OFFICIAL DOCUMENTS

GRANT NUMBER D374-BF

Financing Agreement

(Strengthening Climate Resilience Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

October 26, 2018
AGREEMENT dated as of the Signature Date between BURKINA FASO ("Recipient") and the 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) 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 six million one hundred thousand Special Drawing Rights (SDR 6,100,000) ("Financing"), to assist in financing the project described in Schedule I to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing 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 Financing Balance.

2.04. The Payment Dates are March 15 and September 15 in each year.

2.05. The Payment Currency is Euro.

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 through its Ministry of Transport, Urban Mobility and Road Safety, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.
ARTICLE IV
EFFECTIVENESS; TERMINATION

4.01. The Additional Conditions of Effectiveness consist of the following:

(a) the Recipient has prepared and adopted the Project Implementation Manual in form and substance satisfactory to the Association; and

(b) the Recipient has appointed and/or recruited the following staff in the Project Management Unit: a financial management officer, an accountant, a procurement officer and an environmental and social specialist; all with qualifications and under terms of reference satisfactory to the Association.

4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the Signature Date.

4.03. 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 V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister of Finance, Economy and Development.

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

(a) the Recipient’s address is:

Ministry of Finance, Economy and Development
03 BP 7050
Ouagadougou 03
Burkina Faso; and

(b) the Recipient’s Electronic Address is:

Telex: Facsimile:

5555 (226) 25 31 27 15
5.03. 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

AGREED as of the Signature Date.

BURKINA FASO

By

Authorized Representative

Name: Hadizatou Rosine Coulibaly/Sori
Title: Minister of Economy, Finance and Development
Date: October 26, 2018

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Cheick F. Kante
Title: Country Manager for Burkina Faso
Date: October 26, 2018
SCHEDULE 1

Project Description

The objective of the Project is to improve the Recipient's hydro-meteorological, climate, early warning services and improve access to such services by targeted sectors and communities.

The Project consists of the following parts:

Part 1. Capacity Building and Institutional Development

1.1 Strengthening human capacity and institutions to deliver core hydro-meteorological and climate information services, including through: (i) reviewing to enhance the legal and regulatory framework of ANAM and DGRE as well as development of partnerships, standard operating procedures and concepts of operations for the delivery of services with SP/CONASUR, DGPC and DGESS/SAP; (ii) strengthening the quality management systems to raise standards and quality control and verification processes at ANAM and DGRE; and (iii) carrying out Training for staff of ANAM and DGRE to enhance their knowledge in, *inter alia*, basic meteorology, hydrology and ICT, maintenance and operation of newly acquired equipment, ICT, data processing, analysis and management, geographical information systems, and remote sensing.

1.2 Building human capacity and institutions to deliver flood early warning services and emergency response, including through: (i) reviewing to enhance the legal and regulatory framework of SP/CONASUR and DGPC as well as development of related partnerships, standard operating procedures and concepts of operations for flood early warning systems and emergency response, including the development of a national alerting protocol; (ii) strengthening the quality management systems to raise standards and quality control and verification processes at DGPC and SP/CONASUR; and (iii) carrying out capacity development activities and Training for DGPC and SP/CONASUR staff, including, *inter alia*, simulation exercises on alerting and response, animation of an inter-ministerial crisis-room; and communication to relevant authorities and communities.

1.3 Strengthening human capacity and institutions to deliver improved food security information services and emergency response, including through: (i) reviewing to enhance the legal and regulatory framework of DGESS/SAP as well as development of related partnerships, standard operating procedures and concepts of operations for food security warning system and emergency response; (ii) strengthening the quality management systems to raise standards and quality control and verification processes at DGESS/SAP; and (iii) carrying out capacity development activities and Training for DGESS/SAP staff, including, *inter alia*, simulation exercises on alerting and response, animation of an inter-ministerial crisis-room; and communication to relevant authorities and communities.
crisis-room; and communication to relevant authorities and communities.

Part 2. Improvement of Hydromet and Early Warning Infrastructure

2.1 Strengthening physical infrastructure and ICT for the delivery of core hydro-meteorological and climate information services, through, *inter alia*: (i) rehabilitation of priority stations, purchase, installation and operation of new sensors, new rain gauges, new radiosonding system, new automatic hydrometric stations; (ii) putting in place hardware and software for data transmission, data management, data dissemination; (iii) putting in place technical systems for performing meteorological, hydrological and climate modelling; and (iv) refurbishment and the extension of buildings for synoptic observations, maintenance rooms, the meteorological national watch and early warning center at ANAM, as well as construction of offices at DGRE; and (v) purchase of specialized vehicles for operation and maintenance of ANAM and DGRE observation networks.

2.2 Building physical infrastructure and ICT for the delivery of flood early warning services and strengthening response capacity: this sub-component, through, *inter alia*: (i) establishment of an emergency operations center at DGPC and an emergency coordination center for disaster recovery and humanitarian aid at SP/CONASUR with adequate communication equipment; (ii) purchase of specialized equipment and vehicles for emergency operations, maintenance and surveys; and (iii) establishment of a call processing center.

2.3 Strengthening physical infrastructure and ICT for the delivery of food security information services and response capacity, through *inter alia*: (i) modernization of food security EWS infrastructure at DGESS/SAP through equipment and data management systems; (ii) refurbishment of the documentation room of DGESS/SAP; and (iii) purchase of specialized vehicles for the collection and management of data at the regional level.

Part 3. Enhancement of Service Delivery and Warnings to Users and Communities

3.1 Strengthening user and community access to core hydro-meteorological and climate information services, through *inter alia*: (i) provision of technical assistance to strengthen the communication of weather, water and climate information to the general public by different media outlets; (ii) provision of technical assistance to strengthen the communication of tailored agro-meteorological and climate services in selected climate sensitive agriculture production in the south-west region of the Recipient’s territory; (iii) establishment of a shared data platform aimed at strengthening data management, transmission, dissemination and use of information; and (iv) provision of technical assistance to strengthen technical systems and software for performing meteorological, hydrological and climate modelling and forecasting.
3.2 Building user and community access to flood early warning services and response, through *inter alia*: (i) the development of flood early warning systems in urban and peri-urban areas and selected communities along one of the Recipient’s main rivers; (ii) the development of multi-risk contingency plans for emergency preparedness and response in selected communities based on highest vulnerability to flood risk; and (iii) the development of flood risk mapping and geographic information systems for selected areas.

3.3 Strengthening user and community access to food security information services and response, through *inter alia*: (i) provision of required technical assistance and Training to improve local decision maker and farmer access to early warning information services on agriculture, livestock and food security in chronically food insecure communities of selected municipalities prone to drought risk; (ii) carrying out a campaign to raise awareness on the importance of diversification of practices to improve agriculture yields in said municipalities; (iii) provision of support to carry out the harmonized framework in selected municipalities’ areas; and (iv) enhancing communities’ capacity development and training to participate, understand and being active agents for food vulnerability surveys, resilience and permanent agricultural monitoring.

**Part 4. Project Management**

Supporting Project management activities, monitoring and evaluation and strengthening the capacity of the Recipient and Project stakeholders, to coordinate and execute project activities at the central and municipal levels, through the provision of technical assistance, preparation of relevant reports, Training, Operating Costs and required goods for the purpose.

**Part 5. Contingent Emergency Response**

Providing immediate response to an Eligible Crisis or Emergency, as needed.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall designate the Ministry of Transport, Urban Mobility and Road Safety ("MTUMRS") to be responsible for the implementation of the Project, and shall take all actions including the provision of funding, personnel and other resources necessary to enable the MTUMRS to perform its functions.

2. The Recipient, through MTUMRS, shall maintain throughout the period of Project implementation, the Project Management Unit ("PMU") to run the day-to-day management of the Project, in a form and with terms of reference, functions, composition, mandate, staffing, and adequate resources satisfactory to the Association, and as further described in the Project Implementation Manual. To this end, the MTUMRS shall recruit and/or appoint, no later than two (2) months after the Effective Date, or such later date as agreed by the Association, a team leader; an internal auditor and a monitoring and evaluation specialist; all with qualifications and under terms of reference satisfactory to the Association.

3. The Recipient shall, through MTUMRS, maintain throughout the period of Project implementation, a steering committee ("Review Committee"), with mandate satisfactory to the Association, which shall be chaired by the Secretary General of the MTUMRS; and shall be responsible for Project oversight.

4. The Recipient, through MTUMRS, shall not later than two (2) months after the Effective Date, or such later date as agreed by the Association, install and thereafter maintain, an accounting software for the Project, in a manner acceptable to the Association.

5. The Recipient, through MTUMRS, shall not later than six (6) months after the Effective Date, or such later date as agreed by the Association, recruit and thereafter maintain, an external auditor, with qualifications and under terms of reference satisfactory to the Association.

B. Project Implementation Manual

1. The Recipient shall carry out the Project in accordance with the Project Implementation Manual. To this end, the Recipient shall not amend the Project Implementation Manual without the prior written approval of the Association.
2. Notwithstanding the foregoing, if any of the provisions of the Project Implementation Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail and govern.

C. Safeguards

1. General. The Recipient shall ensure that the Project is carried out in accordance with the Safeguard Instruments.

2. Safeguards Instruments. To that end, the Recipient shall include in the bidding documents all required environmental and social measures, and take the following measures:

(a) If any Project activities would, pursuant to the ESMF, require the carrying out of an EA, no such activities shall be implemented unless and until:

   (i) an EA for such activities has been: (A) prepared, in accordance with the ESMF and furnished to the Association as part of the Annual Work Program; (B) disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed; and

   (ii) if said EA would require the preparation of an EMP, such EMP has been: (A) prepared in accordance with such EA and furnished to the Association as part of the Annual Work Program; (B) consulted and disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed.

3. The Recipient shall regularly collect, compile and submit to the Association every calendar semester, reports, in form and substance satisfactory to the Association, on the status of compliance with the Safeguard Instruments, giving details of:

   (a) measures taken in furtherance of such Safeguard Instruments;

   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and

   (iii) remedial measures taken or required to be taken to address such conditions.

4. The Recipient shall not amend, abrogate, repeal, suspend, waive, or otherwise fail to enforce, or permit to be amended, abrogated, repealed, suspended or waived any of the Safeguard Instruments or any provision thereof without the prior written approval of the Association.
D. Contingent Emergency Response

1. In order to ensure the proper implementation of Part 5 of the Project ("Contingent Emergency Response") ("CERC Part"), the Recipient shall take the following measures:

   (a) prepare and furnish to the Association for its review and approval, an operations manual, which shall set forth detailed implementation arrangements for the CERC 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 CERC Part ("Coordinating Authority"); (ii) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the CERC Part; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CERC Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social safeguard management frameworks for the CERC Part, consistent with the Association's policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CERC Part;

   (b) afford the Association a reasonable opportunity to review said proposed operations manual;

   (c) promptly adopt such operations manual for the CERC Part as shall have been approved by the Association ("CERC Operations Manual");

   (d) ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC 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 CERC Operations Manual without prior approval by the Association.

2. The Recipient shall, throughout the implementation of the CERC Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.

3. The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC 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 Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association 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 CERC Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than one (1) month 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: (a) finance Eligible Expenditures; and (b) repay the Preparation Advance; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, Operating Costs, Training, non-consulting services, and consulting services under Parts 1, 2, 3 and 4 of the Project.</td>
<td>5,300,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Refund of Preparation Advance</td>
<td>800,000</td>
<td>Amount payable pursuant to Section 2.07 (a) of the General Conditions</td>
</tr>
<tr>
<td>(3) Emergency Expenditures under Part 5 of the Project.</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>6,100,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
   
   (a) for payments made prior to the Signature Date; or
   
   (b) Under category (3), no withdrawal shall be made for Emergency Expenditures under Part 5 of the Project unless and until the Association is satisfied that all the following conditions have been met in respect of the said activities:
       
       (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association 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.C of this Schedule;

(iii) the Recipient's Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.D of this Schedule, for the purposes of said activities; and

(iv) the Recipient has adopted the CERC Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Operations Manual are in accordance with the provisions of Section I.D of this Schedule so as to be appropriate for the inclusion and implementation of said activities under the CERC Part.

2. The Closing Date is January 30, 2024.
APPENDIX

Section I. Definitions

1. "ANAM" means the Recipient's National Agency for Meteorology or any successor thereto.

2. "Annual Work Program" means the proposed annual work plan and budget for carrying out the Project, as approved by the Association.

3. "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.

4. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

5. "CERC Operations Manual" means the operations manual referred to in Section I.D of Schedule 2 to this Agreement, to be adopted by the Recipient for the CERC Part in accordance with the provisions of said Section.

6. "SP/CONASUR" means the Recipient's Permanent Secretary of the National Agency for Emergency and Rehabilitation or any successor thereto.

7. "Contingent Emergency Response" or "CERC Part" means Part 5 of the Project.

8. "Coordinating Authority" the entity or entities designated by the Recipient in the CERC Operations Manual and approved by the Association pursuant to Section I.D of Schedule 2 to this Agreement, to be responsible for coordinating the CERC Part.

9. "DGPC" means the Directorate General for Civil Protection under the Recipient's ministry in charge of territorial affairs.


12. "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.
13. "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 5 of the Project and set forth in the CERC Operations Manual.

14. "Environmental and Social Management Framework" and "ESMF" each means the document prepared, adopted and disclosed by the Recipient on May 30, 2017, acceptable to the Association, setting forth the modalities for site-specific environmental screening and procedures/ actions for the preparation and implementation of EAs and EMPs under the Project, the set of mitigation, monitoring, and institutional measures and procedures required in order to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, as well as actions needed to implement said measures, as the same may be amended from time to time with the Association's prior written approval.

15. "Environmental Assessment" and "EA" each means, for a given activity under the Project, the environmental assessment carried out pursuant to the ESMF in accordance with the provisions of Section I.C of Schedule 2 to this Agreement.

16. "Environmental Management Plan" and "EMP" each means, for a given activity under the Project, the environmental management plan prepared pursuant to said EA and ESMF in accordance with the provisions of Section I.C of Schedule 2 to this Agreement.


18. "ICT" means information and communications technology.

19. "Operating Costs" means the incremental expenses incurred on account of Project implementation, monitoring and evaluation, consisting of reasonable expenditures for vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office (and office equipment) maintenance, utilities, document duplication/printing, consumables, travel cost and per diem for Project staff for travel linked to the implementation, monitoring and evaluation of the Project, and salaries of contractual staff for the Project (but excluding salaries of officials of the Recipient’s civil service).

21. "Safeguard Instruments" means with respect to a particular activity under the Project, collectively, the ESMF and all EAs, EMPs applicable to said activity, and "Safeguard Instrument" means one of the Safeguard Instruments, as the context may require.

22. "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.

23. "EWS" means early warning system.

24. "Training" means training, workshops, conferences, study tours, fellowships; and scholarships provided under the Project activities and conducted in the territory of the Recipient and abroad, including the reasonable and necessary incremental expenditures incurred on account of organizing or attending learning and knowledge dissemination events, including: (i) fees for educational institutions; (ii) fees and allowances for resource persons; (iii) travel, board and lodging for resource persons and trainees; (iv) logistics and materials associated with conferences, seminars, workshops, study tours, fellowships and scholarships; and (v) other training costs directly associated with the Project, but excluding: (a) those provided through consulting services; and (b) salaries (including bonuses, fees and honoraria or equivalent payments) of officials of the Recipient's civil service.