

# OFFICIAL DOCUMENTS

## The World Bank

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

1818 H Street N.W.  
Washington, D.C. 20433  
U.S.A.

(202) 473-1000  
Cable Address: INTBAFRAD  
Cable Address: INDEVAS

August, 21, 2019

H. E. Henri Yav Mulang  
Minister of Finance  
Ministry of Finance  
Kinshasa-Gombe  
Democratic Republic of Congo

**Re: DRC: Additional Financing for the Health System Strengthening for Better Maternal  
and Child Health Results Project  
IDA Credit No. 5998-ZR  
GFF Grant No. TF0A4579**

**First Amendment to the Financing Agreement**  
**First Amendment to the Grant Agreement**

Excellency:

We refer to: (a) the Financing Agreement between the Democratic Republic of Congo (the "Recipient") and the International Development Association (the "Association"), dated April 19, 2017 (the "Financing Agreement"); and (b) the Grant Agreement between the Recipient and the Association, acting as administrator of the Global Financing Facility Trust Fund Grant, dated April 19, 2017 (the "Grant Agreement"); both for the abovementioned Project. Please note that the capitalized terms used in this letter ("Amendment Letter") and not defined herein have the meanings ascribed to them in the Financing Agreement and/or the Grant Agreement.

Pursuant to your letter dated May 20, 2019, and follow-up discussions regarding the activation of the Contingency Emergency Response, we are pleased to inform you that the Association hereby agrees to your request. Please also note that minor adjustments are included in Schedule 1 to the Financing Agreement and the Grant Agreement to read consistently across all legal agreements supporting this Project. Accordingly, the Association proposes to amend the Financing Agreement and the Grant Agreement in respect to the provisions below:

*Financing Agreement*

- 1 The objective of the Project in Schedule 1 of the Financing Agreement is hereby amended and replaced in its entirety to read as follows:

"The objectives of the Project are to improve utilization and quality of maternal and child health services in targeted areas within the Recipient's territory and to provide immediate and effective response to an eligible crisis or emergency."

*Grant Agreement*

1. All references to "Association" relating to the International Development Association are hereby amended throughout the Agreement and replaced with "World Bank".
2. The objective and description of activities of the Project in Schedule 1 of the Grant Agreement is hereby amended and replaced in its entirety to read as set forth in Annex 1 to this Amendment Letter.
3. Section I of Schedule 2 to this Agreement is hereby amended to add a new Part G to read as follows:

**"G. Immediate Response Mechanism**

1. In order to ensure the proper implementation of Part 4(b) of the Project ("Contingent Emergency Response") ("CER Part"), the Recipient shall take the following measures:
  - (a) prepare and furnish to the World Bank for its review and approval, a contingency response manual, which shall set forth detailed implementation arrangements for the CER Part, including: (i) designation of, terms of reference for and resources to be allocated to, the entity to be responsible for coordinating and implementing the CER Part ("Coordinating Authority"); (ii) specific activities which may be included in the CER Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the CER Part; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CER Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social management arrangements and instruments for the CER Part, consistent with the World Bank's policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CER Part;
  - (b) afford the World Bank a reasonable opportunity to review said proposed contingency response manual;
  - (c) promptly adopt such contingency response manual for the CER Part as shall have been approved by the World Bank ("CER Operations Manual");
  - (d) ensure that the CER Part is carried out in accordance with the CER Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CER Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
  - (e) not amend, suspend, abrogate, repeal or waive any provision of the CER Operations Manual without prior approval by the World Bank.

2. The Recipient shall, throughout the implementation of the CER Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the World Bank.
3. The Recipient shall undertake no activities under the CER Part (and no activities shall be included in the CER Part) unless and until the following conditions have been met in respect of said activities:
  - (a) The Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the World Bank a request to include said activities in the CER Part in order to respond to said Eligible Crisis or Emergency, and the World Bank has agreed with such determination, accepted said request and notified the Recipient thereof; and
  - (b) The Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CER Operations Manual, the World Bank has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.”
4. Section III of Schedule 2 to the Grant Agreement is hereby amended to add a new Part E to read as follows:

**“E. Procurement of Emergency Expenditures under the CER Part**

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for the CER Part shall be procured in accordance with the procurement methods and procedures set forth in the CER Operations Manual.”
5. The disbursement table set forth in Section IV.A.2 of Schedule 2 to the Grant Agreement is hereby amended and replaced in its entirety with the table set forth in Annex 2 to this Amendment Letter.

6. Section IV.B.1 of Schedule 2 to the Grant Agreement is hereby amended to read in its entirety as follows:

**“B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
- (a) for payments made prior to the date of this Agreement;
  - (b) for payments made under Category (2), until and unless the World Bank is satisfied that all the following conditions have been met in respect of said expenditures:
    - (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the World Bank a request to include said activities in the CER Part in order to respond to said Eligible Crisis or Emergency, and the World Bank has agreed with such determination, accepted said request and notified the Recipient thereof;
    - (ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section I.G of Schedule 2 to this Agreement;
    - (iii) the Recipient’s Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.G of this Schedule 2 to this Agreement, for the purposes of said activities; and
    - (iv) the Recipient has adopted a CER Operations Manual in form, substance and manner acceptable to the World Bank and the provisions of the CER Operations Manual remain - or have been updated in accordance with the provisions of Section G of this Schedule 2 so as to be appropriate for the inclusion and implementation of said activities under the CER Part.”
7. The following definitions are added and placed in alphabetical order in the Definition Section of the Appendix to read as follows and the rest of the definitions are renumbered accordingly to maintain alphabetical order:

“CER Operations Manual”, each means the contingency response manual referred to in Section I.G of this Agreement, to be adopted by the Recipient for the CER Part of the Project in accordance with the provisions of said Section.”

“Contingent Emergency Response”, “CER” or “CER Part” means each Part 4(b) of the Project.”

“Coordinating Authority” the entity or entities designated by the Recipient in the CER Operations Manual and approved by the World Bank pursuant to Section I.G of Schedule 2 to this Agreement, to be responsible for coordinating the CER Part.”

“Eligible Beneficiaries” means one or more Eligible Beneficiaries referred to under Part 3(c)(i) of the Project.”

“Emergency Expenditures” means the eligible expenditures required to finance the cost of the approved list of goods, works, and services necessary to support emergency mitigation, response and recovery under Part 4(b) of the Project and set forth in the CER Operations Manual.”

“Retirement Benefits” means retirement benefits referred to in Section I.F of Schedule 2 to this Agreement and payable to Eligible Beneficiaries in accordance with terms and conditions specified in the Project Implementation Manual.”

8. The following definition is hereby amended and replaced in its entirety to read as follows:

“Safeguards Documents” means, singly or collectively, the Medical Waste Management Plan, the Indigenous Peoples Planning Framework or Indigenous Peoples Action Plan if such plan is required by the Indigenous Peoples Planning Framework, as such documents may be amended from time to time.”

All other provisions of the Financing Agreement and the Grant Agreement that have not been amended hereby, shall remain in full force and effect.

Please confirm your agreement to the foregoing by signing, dating and returning to us one fully executed original of this Amendment Letter and retaining one original of the letter for your records. Upon receipt by the Association of the copy of this Amendment Letter countersigned by you, this Amendment Letter shall become effective as of the date of your countersignature.

Very truly yours,

**INTERNATIONAL DEVELOPMENT ASSOCIATION**



Yisgedullish Amde

Acting Country Director for the Democratic Republic of Congo  
Africa Region

AGREED:  
DEMOCRATIC REPUBLIC OF CONGO

By   
Authorized Representative

Name: Henri YAV MULANG

Title: Ministre des Finances

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

## SCHEDULE 1

### Project Description

The objectives of the Project are to improve utilization and quality of maternal and child health services in targeted areas within the Recipient's territory and to provide immediate and effective response to an eligible crisis or emergency.

The Project consists of the Original Project as set forth below:

#### **Part 1: Improve Utilization and Quality of Health Services at Health Facilities through Performance-Based Financing**

Support the Recipient to use PBF for the provision of a Package of Priority Health Services with emphasis on child, adolescent and maternal health services, and family planning, nutrition and sexual and gender-based violence interventions.

#### **Part 2: Improve Governance, Purchasing and Coaching and Strengthen Health Administration Directorates and Services through Performance-Based Financing**

Provision of support and assistance to the Recipient, including through PBF, to strengthen:

- (a) the capacity, *inter alia*, of selected Health Administration Directorates and Services within MOH, the Health Verification Teams and civil society organizations, for PBF administration, management and internal verification and for delivery of PBF capacity development activities; and
- (b) the capacity of ACVE PBF external verification, through the provision of technical advisory services, goods, non-consulting services, Operating Costs, Workshops and Training.

#### **Part 3: Strengthen Health System Performance Financing, and Health Policy**

Provision of support and assistance to the Recipient to:

- (a) implement activities to reinforce health reform processes, including strengthening healthcare financing policy and practice through, *inter alia*: (i) improvement of health system planning and budgeting processes at the national and decentralized levels through the use of mid-term expenditure frameworks; (ii) provision of support to the design and development of national health financing and universal health care strategies; (iii) strengthening of the capacity of MOH in the oversight, management and delivery of health care; and (iv) carrying out of effective and efficient Project management to ensure overall coordination and monitoring of the activities to be implemented under the Project;
- (b) strengthen monitoring and evaluation mechanisms in the health sector, notably through the provision of support to the health management information systems

and CT-FBR Units implementing an appropriate ICT solutions program to ensure interoperability of web-based information technology systems for the creation of integrated e-health architecture; and

- (c) support and strengthen: (i) the retirement program of MOH, through payment of Retirement Benefits to potential members of MOH staff deemed eligible to a pension (“Eligible Beneficiaries”); (ii) the organizational reform of MOH through implementation of its organizational chart; and (iii) the management of the retirement program.

**Part 4: Disease Surveillance Strengthening and Response**

- (a) Provision of technical advisory services and material assistance to support enhancement of national surveillance of priority diseases and timely reporting of emergencies in line with international health regulations.
- (b) Contingent Emergency Response (“CER”): provision of immediate response to an Eligible Crisis or Emergency, as needed.

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in Dollars)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, non-consulting services, consultants' services, Operational Costs, Training and Workshops under Parts 1, 2 and 3(a) and (b)	10,000,000	100 %
(2) Emergency Expenditures under Part 4(b) of the Project	30,000,000	100%
<b>TOTAL AMOUNT</b>	<b>40,000,000</b>	