, in accordance with the Project Implementation Plans, Project Administrative, Financial and Accounting Manual and the EMP. The Recipient shall not amend, abrogate, repeal, suspend, waive, or otherwise fail to enforce, or permit to be amended, abrogated, repealed, suspended or waived, the Project Implementation Plans, Project Administrative, Financial and Accounting Manual and the EMP or any provision thereof without the prior written approval of the Association. In case of inconsistency between this Agreement, on the one hand, and the Project Implementation Plans, Project Administrative, Financial and Accounting Manual or the EMP, on the other hand, the terms of this Agreement shall prevail.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall collect, compile and furnish to the Association on a quarterly basis reports on the status of compliance with the EMP, giving details of:

- (a) measures taken in furtherance of such instrument;
- (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such instrument; and
- (c) remedial measures taken or required to be taken to address such conditions.

3. The Recipient shall promptly take all remedial measures referred to in paragraph 2 of this Section as shall have been agreed by the Association.

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

**A. Project Reports**

1. (a) The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than one month after the end of the period covered by such report.

- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:

- (i) Preparation of budgets **at the primary, secondary and higher levels of the education system** based on statistical analysis;
  - (ii) Improved efficiency and equity in teacher deployment;
  - (iii) Biennial update of the sector strategy based on analytic work conducted during preceding two years;
  - (iv) Beneficiary participation in school functioning and accountability in 86 selected EPZ schools.
2. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six (6) months after the Closing Date.

**B. Financial Management, Financial Reports and Audits**

- 1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
- 2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than 45 days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
- 3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.



**Section III. Procurement**

**A. General**

**1. Goods and Works**

- (i) Except as provided in paragraph (ii) below, all goods, works and services (other than consultants' services) shall be procured in accordance with the provisions of Section I of the "Guidelines: Procurement under IBRD Loans and IDA Credits" dated May 2004 (the Procurement Guidelines), and with the provisions of this Schedule; and
- (ii) In the case of contracts financed or to be financed in whole or in part, using the proceeds of the Credit and for which the invitation to bid was issued after the Restructuring Date, goods and works shall be procured in accordance with the provisions of "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the Bank in May 2004 and revised in October, 2006 (the 2006 Procurement Guidelines).

**2. Consultants' Services**

- (i) Except as provided in paragraph (ii) below, all consultants' services shall be procured in accordance with Sections I and IV of the "Guidelines: Selection and Employment of Consultants by World Bank Recipients" dated May 2004 (the Consultant Guidelines), and with the provisions of this Schedule.
- (ii) In the case of contracts financed or to be financed in whole or in part, using the proceeds of the Credit and for which the invitation to bid was issued after the Restructuring Date, all consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the "Guidelines: Selection and Employment of Consultants by World Bank Recipients" published by the Bank in May 2004 and revised in October 2006, and with the provisions of this Section (the 2006 Consultant Guidelines).

- 3. Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, Consultant Guidelines, 2006 Procurement Guidelines, or 2006 Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods and Works**

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

<b>Procurement Method</b>
(a) National Competitive Bidding
(b) Limited International Bidding
(c) Shopping
(d) Direct Contracting
(e) Procurement from UN Agencies

**C. Particular Methods of Procurement of Consultants' Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<b>Procurement Method</b>
(a) Quality-based Selection
(b) Selection Under a Fixed Budget
(c) Least-cost Selection
(d) Selection Based on Consultants' Qualifications
(e) Single Source Selection
(f) Individual Consultants

**D. Review by the Association of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

**Section IV. Withdrawal of the Proceeds of the Financing**

**A. General**

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing both prior to and as of the Restructuring Date, (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	<b>Credit Allocated (Expressed in <u>SDR Equivalent</u>) prior to the Restructuring Date</b>	<b>Credit Allocated (Expressed in <u>SDR Equivalent</u>) as of the Restructuring Date</b>	<b>% of Expenditures to be Financed</b>
(1) Works	300,000	70,000	100%
(2) Goods and vehicles	1,800,000	1,614,000	100%
(3) Consultants’ Services	1,317,215	2,815,000	100%
(4) Training, study tours, workshops	4,300,000	3,163,000	100%
(5) School-projects	2,500,000		
(a) Consultant Services under Part D of the Project		450,000	100%
(b) Goods, works under Part D of the Project	-	2,255,000	100%
(6) Operating costs	1,250,000	1,261,000	100%
(7) Refunding of Project Preparation Advance	450,000	450,000	Amount due pursuant to Section 2.02

			(b) of this Agreement
(8) Unallocated	182,785	22,000	
	12,100,000	12,100,000	

3. For the purposes of this Schedule:

(a) the term “Operating Costs” means the incremental expenses incurred by PCU and, on a decreasing base, the GDLN Center on account of Project implementation, management and monitoring, including office supplies, vehicles operation and maintenance, communication costs, rental expenses, utilities expenses, consumables, transport, travel and accommodation, *per diem*, supervision costs and salaries of local support staff, but excluding salaries of officials of the Recipient’s civil service; and

(b) the term “Training” means the expenses incurred on *per diem*, travel, purchase of training materials and rental of facilities, and includes workshops and seminars.

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.
2. The Closing Date is September 1, 2012.

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each February 1 and August 1	
commencing August 1, 2015 to and including February 1, 2025	<b>1%</b>
commencing August 1, 2025 to and including February 1, 2045	<b>2%</b>

\* 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 3.03 (b) of the General Conditions.

## APPENDIX

### Section I. Definitions

1. “2006 Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006.
2. “2006 Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Recipients” published by the Bank in May 2004 and revised in October 2006.
3. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “CFA Francs” or “CFAF” means *Franc de la Coopération Financière en Afrique Centrale*, the currency of the Recipient.
6. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Recipients” published by the Bank in May 2004.
7. “Departmental Committee” or “DC” means each of the Recipient’s Departmental Committee (*Comité Départemental*) to be established by the Recipient composed, *inter alia*, of MINEDUB regional delegate and the primary education inspector, in charge of approving Subprojects (as hereinafter defined).
8. “Environmental Mitigation Plan” or “EMP” means the plan, in form and substance satisfactory to the Association adopted by the Recipient on November 19, 2004, describing measures for the mitigation, reduction and or offset of the environmental and social impacts of activities under the Project, including environmental guidelines for contractors where works are required and environmental guidelines for the carrying out of School-projects.
9. “EPZ” means education priority zones (*Zones d’Education Prioritaire*) established in the following provinces of the Recipient: Adamaoua, North, Far North and East.
10. “GDLN Center” means the center connected to the Global Development Learning Network to be supported under Part A of the Project.

11. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006), with the modifications set forth in Section II of this Appendix.
12. “GIS” means the Recipient’s general services inspection (*Inspection Générale des Services*) of MINEDUB (as hereinafter defined) and MINESEC (as hereinafter defined).
13. “Governance Committee” means the Recipient’s governance committee (*Observatoire de la Gouvernance*) established pursuant to *Arrêté* No. 6466/B1/1464/MINEDUC/CAB dated October 17, 2003 “*portant création du comité de suivi de la mise en oeuvre du programme national de gouvernance au sein du Ministère de l’Education*”.
14. “ICRD” means the Recipient’s Inter-university Center for Resources and Documentation (*Centre Inter-Universitaire de Ressources Documentaires*) to be supported under Part A of the Project.
15. “IITC” means Inter-University Information Technology Center (*Centre Inter Universitaire des Technologies d’Information*).
16. “MINEDUB” means the Recipient’s Ministry of Basic Education (*Ministère de l’Education de Base*).
17. “MINESEC” means the Recipient’s Ministry of Secondary Education (*Ministère des Enseignements Secondaires*).
18. “MINESUP” means the Recipient’s Ministry of Higher Education (*Ministère de l’Enseignement Supérieur*).
19. “NGO” means a non-governmental organization, established and operating in the territory of the Recipient.
20. “Operational Monitoring Unit” means each of the operational monitoring unit established in each of MINEDUB, MINESEC and MINESUP pursuant to the Project Implementation *Arrêté*, and referred to in Schedule 2 to this Agreement.
21. “PCU” means the Project Coordination Unit (*Unité de Coordination du Projet*) established and operating pursuant to the Project Implementation *Arrêté* (as hereinafter defined).



22. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004.
23. “Procurement Plan” means the Recipient’s procurement plan, dated April 18, 2005 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
24. “Project Administrative, Financial and Accounting Manual” means the manual outlining the administrative, financial and accounting arrangements for the implementation of the Project referred to in Schedule 2 to this Agreement and to be adopted by the Recipient pursuant to Section 5.01 (b) of this Agreement as the same may be amended by agreement of the parties from time to time, and such term includes any schedules to the Project Administrative, Financial and Accounting Manual.
25. “Project Implementation *Arrêté*” means the Recipient’s *Arrêté* No. 066/CAB/PM dated April 8, 2005 “*fixant les modalités d’exécution du programme d’appui au système éducatif*”.
26. “Project Implementation Plans” means the plans established for each set of Project activities outlining operational modalities for the implementation of each said set of activities including, *inter alia*, the institutional, disbursement, procurement and environmental mitigation arrangements for the implementation of the Project, referred to in Schedule 2 to this Agreement and adopted by the Recipient on February 21, 2005, as the same may be amended by agreement of the parties from time to time, and such term includes any schedules to the Project Implementation Plans.
27. “Project Preparation Advance” means the project preparation advance granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on November 26, 2003 and on behalf of the Recipient on December 9, 2003.
28. “Restructuring Date” has the meaning set forth in Section 1.02 of the Agreement Providing for the Amendment and Restatement of the Development Credit Agreement for the Project.
29. “SC” means the Steering Committee for the Project established and operating pursuant to the Project Implementation *Arrêté*, and referred to in Schedule 2 to this Agreement.

30. “School-project” means a school rehabilitation-specific activity to be carried out through a Technical Support Agency in an EPZ and financed, or proposed to be financed under Part D of the Project.
31. “Technical Support Agency” means an NGO or other entity recruited by the Recipient through a delegated management contract to implement activities under Part D of the Project.
32. “Technical Sub-committee for Coordination and Monitoring” or “TSCCM” means the committee established within the SC pursuant to the Project Implementation *Arrêté* and referred to in Schedule 2 to this Agreement.

## **Section II. Modifications to the General Conditions**

The modifications to the General Conditions for Credits and Grants of the Association, dated July 1, 2005 (as amended through October 15, 2006) are as follows:

1. Section 2.07 is modified to read as follows:

“Section 2.07. *Refinancing Preparation Advance*

If the Financing Agreement provides for the repayment out of the proceeds of the Financing of an advance made by the Association or the Bank (“Preparation Advance”), the Association shall, on behalf of the Recipient, withdraw from the Financing Account on or after the Effective Date the amount required to repay the withdrawn and outstanding balance of the advance as at the date of such withdrawal from the Financing Account and to pay all accrued and unpaid charges, if any, on the advance as at such date. The Association shall pay the amount so withdrawn to itself or the Bank, as the case may be, and shall cancel the remaining unwithdrawn amount of the advance.”

2. Paragraph (1) of Section 6.02 is modified to read as follows:

“Section 6.02. *Suspension by the Association*

... (1) *Ineligibility*. The Association or the Bank has declared the Project Implementing Entity ineligible to receive proceeds of any financing made by the Association or the Bank or otherwise to participate in the preparation or implementation of any project financed in whole or in part by the Association or the Bank, as a result of a determination by the Association or the Bank that the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by the Association or the Bank.”

3. The following terms and definitions set forth in the Appendix are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:

(a) The term “Project Preparation Advance” is modified to read “Preparation Advance” and its definition is modified to read as follows:

“‘Preparation Advance’ means the advance referred to in the Financing Agreement and repayable in accordance with Section 2.07.”