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GRANT NUMBER D633-3A

# **Financing Agreement**

**(Lake Chad Region Recovery and Development Project)**

**between**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**and**

**LAKE CHAD BASIN COMMISSION**

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**GRANT NUMBER D633-3A**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”), and LAKE CHAD BASIN COMMISSION (“Recipient”). The Association and the Recipient hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to three million and seven hundred thousand Special Drawing Rights (SDR 3,700,000) (“Grant”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Grant Balance.
- 2.04. The Payment Dates are January 1 and July 1 in each year.
- 2.05. The Payment Currency is Dollar.

**ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

**ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Event of Suspension consists of the following, namely, that the Recipient’s Legislation has been amended, suspended, abrogated, repealed or

waived so as to affect materially and adversely the ability of the Recipient to perform any of its obligations under the Project.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Conditions of Effectiveness consists of the following:
- (a) the Project Implementation Manual has been endorsed by the Recipient in form and substance satisfactory to the Association; and
  - (b) The Recipient has established the Project Implementation Unit (PIU) with adequate resources, terms of reference and functions, satisfactory to the Association, and has recruited to said PIU the key staff, including a Project coordinator, a procurement specialist, and a financial management specialist, all in accordance with the provisions of the Procurement Regulations.
- 5.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

- 6.01. The Recipient's Representative is its Executive Secretary.
- 6.02. 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

6.03. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient's address is:

*La Commission du Bassin du Lac Tchad*  
*Place de la Grande Armée*  
B.P. 727, N'Djamena, Chad; and

(b) the Recipient's Electronic Address is:

Facsimile:                    E-mail:  
(+235) 22 52 41 37        [cab@cblt.org](mailto:cab@cblt.org)

AGREED as of the Signature Date.

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

*Deborah L. Wetzel*

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**Authorized Representative**

**Name: Deborah L. Wetzel**

**Title: Director, Regional Integration**

09-Jun-2020

**Date:** \_\_\_\_\_

**LAKE CHAD BASIN COMMISSION**

**By**

*AA Nuhu*

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**Authorized Representative**

**Name: Ambassador Mamman Nuhu**

**Title: Executive Secretary**

12-Jun-2020

**Date:** \_\_\_\_\_

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to contribute to the recovery of the Lake Chad Region through supporting regional coordinating and crisis monitoring, connectivity and agricultural livelihoods in selected provinces of the Republic of Cameroon, Republic of Chad and Republic of Niger (Participating Countries).

The Project consists of the following parts:

**Part A.           Regional and National Coordination Platform and Local Capacity Building**

1.   Strengthening the institutional, and data monitoring and dissemination capacity at the regional level, including:
  - (a)   the establishment of a secretariat for the development of Lake Chad Region to provide overall support for coordination, improving capacity of regional and national actors and policy and operational dialogue for the Lake Chad Region;
  - (b)   the operation and maintenance of a strategic, analytical and monitoring platform to foster knowledge exchange, collaboration and partnerships; and
  - (c)   strengthening the Recipient's capacity for Project management and implementation including, fiduciary (financial management and procurement) aspects, planning, monitoring and evaluation.

## **SCHEDULE 2**

### **Project Execution**

#### **Section I. Implementation Arrangements**

##### **A. Institutional Arrangements**

The Recipient shall maintain throughout the period of Project implementation:

1. Its representation at senior executive level in the Regional Coordinating Committee. The Regional Coordinating Committee shall hold annual and semi-annual meetings respectively, and provide overall guidance and oversight for the Project, including advocating for regional collaboration in higher education, and to act as a liaison between the Project, regional leadership and the public at large.
2. The Project Implementation Unit in charge of the day-to-day regional implementation, coordination, monitoring and evaluation of the Project, with the composition, staffing, and terms of reference acceptable to the Association, and as further detailed in the Project Implementation Manual.

##### **B. Annual Work Programs**

1. The Recipient shall, not later than November 30 in each calendar year during Project implementation, prepare and furnish to the Association, a program of activities proposed for inclusion in the Project during the following calendar year (“Annual Work Program”), including: (a) a detailed timetable for the sequencing and implementation of said activities, (b) the types of expenditures required for such activities; and (c) the planned procurement methods for the expenditures.
2. The Recipient shall exchange views with the Association on each such proposed Annual Work Program and, shall thereafter carry out such program of activities for such following year as shall have been agreed between the Recipient and the Association.
3. Only those activities which are included in an Annual Work Program shall be included in the Project. Notwithstanding the foregoing, the Annual Work Program might be amended from time to time to include new activities with the prior and written concurrence of the Association.

##### **C. Project Implementation Manual**

- (a) The Recipient shall carry out the Project in accordance with the Project Implementation Manual, and shall not amend said Project Implementation Manual without the prior written approval of the Association.

- (b) In the event of any conflict between the provisions of the Project Implementation Manual and this Agreement, the provisions of this Agreement shall prevail.

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

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

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

**A. General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, Consulting services, Non-Consulting Services, Consultants' Services, Operating Costs, and Training for the Project	3,700,000	100%
<b>TOTAL AMOUNT</b>	3,700,000	



**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 43,000 may be made for payments made prior to this date but on or after April 1, 2020, for Eligible Expenditures.
2. The Closing Date is December 31, 2025.

## **APPENDIX**

### **Definitions**

1. “Annual Work Program” means the annual work plan, together with the related budget, for the Project approved by the World Bank pursuant to the provisions of Section I.B of Schedule 2 to this Agreement.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “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 and as of July 1, 2016.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018.
5. “Operating Costs” means reasonable incremental recurrent costs of the Project based on the Annual Work Plans and Budgets approved by the Association, and incurred by the Recipient,: (i) operation and maintenance of vehicle, repairs, rental, fuel and spare parts; (ii) computer maintenance, including hardware and software; (iii) communication costs and shipment costs (whenever these costs are not included in the cost of goods); (iv) small office supplies; (v) rent and maintenance for office facilities; (vi) utilities and insurances; (vii) travel, accommodation and per diem costs for technical staff carrying out training, preparatory, supervisory and quality control activities; and (viii) staff time of Recipient’s staff working on the Project.
6. “Participating Countries” means, respectively, Republic of Cameroon, Republic of Chad, and Republic of Niger.
7. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.
8. “Project Implementation Manual” means the Recipient’s manual referred to in Section 5.01(a) of this Agreement, and Section I.C of Schedule 2 to this Agreement, as said manual may be amended from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.
9. “Regional Coordination Committee” means the Regional Coordination Committee for the Project, to be established by the Participating Countries.

10. “Project Implementation Unit” means a unit within the administrative structure of the Recipient in charge of the day-to-day implementation, coordination, monitoring and evaluation of the Project.
11. “Training” means the training of persons involved in Project-supported activities, based on the Annual Work Program and Budget approved by the Association, such as scholarships, tuitions, seminars, workshops, and study tours, and costs associated with such activities 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.
12. “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.