

**CONFORMED COPY**

**GRANT NUMBER H409-TG**

# **Financing Agreement**

**(Community Development Project)**

**between**

**REPUBLIC OF TOGO**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**Dated July 16, 2008**

**GRANT NUMBER H409-TG**

**FINANCING AGREEMENT**

AGREEMENT dated July 16, 2008, entered into between REPUBLIC OF TOGO (“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 grant in an amount equivalent to ten million six hundred thousand Special Drawing Rights (SDR 10,600,000) (“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 Payment Dates are December 15 and June 15 in each year.
- 2.05. The Payment Currency is the US Dollar.

**ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out Parts B and C of the Project through the Technical Secretariat and each of the Project Implementing Entities and cause Part A of the Project to be carried out by each of the Project Implementing Entities in accordance with the provisions of Article IV of the General Conditions and the Project Agreements.

- 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.

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

- 4.01. The Additional Events of Suspension consist of the following:
- (a) Any of the Project Implementing Entity's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the relevant Project Implementing Entity to perform any of its obligations under the relevant Project Agreement.
  - (b) The Project Decree has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Technical Secretariat to perform any of its obligations under this Agreement.

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

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Recipient shall have established the Technical Secretariat within the MCDAT pursuant to the Project Decree with adequate resources in terms of personnel, including without limitation: (1) a Project coordinator; and (2) a financial specialist, all with qualifications, experience, and terms of reference satisfactory to the Association and 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.
- 5.03. For purposes of Section 8.05 (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 one year 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  
Immeuble CASEF  
B.P. 387  
Lomé - Togo

Facsimile:

(228) 221 09 05

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 Lomé, Republic of Togo, as of the day and year first above written.

**REPUBLIC OF TOGO**

**By:**

***/s/ Adji Otèth Ayassor***  
**Authorized Representative**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By:**

***/s/ Madani M. Tall***  
**Authorized Representative**

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to provide poor communities with improved basic socio-economic infrastructures and income generating activities, by financing at least 350 Sub-projects to be identified and implemented directly by communities.

The Project consists of the following parts:

#### Part A: Community sub-projects

Facilitate access of the poor population of the Recipient to improved health, education, water and sanitation, and other basic services and to income generating opportunities, through the provision of works, equipment and consultant services for Sub-projects to be implemented by poor communities through their Village Development Committees with the support of each of the Project Implementing Entities for their respective region.

#### Part B: Training

Provision of training

1. at the national level to support liaison and coordination functions;
2. at the regional levels on community driven development activities and procedures, and environmental and social safeguard policies of the Association; and
3. at the community levels for preparation and implementation of Sub-Projects.

#### Part C: Management and operating costs

Supporting Project implementation and coordination, environmental management and mitigation, financial and fiduciary management, monitoring and evaluation, technical audits and financial audits, all through technical advisory services and Operating Costs, and the acquisition of equipment and the financing of Small Works for the Technical Secretariat and the Project Implementing Entities.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

###### Project Steering Committee (Comité d'Orientation du Projet)

- (a) The Recipient shall establish, and maintain throughout Project implementation, the *Comité d'Orientation du Projet* (COP) in form and substance and with functions and resources satisfactory to the Association, and comprising at least the Minister of Cooperation, Development and Regional Planning and the Minister of Economy and Finance or their representatives. The COP shall meet at least four times a year.
- (b) The Project Steering Committee shall be responsible for: (i) facilitating the collaboration with all the other programs and projects for poverty reduction in Togo; (ii) orienting the Project and reviewing consistency between the Sub-projects and the regional and national priorities and making recommendations to MCDAT; (iii) facilitating consistency between the Project and government policies for decentralization and community development and making recommendations to MCDAT; (iv) examining the Project implementation reports submitted by the MCDAT; (v) following-up on the COP's orientations and recommendations; and (vi) serving as a forum to promote the mobilization of additional resources from development partners.

###### Ministry of Cooperation, Development and Regional Planning (MCDAT)

- (a) The MCDAT shall be responsible for: (i) coordinating and facilitating the implementation of the Project; (ii) validating the annual work programs and budgets of the Technical Secretariat and of the Project Implementing Entities; (iii) examining the progress reports for the Project submitted by the Technical Secretariat and each of the Project Implementing Entities; (iv) resolving any potential conflicts that may arise between the different structures involved in the implementation of the Project; (v) submitting to the COP consolidated Project implementation progress reports; and (vi) following-up on the orientations and recommendations of the COP.

###### Technical Secretariat

- (a) The Recipient shall establish, and maintain throughout Project implementation, the Technical Secretariat within the MCDAT in form and substance and with

functions and resources satisfactory to the Association, including staff with qualifications, experience, and terms of reference satisfactory to the Association and recruited in accordance with the provisions of Section III of this Schedule 2, including the persons referred to in Section 5.01 (a) of this Agreement and in Section V.2 of Schedule 2 to this Agreement.

- (b) The Technical Secretariat shall be responsible for: (i) financial management under the Project, including audits and management of the Designated Accounts; (ii) oversight of all technical, social, and environmental matters relating to Project implementation; (iii) monitoring and evaluation of Project activities; (iv) implementation of the Subsidiary Agreements; (v) carrying out of some of the procurement of goods for the Project Implementing Entities and of the procurement of goods for the Technical Secretariat; (vi) managing any Training activity carried out at the national level; (vii) providing technical assistance to the Project Implementing Entities for Project-related procurement, financial management and disbursements; (viii) making suggestions to improve Project implementation; and (ix) acting as a secretariat for the COP.

#### Line Ministries

Line Ministries shall, through their de-concentrated officers, be responsible for: (i) provision of technical advice to Project Implementing Entities with respect to sector strategies and quality norms; (ii) clearance of Sub-project proposals on a non-objection basis; and (iii) provision of staff and equipment to Sub-projects as required.

#### Project Implementing Entities

Each Project Implementing Entity shall be responsible for: (i) appraising and approving Sub-projects submitted by Village Development Committees; (ii) financing approved Sub-projects grants made to the Village Development Committees; (iii) supervising, monitoring and evaluating the implementation of Sub-projects by Village Development Committees; and (iv) provision of Training to members of the Village Development Committees on community development approaches.

#### Village Development Committees

Village Development Committees shall be responsible for: (i) supporting the identification of community needs and priorities through a participatory approach; (ii) preparing requests for financing of Sub-projects; (iii) mobilizing community participation; (iv) supervising the implementation of works; (v) supporting the completion of Sub-projects; and (vi) preparing and implementing an operation and maintenance plan for each Sub-project.



**B. Subsidiary Agreement**

1. To facilitate the carrying out of each of the Project Implementing Entities Respective Part of the Project, the Recipient shall make part of the proceeds of the Financing, on a grant basis, available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the relevant Project Implementing Entity, under terms and conditions which shall have been approved by the Association, and which shall include the amounts of the Financing to be transferred to each Project Implementing Entity.
2. The Recipient shall exercise its rights under the Subsidiary Agreements in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreements or any of their respective provisions.

**C. Anti-Corruption**

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

**D. Sub-projects**

1. Subproject Grant Eligibility and Subproject Implementation Guidelines and Procedures

No proposed Sub-project shall be eligible for financing under the Project unless the relevant Project Implementing Entity has determined, in accordance with this Agreement and the Project Implementation Manual that the proposed Sub-project satisfies the eligibility criteria specified below and in further detail in the Project Implementation Manual, which shall include the following:

- (a) the proposed Sub-project has been initiated by a Village Development Committee which meets the eligibility criteria specified in the Project Implementation Manual;
- (b) the proposed Sub-project is for either: (i) socio-economic infrastructure (health, education, water, sanitation and other socio-economic infrastructure) (“Infrastructure Subprojects”); or (ii) income generating activities (“Income Generating Subprojects”), as set forth in further detail in the Project Implementation Manual;
- (c) the proposed Sub-project does not fall under any non-eligibility criteria specified in the Project Implementation Manual;

- (d) the proposed Sub-project complies with the Environmental and Social Management Framework, and the Resettlement Policy Framework;
- (e) the proposed Sub-project is consistent with the Recipient's national sector policies;
- (f) the cost of the proposed Sub-project does not exceed: (i) \$60,000 per Sub-project for Infrastructure Sub-projects; and (ii) \$25,000 per Sub-project for Income Generating Subprojects;
- (g) the relevant Village Development Committee ensures that the community contributes at least five percent (5%) of the projected Sub-project costs in cash or in kind; and
- (h) the relevant Village Development Committee has established a specific committee for management of the proposed Sub-project and has put in place all necessary arrangements, including financial and human resources, for maintenance of the Sub-project.

3. Terms and Conditions of Sub-project Grant Agreements

- (a) A Sub-project shall be carried out pursuant to a Sub-project Grant Agreement, to be concluded between the Project Implementing Entity and the relevant Village Development Committee, under terms and conditions satisfactory to the Association, and described in further detail in the Project Implementation Manual, which shall include the following:
  - (i) the obligation of the relevant Village Development Committee to ensure that the community contributes at least five percent (5%) of the projected Sub-project costs in cash or in kind;
  - (ii) a disbursement mechanism in tranches according to the completed physical progress of the relevant work;
  - (iii) the obligation of the Village Development Committee to: (A) carry out the Sub-project in accordance with the Anti-Corruption Guidelines and with due diligence and efficiency and in accordance with sound technical, environmental, social, financial, and administrative practices, including, without limitation, those referred to in the ESMF and RPF; (B) ensure that the resources required for the Sub-project are provided promptly as needed; (C) maintain adequate records to reflect, in accordance with sound accounting practices, the resources, operations, and expenditures relating to the Sub-project; and (D) at the request of the Association or the Recipient (through the relevant Project Implementing

Entity), have such records audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the records as so audited to the Recipient (through the relevant Project Implementing Entity) and the Association;

- (iv) the requirement that the goods, works, and consultants' services to be financed from the proceeds of the Sub-project Grant shall be procured in accordance with procedures ensuring efficiency and economy and in accordance with the provisions of Section III of this Schedule, as further set forth in the Project Implementation Manual, and shall be used exclusively in the carrying out of the Sub-project; and
- (b) The Recipient (through the relevant Project Implementing Entity) shall exercise its rights under the Sub-project Grant Agreement in such a manner as to protect its interests and the interests of the Association and to achieve the Project objective, and, except as the Association shall otherwise agree, the Recipient and the relevant Project Implementing Entity shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, any substantive provision of the aforementioned.

**E. Manual**

Except as the Association shall otherwise agree, the Recipient and each of the Project Implementing Entities shall: (i) carry out, the Project in accordance with the Project Implementation Manual and the Monitoring and Evaluation Manual; and (ii) except as the Association shall otherwise agree, not amend, abrogate; or waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written agreement of the Association.

**F. Safeguards**

1. The Recipient shall ensure that the Project and each Sub-Project is implemented in accordance with the provisions of the Environmental and the Social Management Framework, and Resettlement Policy Framework, and, except as the Association shall otherwise agree, the Recipient shall not amend, abrogate, or waive, or permit to be amended, abrogated, or waived, any provision of the aforementioned.
2. The Recipient shall ensure that Sub-projects likely to have an adverse environmental or social impact shall be appraised, approved, and monitored in accordance with the provisions of the Environmental and Social Management Framework, and the Resettlement Policy Framework, and such specific procedures set out in the aforementioned.

3. In the event of any conflict between the provisions of the Environmental and Social Management Framework, or the Resettlement Policy Framework and those of this Agreement, the provisions of this Agreement shall prevail.

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

### **A. Project Reports**

1. 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, the Monitoring and Evaluation Manual, and on the basis of the following indicators:

#### Outcome indicators

- Repartition of financing of subprojects consistent with regional targeting criteria as estimated by the QUIBB 2006 Survey; and
- Number of subprojects functioning one year after completion.

#### Output indicators

- Completion of basic socio-economic infrastructures subprojects;
  - Completion of income generating activities subprojects;
  - Number of people directly involved in new or improved income generating activities;
  - Number of basic socio-economic infrastructures assessed as having satisfactory technical quality;
  - Number of DVC members successfully trained; and
  - AGAIB Project management expenses as a % of disbursements for subprojects.
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 December 31, 2012.

**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, except that the first audit shall cover a period of more than 12 months and up to 18 months. All audits subsequent to the first shall cover a period of 12 months. 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.** All goods and works 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 Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** 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 Consultant Guidelines, and with the provisions of this Section.
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, or 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) <i>National Competitive Bidding</i>
(b) <i>Shopping</i>
(c) <i>Community Participation</i>

**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) <i>Selection based on Consultant's Qualifications</i>
(b) <i>Least Cost Selection</i>
(c) <i>Single Source Selection</i>

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

Except as the Association shall otherwise determine by notice to the Recipient, the following contracts entered into by the Recipient and the Project Implementing Entities shall be subject to Prior Review by the Association: (a) each contract for goods or works estimated to cost the equivalent of \$250,000 or more; (b) the first two contracts for goods or works procured on the basis of each of International Competitive Bidding, National Competitive Bidding, and Shopping; (c) each contract for consultants' services provided by a firm estimated to cost the equivalent of \$100,000 or more; (d) each contract for individual consultants' services estimated to cost the equivalent of \$50,000 or more; (e) each contract for consultants' services procured on the basis of Single Source Selection; (f) the first two contracts for consultants' services procured on the basis of each of Quality and Cost-based Selection, Selection based on Consultant's Qualifications, Least Cost Selection; (g) all contracts for consultants' services procured for Training; (h) all terms of reference of contracts for consultants' services the estimated cost of which is greater than the equivalent of US\$5,000; and (i) all amendments to contracts for consultants' services raising the initial contract value by more than 15 percent of original amount or above the prior review thresholds. 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 (“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	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed
1- Goods and Small Works		
(a) Project Implementing Entities	100,000	100%
(b) Technical Secretariat	370,000	
2- Sub-projects	6,900,000	100%
3- Consultant services and Training		
(a) Project Implementing Entities	1,300,000	100%
(b) Technical Secretariat	460,000	
4- Operating Costs		
(a) Project Implementing Entities	280,000	100%
(b) Technical Secretariat	160,000	
5- Unallocated	1,030,000	
Total	10,600,000	

**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, except that withdrawals up to an aggregate amount not to exceed SDR100,000 may be made for payments made prior to this date but on or after May 1<sup>st</sup>, 2008, for Eligible Expenditures under Categories (3) and (4).
  
2. Notwithstanding the provisions of Parts A and B of this Section, no withdrawals shall be made in relation to Category (2) above unless the Recipient shall have adopted and disclosed in the territory of the Recipient, an Environmental and Social Management Framework and a Resettlement Policy Framework, all in form and substance satisfactory to the Association, and in compliance with the Association's environmental and social safeguard policies.
  
3. Notwithstanding the provisions of Parts A and B of this Section, no transfers shall be made to any of the Sub-Accounts opened in the name of *AGAIB Maritime*, *AGAIB Savanes*; *AGAIB Plateaux*, *AGAIB Centrale*, or *AGAIB Kara*, respectively, unless the following conditions shall have been met for the relevant Project Implementing Entity, as confirmed in writing by the Association:
  - (i) such Project Implementing Entity has opened a Sub-Account with a financial institution acceptable to the Association;
  
  - (ii) such Project Implementing Entity has established a financial management system and a procurement system in form and substance satisfactory to the Association, and with functions and resources satisfactory to the Association, including staff with qualifications, experience, and terms of reference satisfactory to the Association and recruited in accordance with the provisions of Section III of this Schedule 2;
  
  - (iii) a Project Agreement has been executed by such relevant Project Implementing Entity;
  
  - (iv) a Subsidiary Agreement has been executed on behalf of the Recipient and the relevant Project Implementing Entity; and
  
  - (v) a legal opinion satisfactory to the Association from counsel acceptable to the Association shall have confirmed that: (A) each of the Subsidiary Agreements have been duly authorized or ratified by the Recipient and the relevant Project Implementing Entity and is legally binding upon the



Recipient and such Project Implementing Entity in accordance with its terms; and (B) each of the Project Agreements has been duly authorized or ratified by the relevant Project Implementing Entity and is legally binding upon such Project Implementing Entity in accordance with its terms.

3. The Closing Date is June 30, 2012.

**Section V. Other Undertakings**

1. No later than 6 months after the Effective Date, the Recipient shall have adopted and disclosed in the territory of the Recipient, an Environmental and Social Management Framework and a Resettlement Policy Framework, all in form and substance satisfactory to the Association, in compliance with the Association's applicable environmental and social safeguard policies.
2. No later than 3 months after the Effective Date, the Recipient shall have recruited within the Technical Secretariat a monitoring and evaluation specialist; a procurement specialist, an internal auditor and support staff, with qualifications, experience, and terms of reference satisfactory to the Association and in accordance with the provisions of Section III of Schedule 2 to this Agreement.
3. No later than 6 months after the Effective Date, the Recipient shall have recruited an external auditor for the Project with qualifications, experience, and terms of reference satisfactory to the Association and in accordance with the provisions of Section III of Schedule 2 to this Agreement.
4. No later than 6 months after the Effective Date, the Recipient shall have established the Project Steering Committee in form and substance satisfactory to the Association.
5. No later than 1 month after the Effective Date, the Recipient shall have adopted the Project Implementation Manual in form and substance satisfactory to the Association.
6. No later than 6 months after the Effective Date, the Recipient shall have adopted the Monitoring and Evaluation Manual in form and substance satisfactory to the Association.
7. Annual Work Plan and Budget
  - A. Each Project Implementing Entity shall prepare an annual work plan and budget ("AWPB") for the following year, which will list the various actions or steps that must be taken by such Project Implementing Entity to implement the Project and the related costs of those activities, and submit them to the Technical Secretariat no later than October 31 of each year; and

- B. No later than on November 30 of each year, the Technical Secretariat shall submit to the Association for its non objection the AWPBs of each Project Implementing Entity and its own AWPB for the following year.

8. Mid-term Review

No later than twenty months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association, the Recipient and the Association shall carry out a mid-term review of the Project, covering the progress achieved in the implementation of the Project. The Recipient shall prepare under terms of reference satisfactory to the Association, and furnish to the Association approximately one month prior to the beginning of such mid-term review of the Project, a report integrating the results of the monitoring and evaluation activities performed pursuant to this Agreement and the Monitoring and Evaluation Manual, on the progress achieved in the carrying out of the Project during the period preceding the date of such report, and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives of the Project during the period following such date.

## APPENDIX

### Definitions

1. “AGAIB Centrale” means the *Agence d’Appui aux Initiatives de Base* for the Central region of the Recipient, established pursuant to Law July 1, 1901 and officially registered with the Ministry of Interior under number 0293 on February 27, 2004.
2. “AGAIB Kara” means the *Agence d’Appui aux Initiatives de Base* for the Kara region of the Recipient, established pursuant to Law July 1, 1901 and officially registered with the Ministry of Interior under number 0292 on February 27, 2004.
3. “AGAIB Maritime” means the *Agence d’Appui aux Initiatives de Base* for the Maritime region of the Recipient, established pursuant to Law July 1, 1901 and officially registered with the Ministry of Interior under number 067 on January 22, 1999.
4. “AGAIB Plateaux” means the *Agence d’Appui aux Initiatives de Base* for the *Plateaux* region of the Recipient, established pursuant to Law July 1, 1901 and officially registered with the Ministry of Interior under number 0362 on March 10, 2004.
5. “AGAIB Savanes” means the *Agence d’Appui aux Initiatives de Base* for the *Savanes* region of the Recipient, established pursuant to Law July 1, 1901 and officially registered with the Ministry of Interior under number 066 on January 22, 1999.
6. “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.
7. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
8. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.
9. “Environmental and Social Management Framework” (*Cadre de Gestion Environnementale et Sociale*) means the framework to be adopted by the Recipient as required under Section V.1 of Schedule 2 to this Agreement, outlining the environmental and social screening process to be followed in identifying, assessing, and mitigating the potential adverse environmental and social impacts, as shall have been agreed with the Association for purposes of Project implementation and shall be applied by the Recipient in accordance with the provisions of Section I.F of Schedule 2 to this Agreement, as the same may be updated from time to time with the prior written concurrence of the

- Association, and such term includes any schedules to the Environmental and Social Management Framework.
10. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).
  11. “Line Ministry” means any one of the Recipient’s ministries responsible at the time for education, health, social affairs, public works, hydraulic and internal affairs and decentralization.
  12. “Ministry of Cooperation and Development” or “MCDAT” means the *Ministère de la Coopération, du Développement et de l’Aménagement du Territoire*, the Ministry of the Recipient responsible for cooperation, development and regional planning.
  13. “Ministry of Social Affairs and Gender” means *Ministère de l’Action sociale, de la Promotion de la Femme, et de la Protection de l’enfant et des Personnes âgées*.
  14. “Monitoring and Evaluation Manual” (*Manuel de Suivi-Evaluation*) means the manual to be adopted by the Recipient, outlining monitoring and evaluation arrangements, as shall have been agreed with the Association for purposes of Project implementation and shall be applied by the Recipient in accordance with the provisions of Section I.E of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written concurrence of the Association, and such term includes any schedules to the Monitoring and Evaluation Manual.
  15. “Operating Costs” means the incremental expenses incurred by the Recipient in accordance with annual budgets approved by the Association, on account of Project implementation, management, and monitoring, including for office space rental, utilities, and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, building and equipment maintenance, advertising expenses, travel and supervision, salaries and statutory contributions of contractual and temporary staff, but excluding salaries, fees, honoraria, and bonuses of members of the Recipient’s civil service.
  16. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006.
  17. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated May 28, 2008 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.
  18. “Project Coordinator” means the head of the Technical Secretariat.

19. “Project Decree” means the decree to be adopted pursuant to Section 5.01(a) of this Agreement for the purposes of establishing the Technical Secretariat.
20. “Project Implementation Manual” (*Manuel d’Exécution*) means the manual to be adopted by the Recipient, outlining implementation, organizational, disbursement, procurement, and environmental and social monitoring and mitigation arrangements, as well as administrative, financial management, and accounting arrangements, as shall have been agreed with the Association for purposes of Project implementation and shall be applied by the Recipient in accordance with the provisions of Section I.E of Schedule 2 to this Agreement, as the same may be amended from time to time with the concurrence of the Association, and such term includes any schedules to the Project Implementation Manual.
21. “Project Implementing Entity” means each of AGAIB *Centrale*, AGAIB *Kara*, AGAIB *Maritime*, AGAIB *Plateaux* and AGAIB *Savanes*.
22. “Project Implementing Entity’s Legislation” means the Law of July 1, 1901 and the Decree of August 16, 1901 establishing and governing associations in Togo and the statutes of each of the Project Implementing Entities.
23. “Project Steering Committee” or “COP” means the *Comité d’Orientation du Projet* to be established by Government decree within six months of the Effective Date as set forth in Section V.4 of Schedule 2 to this Agreement.
24. “QUIBB” (*Questionnaire des Indicateurs de base du Bien-être*) means the Core Wealthfare Indicator Questionnaire.
25. “Regional Approval Committee” has the meaning set forth in the schedule to the Project Agreements.
26. “Regional Assembly” has the meaning set forth in the schedule to the Project Agreements.
27. “Regional Board of Directors” has the meaning set forth in the schedule to the Project Agreements.
28. “Regional Coordination” has the meaning set forth in the schedule to the Project Agreements.
29. “Resettlement Policy Framework” (*Cadre de Politique de Réinstallation involontaire et de compensation*) means the framework to be adopted by the Recipient as required under Section V.1 of Schedule 2 to this Agreement, outlining arrangements for the resettlement and compensation of persons affected by potential changes in land use associated with activities to be implemented under the Project, as shall have been agreed with the Association for purposes of Project implementation and shall be applied by the Recipient

in accordance with the provisions of Section I.F of Schedule 2 to this Agreement, as the same may be updated from time to time with the concurrence of the Association, and such term includes any schedules to the Resettlement Policy Framework.

30. “Small Works” means minor office refurbishment such as painting, plastering and any other small works with the prior written approval of the Association.
31. “Sub-Account” means each sub-account opened in the name of a Project Implementing Entity with a commercial bank acceptable to the Association, for the implementation of Part A and of parts of Part B and C of the Project.
32. “Sub-project” means a specific activity carried out under Part A of the Project, financed or proposed to be financed through a Subproject Grant (as hereinafter defined), in accordance with the criteria set forth in Schedule 2 of this Agreement and in the Project Implementation Manual.
33. “Sub-project Grant” means a grant made or proposed to be made to finance a Subproject.
34. “Subproject Grant Agreement” means an agreement between a Project Implementing Entity and a Village Development Committee setting forth the terms and conditions under which part of the proceeds of the Financing shall be made available to the Village Development Committee for the purpose of financing one or more Subprojects.
35. “Subsidiary Agreement” means each of the agreements referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the relevant Project Implementing Entity.
36. “Technical Secretariat” means the technical secretariat within the MCDAT to be established by the Recipient pursuant to the Project Decree and Section 5.01(a) of this Agreement.
37. “Training” means the training of persons involved in Project-supported activities, such term including seminars, workshops, and study tours, and costs associated with such activity including travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.
38. “Village Development Committees” or “VDC” mean *Comité Villageois de Développement*, established by communities within the territory of the Recipient in accordance with guidelines and procedures of the Ministry of Social Affairs and Gender, including the *Comités de Développement de Quartiers*.

