



THE WORLD BANK
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OFFICIAL DOCUMENTS

October 31, 2017

H.E Ngueto Tiraina Yambaye
Minister of Economy and
Development Planning
Republic of Chad

Re: Republic of Chad: Advance Agreement for Preparation of
Proposed Climate Resilience Agriculture and Productivity Project
Preparation Advance No. V1350.

Excellency:

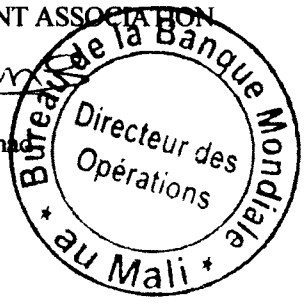
In response to the request for financial assistance made on behalf of the Republic of Chad ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank") proposes to extend to the Recipient an advance out of the World Bank's Project Preparation Facility in an amount not to exceed one million four hundred ninety three thousand nine hundred eighty five (\$1,493,985) ("Advance") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in financing the activities described in the Annex ("Activities"). The objective of the Activities is to facilitate the preparation of a proposed project designed to increase adoption of improved technologies that can raise productivity and enhance resilience in targeted areas in the Recipient's territory ("Project"), for the carrying out of which the Recipient has requested the World Bank's financial assistance.

The Recipient represents, by confirming its agreement below, that: (a) it understands that the provision of the Advance does not constitute or imply any commitment on the part of IBRD or IDA to assist in financing the Project (b) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of this Agreement.

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By [Signature]
Soukeyna Kane
Country Director for Chad
Africa Region



AGREED
REPUBLIC OF CHAD

By [Signature]
Authorized Representative

Name Ngueto Tirane Yankoye
Title Minister
Date: 11/10th/2012

Enclosures:

- (1) "Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility", dated July 31, 2010.
- (2) "Disbursement Letter for the Advance of the same date as this Agreement, together with "World Bank Disbursement Guidelines for Projects", dated February, 1 2017.
- (3) "Guidelines on "Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 as of July 1, 2016.

Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The “Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility” dated July 31, 2010 (“Standard Conditions”), constitute an integral part of this Agreement.

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement, and the following additional terms shall have the following meanings:

- (a) “Operating Costs” means the reasonable expenditures incurred by the Recipient to finance the Activities to preparing the project, including studies, technical assistance, fiduciary and safeguards documentation, office supplies, vehicle operation and maintenance, communication and printing services, utilities insurance costs, banking charges, rental expenses, office and office equipment maintenance, utilities, document duplicating/printing, consumables, travel cost and per diem for Recipient staff for travel linked to the implementation of the Activities, and salaries of contractual staff for the Activities (but excluding salaries of officials of the Borrower’s civil service).
- (b) “PCU” means the national coordination unit of the Sahel Regional Pastoralism Project (P147674 - IDA D0650-TD). The PRAPS will handle the fiduciary PPA responsibility upon the recruitment of the PCU staff.
- (c) “IT” means Information Technology.
- (d) “Training” means the reasonable costs associated with training, knowledge study tours and workshops participation, under the Activities, consisting of travel and subsistence costs for training participants, costs (other than consultants’ services) associated with securing the services of trainers, rentals of training facilities, preparation and reproduction of training materials, and other costs directly related to course or workshops preparation and implementation, as well as for knowledge study tours.

Article II
Execution of the Activities

2.01. **Description of the Activities.** The Activities for which the Advance is provided consist of the following parts:

- (a) Provision of Operating Costs for the purpose of the Project preparation.
- (b) Acquisition of goods, vehicles, IT equipment, including computers, printers, scanners, software, office furniture.
- (c) Carrying out of studies including technical Project preparation studies, safeguards documents through the provision of consultant services.

- (d) Organizing study tours within and outside the Recipient's territory.
- (e) Carrying out of trainings, meetings and Project launching workshops.
- (f) Recruitment of staff including a procurement assistant, an accountant assistant to support the Project Coordination Unit (PCU).

2.02. **Execution of the Activities Generally.** The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall carry out the Activities through the Project Coordination unit (PCU) in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) the (3) "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 as of July 1, 2016.

2.03. **Institutional and Other Arrangements.** Without limitation upon the provisions of Section 2.02 above, the Recipient shall, throughout the Refinancing Date, maintain the PCU with functions, resources and staff in adequate numbers and with qualification, experience and terms of reference acceptable to the Bank to the Project implementation, to be responsible for the overall coordination of the Activities, including fiduciary.

2.04. **Monitoring, Reporting and Evaluation of the Activities.** The Recipient shall monitor and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the Standard Conditions.

2.05. **Financial Management.** (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.09 of the Standard Conditions.

(b) The Recipient shall ensure that interim un-audited financial reports for the Activities are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Sections 2.09 (b) of the Standard Conditions.

(i) If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, the Recipient shall have the Financial Statements included in the first audit of financial statements required under the Refinancing Agreement.

(ii) If, by the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, such audit of the Financial Statements shall cover the period of the Advance, commencing with the fiscal year in which the first withdrawal under the Advance was made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of the Recipient's fiscal year in which the Refinancing Date occurs.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the World Bank may request an audit of the Financial Statements prior to the Refinancing Date,

covering such period as is indicated in its request. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

2.06. Procurement

All goods, works, non-consulting services and consulting services required for the Activities and to be financed out of the proceeds of the Advance shall be procured in accordance with the requirements set forth or referred to in the "World Bank Procurement Regulations for Borrowers under Investment Project Financing" dated July 1, 2016 ("Procurement Regulations") and the provisions of the Recipient's procurement plan for the Activities dated *September 21, 2017* ("Procurement Plan") provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

**Article III
Withdrawal of the Advance**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Advance in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the "Disbursement Guidelines for Investment Project Financing" dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the Advance ("Category"), the amount of the Advance allocated to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Advance Allocated (expressed in Dollars)	Percentage of Expenditures to be Financed [[inclusive/exclusive] of Taxes]
(1) Goods, non-consulting services, consultants' services, Training, and Operating Costs under the Activities	1,493,985	100%
TOTAL AMOUNT	1,493,985	100

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient, except that withdrawals up to an aggregate amount not to exceed \$298,797 equivalent may be made for payments made prior to this date but on or after July, 1 2017 for Eligible Expenditures under Category (1).

3.03. **Refinancing Date.** The Refinancing Date is November, 30 2018

**Article IV
Terms of the Advance**

4.01. *Refinancing under the Refinancing Agreement:* If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be paid to the World Bank as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of such amount of the Refinancing Proceeds, in accordance with the provisions of the Refinancing Agreement.

4.02. *No Repayment in the absence of a Refinancing Agreement:* Notwithstanding any provision to the contrary in the Standard Conditions, if, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by such date or at any time thereafter, it has been so executed but terminates without becoming effective, then the Recipient shall not be obligated to repay the Withdrawn Advance Balance.

**Article VI
Recipient's Representative; Addresses**

5.01. *Borrower's Representative.* The Recipient's Representative referred to in Section 9.02 of the Standard Conditions is its Minister responsible for Economy and Development Planning.

5.02. *Borrower's Address.* The Recipient's Address referred to in Section 9.01 of the Standard Conditions is

Ministry of Economy, Planning and International Cooperation
B.P. 286
N'Djamena
Republic of Chad

Facsimile:
(235) 22-51-45-87

5.03. *World Bank's Address.* The World Bank's Address referred to in Section 9.01 of the Standard Conditions is:

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

Telex:	Facsimile:
248423 (MCI) or 64145 (MCI)	(1)-202-477-6391