Excellency:

We refer to the financing agreement dated May 27, 2013 ("Original Financing Agreement"), between the Republic of Mali ("Recipient") and the International Development Association ("Association"), for the Safety Nets Project ("Project"), as amended. Please note that the capitalized terms used in this letter ("Second Amendment Letter") and not defined herein have the meaning ascribed to them in the Original Financing Agreement as applicable.

I am pleased to inform you that, after due consideration, the Association proposes to amend the Original Financing Agreement as set forth below:

1. Schedule 1 of the Original Financing Agreement is hereby amended to read in its entirety as set forth in Annex 1 to this Second Amendment Letter.

2. In Section 5 of Schedule 2 to the Original Financing Agreement, new section E is added to read in its entirety as follows:

"E. Safeguards"

1. The Recipient shall ensure that the Project is implemented in accordance with the Safeguards Documents.

2. Except as the Association shall otherwise agree in writing, and subject to compliance with the same consultation and information disclosure requirements as applied to the adoption of the aforesaid Safeguards Documents in the first instance, the Recipient shall not amend or waive any provision of the Safeguards Documents, nor shall it permit any Beneficiaries, Payment Agency or AM Agency to do so.
3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall take all measures necessary to regularly collect and compile, and submit to the Association, as part of the Project Reports, and promptly in a separate report whenever the circumstances warrant, information on the status of compliance with the Safeguards Instruments, providing details of: (a) the measures taken in furtherance of the Safeguards Instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and (c) remedial measures taken or required to be taken to address such conditions.

4. In case of any inconsistency between the provisions of any of the Safeguards Instruments and this Agreement, the provisions of this Agreement shall prevail.

5. The Recipient shall ensure that all advisory, analytical, planning, institutional capacity building, strategizing and such other services, carried out under the Project shall be carried out according to terms of reference, satisfactory to the Association, requiring such services to deliver products which take into account, and are consistent with, the Association's social and environmental safeguard policies."

3. Section III.A of Schedule 2 to the Original Financing Agreement is hereby amended to read in its entirety as follows:

“A. General

1. Procurement Regulations

All goods, non-consulting services and consulting services required for the Project, to be financed out of the proceeds of the Financing, and for which the procurement process starts on or after the date of the countersignature of this Second Amendment Letter, shall be procured in accordance with the requirements set forth or referred to in the “World Bank Procurement Regulations for IPF Borrowers” dated July 2016, revised November 2017 (“Procurement Regulations”), and the provisions of the Recipient’s procurement plan for the Project (“Procurement Plan”) dated May 17, 2018, 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.

2. Procurement Guidelines and Consultant Guidelines

(a) Procurement and Consultant Guidelines. All goods, non-consulting-services and consultants’ services required for the Project, to be financed out of the proceeds of the Financing and for which the procurement process started before the date of the countersignature of this Second Amendment Letter, shall be procured in accordance with the provisions of this Section, and with the requirements set forth or referred to in:

(i) Section I of the “Guidelines: Procurement of Goods, Works and NonConsulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 and updated in July 2014 (“Procurement Guidelines”), in the case of goods and non-consulting services; and
(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 and updated in July 2014 (“Consultant Guidelines”), in the case of consultants’ services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines.

(b) Definitions. The capitalized terms used in the following paragraphs of this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.”

4. In the Appendix of the Original Financing Agreement, the following definitions are added and placed in alphabetical order to read as follows and the rest of the definitions are renumbered accordingly to maintain alphabetical order:

“Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

“Environmental and Social Impact Assessment” or “ESIA” means an Environmental and Social Impact Assessment, to be adopted by the Recipient in respect of any activities under the Project, for purposes of implementation of activities under the Project, giving a detailed assessment of potential environmental impacts, together with a survey in each case of the area of influence and an evaluation of alternatives, and highlighting appropriate mitigation, management and monitoring measures required to offset, eliminate or mitigate such impacts, or reduce them to acceptable levels, together with particulars of proposed institutional, monitoring and reporting arrangements required to ensure proper implementation of, and regular feedback on compliance with, the ESIA, as such ESIA may be amended from time to time, subject to the provisions of this Agreement.

“Environmental and Social Management Framework” or “ESMF” means the Recipient’s Environmental and Social Management Framework, dated April 25, 2018, issued by or on behalf of the Recipient and publicly disclosed, giving details of the policies and procedures designed to maximize the benefits of the Project, and offset, eliminate or mitigate any adverse social and environmental impacts, or reduce them to acceptable levels, as such ESMF may be amended from time to time, subject to compliance with the provisions of this Agreement.

“Environmental and Social Management Plan” or “ESMP” means an Environmental and Social Impact Assessment to be adopted by the Recipient in respect of any activities under the Project, giving details of measures consistent with the ESMF, and designed to facilitate the implementation of measures to offset, eliminate or mitigate any adverse social and environmental impacts, together with particulars of institutional, monitoring and reporting
arrangements required to ensure proper implementation of, and regular feedback on compliance with, the ESMP, as such ESMP may be amended from time to time, subject to compliance with the provisions of this Agreement.

"IGAP Beneficiary" means any poor households which meet the targeting and eligibility criteria detailed in the PIM, and as such is eligible for the payment of Cash Transfers under IGAP.

"Income Generating Activities Program" or "IGAP" means a portion of the Grant’s proceeds to finance the payments to Beneficiaries under Part 1.E (b) of the Project.

"Labor Intensive Public Work Program" or "LIPWP" means a portion of the Grant’s proceeds to finance the payments to Beneficiaries under Part 1.D (b) of the Project.

"LIPWP Beneficiary" means any poor households which meet the targeting and eligibility criteria detailed in the PIM, and as such is eligible for the payment of Cash Transfers under LIPWP.

"Pest Management Plan" means a plan dated May 9, 2018 issued by the Recipient in respect of any activities under the Project involving significant pest management issues, giving details of measures to be taken towards pest control, as such plan may be amended from time to time, subject to compliance with the provisions of this Agreement.


"Registre Social Unifié" or "RSU" means unified social registry for the social protection system.

"Resettlement Action Plans" or “RAPs” mean any Resettlement Action Plan(s) to be adopted by the Recipient in respect of any activities under the Project, giving details of measures consistent with the RPF, and designed to facilitate the compensation and resettlement of Displaced Persons, including the magnitude of displacement, proposed compensation and resettlement arrangements, and budget and cost estimates, together with particulars of institutional, monitoring and reporting and grievance redress arrangements required to ensure proper implementation of, and regular feedback on compliance with, the RAP(s), as such RAP(s) may be amended from time to time, subject to compliance with the provisions of this Agreement.

"Resettlement Policy Framework" or "RPF" means the Resettlement Policy Framework, dated May 9, 2018, issued by or on behalf of the Recipient and publicly disclosed, describing a program of actions, measures and policies designed to avoid or minimize any adverse impact or hardship to Displaced Persons as a result of the Project or, in the event that such adverse impact or hardship cannot be avoided altogether, provide for the compensation and resettlement of such Displaced Persons, as such RPF may be amended from time to time, subject to compliance with the provisions of this Agreement.

"Safeguards Documents" mean the ESMF, RPF and the Pest Management Plan.
“Safeguards Instruments” means the Safeguards Documents and any safeguard plan developed for any Part of the Project pursuant to said Safeguard Documents, including the ESIA, ESMP, and RAP.

All the terms and conditions of the Original Financing Agreement that have not been amended hereby shall remain unchanged and in full force and effect.

Please indicate your agreement with the foregoing amendments on behalf of the Recipient by countersigning and dating two (2) original copies of this Second Amendment Letter and returning one countersigned original to us. Upon receipt by the Association of the countersigned copy, these amendments shall become effective as of the date of this Second Amendment letter.

Sincerely,

INTERNATIONAL DEVELOPMENT ASSOCIATION

Soukeyna Kane
Country Director for Mali
Africa Region

CONFIRMED AND AGREED:

REPUBLIC OF MALI

By: ____________________________
Name: De Boubou Eisse
Title: Minister of Economy and Finance
Date: July 16th, 2018
Annex 1

Schedule 1
Project Description

The objective of the Project is to increase access to targeted cash transfers for poor and vulnerable households, and build an adaptive national safety net system in the Recipient’s territory.

The Project consists of the following parts:

**Part 1. Cash Transfer Program and Accompanying Measures**

A. **Direct Cash Transfer to Poor Households**

Provision of financing for the Direct Cash Transfer Program (the “DCTP”) to selected Beneficiaries based in accordance with the provisions set forth in Section IV.I.B of Schedule 2 to this Agreement.

B. **Accompanying Measures**

Provision of goods, non-consultants and consultants’ services to implement and promote DCTP Accompanying Measures to the DCTP Beneficiaries, as well as other selected households, through the Accompanying Measures Agencies (the “AM Agencies”), including *inter alia*:

(a) accompanying measures sessions for: (i) children and mothers’ health; (ii) children’s nutrition; (iii) children’s education; and (iv) hygiene;

(b) a package of interventions based on the Recipient’s experience on children’s health and education in accordance with Section C of PIM;

(c) home visits and development and implementation of case management system linked to RSU and training; and

(d) community/village-level information campaigns to promote good practices in health, education, nutrition, family planning, and investment and savings planning.

C. **Pilot Preventing Nutrition Packages**

Provision of Pilot Preventive Nutrition Packages (the “PNP”) to children under 5 (five) years old and pregnant women, in selected villages.

D. **Labor Intensive Public Works Program**

(a) Provision of financing for Labor Intensive Public Work Program (the “LIPWP”) for selected LIPWP Beneficiaries.
(b) Provision of goods, non-consultants and consultants’ services to implement and promote accompanying measure to LIPWP Beneficiaries, as well as other selected households, through AM Agencies.

F. **Income Generating Activities Program**

(a) Provision of financing for Income Generating Activities Program (the “IGAP”) for selected IGAP Beneficiaries.

(b) Provision of goods, non-consultants and consultants’ services to implement and promote accompanying measures to IGAP Beneficiaries, as well as other selected households, through AM Agencies.

**Part 2. Establishment of a Basic Safety Net System**

Provision of goods, consultants’ services and operating costs to the UTGFS to establish the basic elements of the social safety net system, including: (a) scaling up of coverage of the RSU and updating of the RSU information; (b) an information education and communication campaign for the RSU; (c) monitoring and evaluation, including annual process evaluation, annual spot checks, and annual independent audits; (e) training programs at the central and regional levels; and (f) preparation of studies and manuals.

**Part 3. Project Management**

Provision of goods, consultants’ services, including audit and training, and Operating Costs to the Recipient for purposes of Project management and implementation, including monitoring and evaluation, and of promotion of innovations for improving service delivery under Parts 1 and 2 of the Project.

**Part 4. Contingent Emergency Response**

Contingent emergency response through the provision of immediate response to an Eligible Crisis or Emergency, as needed.