Financing Agreement

(Flood Emergency Project)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 09 SEP 2013, 2013
FINANCING AGREEMENT

AGREEMENT dated 09 SEP. 2013, entered into between REPUBLIC OF CAMEROON ("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 credit in an amount equivalent to seventy-one million six hundred thousand Special Drawing Rights (SDR 71,600,000) (variously, "Credit" and "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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are February 15 and August 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
2.07. 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 and, as applicable, cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.

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 Event of Suspension consists of the following, namely that 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 Project Implementing Entity to perform any of its obligations under the Project Agreement.

4.02. The Additional Event of Acceleration consists of the event specified in Section 4.01 of this Agreement occurring and continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

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

(a) The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity, in accordance with Section I.B of Schedule 2 to this Agreement.

(b) The Recipient has established the Project Steering Committee in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.

(c) The Recipient has established the Regional Technical Monitoring Team in accordance with the provisions of Section I.A.2 of Schedule 2 to this Agreement.
The Recipient has extended the mandate of PACA-IU in accordance with the provisions of Section I.A.3(a) 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 twenty years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. Except as provided in Section 2.02 of this Agreement, the Recipient’s Representative is its Minister of Economy, Planning and Regional Development.

6.02. The Recipient’s Address is:

Ministry of Economy, Planning and Regional Development
Yaoundé
Republic of Cameroon

Facsimile:
(237) 22 22 15 09

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 248423 (MCI) 1-202-477-6391
AGREED at Maga, Republic of Cameroon, as of the day, month and year first above written.

REPUBLIC OF CAMEROON

By

Authorized Representative

Name: Emmanuel Njume O.

Title: Minister, MINPAT

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Gregor Binkert

Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to rehabilitate key hydraulic infrastructure and improve disaster-preparedness in the Target Areas of the Recipient’s Far North region.

The Project consists of the following parts:

Part A. Infrastructure Rehabilitation for Flood Protection and Rice Production

Implementation of a program of activities to rehabilitate the Recipient’s deteriorated and flood-affected hydraulic infrastructure in the Target Area for the purpose of flood protection and improvement of rice production, including, inter alia:

1. Rehabilitation of 70km of the Recipient’s Logone River dyke, notably:
   (a) fortification of 47km and construction of 23km of the Dyke’s embankment from the Recipient’s City of Pouss to the Recipient’s City of Yagoua; and
   (b) installation of slope protection mechanisms, including rip-raps and gabions, and where applicable, anti-erosion vegetation along said embankment.

2. Rehabilitation of the Recipient’s Maga dam, notably:
   (a) fortification of the Dam’s 27 km embankment profile to meet the specifications of its original design;
   (b) rehabilitation of the Dam’s spillway to raise its water discharge capacity to 100m³ per second; and width- and depth-expansion of the Recipient’s Mayo Vrick channel to a water capacity minimum level of 100m³;
   (c) upgrading or construction, as applicable, of Dam-associated drainage channels and additional emergency spillway capacity;
   (d) clearance of Recipient’s Mayo Vrick channel to improve downstream conveyance; and
   (e) rehabilitation of the Pouss weir and installation of associated structures for the purpose of water flow regulation between the Dyke and the Dam.

3. Rehabilitation of 4300 hectares of irrigation schemes in the Recipient’s City of Maga and 3200 hectares of irrigation schemes in the Recipient’s City of Yagoua,
implementing said operation and maintenance plans during Project implementation.

2. Project coordination, management and monitoring, preparation of financial audits and periodic evaluations, including:

   (a) preparation of Safeguard Instruments and implementation of Safeguard Instruments-derived mitigation measures associated with the Project; and

   (b) strengthening the Project Implementing Entity’s technical and fiduciary capacity to manage and implement the Project, including, *inter alia*, recruitment of requisite staff, purchase of equipment, and provision of Training, audits, and monitoring and evaluation activities.
including restoration and strengthening of their channels, drains, and fields for
the purpose of reinstalling the schemes’ full functionality for irrigated rice
production; and rehabilitation of the Dam’s four (4) irrigation intakes and the
Dyke’s four (4) irrigation intakes.

Part B. Disaster Risk and Emergency Management

Implementation of a program of activities to develop the institutional capacity of
select public and non-governmental disaster risk reduction and emergency
management entities in the Project Area, consisting of, _inter alia:_

1. Establishment of hydro-meteorological and data management system in the
Project Area, notably:
   
   (a) design of a hydro-meteorological monitoring system for the Project
       Area;
   
   (b) installation of a hydro-meteorological monitoring equipment, based on
       the design referred to Part B.2(a) above, for the Project Area, including
       water level recorders for the Recipient’s Lake Maga and training of
       SEMRY’s relevant staff in the use thereof; and
   
   (c) renovation of SEMRY’s office buildings for hydro-meteorological
       monitoring.

2. Strengthening of the Recipient’s emergency management capacity for the Project
Area, including:
   
   (a) preparation of a contingency plan ("CP") for the Project area;
   
   (b) provision of emergency intervention equipment and training in the
       implementation of the CP referred to in Part B.2(a) above, to relevant
       staff of SEMRY, government agencies, local institutions, non-
       governmental organizations and all other entities designated in the CP as
       responsible actors necessary for the implementation of the said plan; and
   
   (c) design and implementation of sensitization campaigns and training to
       local communities on the risks, readiness and response flood
       emergencies in the Project Area.

Part C. Infrastructure Operation and Maintenance, Project Management

1. (a) Development of operation and maintenance plans for the Dam, Dyke and the
irrigations schemes referred to in Part A; (b) preparation of safety procedures for
the Dam; and (c) strengthening of SEMRY’s institutional capacity for
public works; and environment, nature protection and sustainable development; and representatives of SEMRY, FUGRIMA and FUGRIYA.

(c) The Regional Technical Monitoring Team shall meet at least once every calendar quarter and shall be subordinate to the Project Steering Committee being responsible for just-in-time Project oversight and guidance, including *inter alia*: reviewing all documents and reports produced for submission to the Project Steering Committee through the PACA-IU or SEMRY-PIU, as applicable; ensuring implementation of the recommendations of the Project Steering Committee; and monitoring annual work plans.

3. **PACA-IU**

   (a) The Recipient shall, without delay, extend the mandate of the PACA implementing unit, with composition, terms of reference and resources satisfactory to the Association ("PACA-IU"), until such time as the SEMRY-PIU shall be established and operational in accordance with the provisions of Section I.A.1(b) of the Schedule to the Project Agreement, whereupon the SEMRY-PIU shall take over from PACA-IU all of the responsibilities performed by the latter with respect to the implementation of the Project.

   (b) Without limitation upon the provisions of Paragraph (a) of Section I.A.3 of this Schedule 2, the PACA-IU shall: (i) be comprised of qualified and experienced personnel in adequate number with terms of reference acceptable to the Association; and (ii) be responsible for day-to-day Project coordination and implementation, including, *inter alia*: (A) consolidating and preparing proposed annual work plans of activities for inclusion in the Project, and updating the procurement plan and related budgets and consolidating Project Reports for the Project Steering Committee's review; (B) carrying out Project financial management and procurement activities; and (C) monitoring and evaluating the Project.

4. **Special Tender Board**

   In order to ensure the effective carrying out of all procurement activities under the Project, the Recipient shall maintain the mandate extended to the PACA Special Tender Board ("Special Tender Board Mandate"), at all times during the implementation of the Project, with composition, terms of reference and resources satisfactory to the Association.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee

(a) The Recipient shall establish and maintain, at all times during the implementation of the Project, a Project steering committee with a mandate, composition and resources satisfactory to the Association ("Project Steering Committee").

(b) Without limitation upon the provisions of paragraph (a) of Section I.A.1 of this Schedule 2, the Project Steering Committee shall be chaired by a representative of MINEPAT and shall be comprised of, inter alia, representatives of the Recipient's ministries responsible for agriculture and rural development; public works; finance; environment, nature protection and sustainable development; and water resources and energy; representatives of CAA, SEMRY, FUGRIMA, FUGRIYA, and the governor of the Recipient's Far North region. The Project coordinator for the PACA-IU or the SEMRY PIU, as applicable, shall serve as the secretary to the Project Steering Committee.

(c) The Project Steering Committee shall meet at least semi-annually and shall be responsible for Project oversight, including inter alia: (i) reviewing the proposed Annual Work Plans and Budgets for the Project; (ii) providing overall Project oversight and guidance, and (iii) identifying necessary Project adjustments based on monitoring and evaluation reports.

2. Regional Technical Monitoring Team

(a) Notwithstanding the provisions of Section I.A.1 to this Schedule 2, the Recipient shall establish and maintain at all times during the implementation of the Project, a regional technical monitoring team with a mandate, composition and resources satisfactory to the Association ("Regional Technical Monitoring Team").

(b) Without limitation upon the provisions of paragraph (a) of Section I.A.2 of this Schedule 2, the Regional Technical Monitoring Team shall be chaired by the governor of the Recipient’s Far North region and shall be comprised of, inter alia, regional representatives of MINEPAT, the recipient’s ministries responsible for agriculture and rural development;
B. Subsidiary Agreement

1. In order to achieve the objectives of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity, under terms and conditions acceptable to the Association ("Subsidiary Agreement"), which shall include, without limitation, the following:

(a) The proceeds of the Financing shall be made available to the Project Implementing Entity on grant terms.

(b) The Recipient shall require the Project Implementing Entity to establish and maintain within its structure, no later than twelve (12) months after the Effective Date, a Project implementing unit with composition, terms of reference and resources satisfactory to the Recipient and the Association which shall: (i) be comprised of qualified and experienced personnel in adequate numbers; and (ii) be responsible for day-to-day Project coordination and implementation, including, *inter alia*: (A) preparing proposed annual work plans of activities for inclusion in the Project, and updating the procurement plan and related budgets and consolidating Project Reports for the Project Steering Committee's review; (B) carrying out all Project financial management, procurement activities and contract execution; and (C) monitoring and evaluating the Project ("SEMRY-PIU").

(c) The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the requirement that the Project Implementing Entity:

(i) carry out its activities under the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including, without limitation to the generality of the foregoing, in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient, the Project Implementation Manual, and the Safeguard Instruments;

(ii) maintain policies and procedures, adequate to enable the Project Implementing Entity to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the activities carried out under the Project and the achievement of its objectives;
(iii) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the activities carried out by the Project Implementing Entity under the Project and (B) at the Association’s or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and furnish promptly to the Recipient and the Association the financial statements as so audited;

(iv) enable the Recipient and the Association to inspect the activities carried out by the Project Implementing Entity under the Project, their operation and any relevant records and documents; and prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing; and

(v) refund any or all part of the amount of the Financing then withdrawn, upon the Recipient’s determination that the Project Implementing Entity has failed to perform any of its obligations under the Subsidiary Agreement or the Project Agreement.

(d) The Recipient shall exercise its rights and carry out its obligations under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

2. Except as the Association shall otherwise agree, the Recipient and the Project Implementing Entity shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

3. In the event of any conflict between the Subsidiary Agreement and the Financing Agreement or the Project Agreement, the Financing Agreement or the Project Agreement, as the case may be, shall prevail.

C. Anti-Corruption

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

1. The Recipient shall, and cause the Project Implementing Entity to, carry out the Project in accordance with the Project Implementation Manual and shall not, and cause the Project Implementing Entity not to, amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written consent of the Association.

2. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

E. Annual Work Plans and Budgets

1. Not later than September 15 in each calendar year (or one month after the Effective Date for the first year of Project implementation), the Recipient shall prepare or cause to be prepared for the purpose of forwarding to the Association: a draft annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of Project implementation, of such scope and detail as the Association shall have reasonably requested.

2. The Recipient shall afford the Association a reasonable opportunity to review such draft annual work plan and budget, and thereafter shall carry out (or cause to be carried out) such annual work plan and budget during such subsequent calendar year as shall have been approved by the Association ("Annual Work Plan and Budget"). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the Financing.

3. Any Training proposed to be included in an Annual Work Plan and Budget, shall include, inter alia: (a) particulars of the Training envisaged; (b) the criteria for selection of the personnel to be trained, and such personnel if known; (c) the selection method of the institution or individuals conducting such Training; (d) the institution conducting such Training if identified; (e) the purpose and justification for such Training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such Training.

4. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior written approval.

F. Safeguards

1. The Recipient shall, prior to commencing any activities under Part A of the Project:
(a) prepare, or cause to be prepared, the relevant Safeguards Instruments under terms of reference satisfactory to the Association;

(b) furnish to the Association the Safeguards Instruments mentioned in paragraph (a) above and afford the Association a reasonable opportunity to review and approve such Safeguard Instruments; and

(c) thereafter, publicly disclose and adopt such Safeguards Instruments as shall have been approved by the Association.

2. The Recipient shall: (a) take such measures, or cause such measures to be taken, as shall be necessary or appropriate to ensure full compliance with the requirements of such Safeguards Instruments; and (b) if any activity under the Project would involve Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before resettlement measures under the RAP, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, have been taken.

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall (and shall cause the Project Implementing Entity to), for each Safeguard Instrument, regularly collect, compile and furnish to the Association reports in form and substance satisfactory to the Association, on the status of compliance with each Safeguard Instrument, as part of the Project Reports, giving details of:

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

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

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

4. The Recipient shall not amend, waive or otherwise modify any provision of the Safeguard Instruments without the prior written consent of the Association (or permit them to be so amended, waived or otherwise modified).

5. In the event that any provision of the Safeguards Instruments shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.

6. The Recipient shall ensure that all terms of reference for any technical assistance and studies to be carried out under the Project are consistent with the Association's environmental and social safeguard policies.
Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

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 and on the basis of the indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than one month after the end of the period covered by such report.

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 (or cause to be prepared and furnished) to the Association not later than forty-five (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. 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, Works and Non-consulting Services. All goods, works and non-consulting 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 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, Goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding:

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan:

<table>
<thead>
<tr>
<th>Procurement Method</th>
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</thead>
<tbody>
<tr>
<td>(a) Limited International Bidding</td>
</tr>
<tr>
<td>(b) National Competitive Bidding, subject to the additional procedures set forth in paragraph 3 below</td>
</tr>
<tr>
<td>(c) Shopping</td>
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<tr>
<td>(d) Direct Contracting</td>
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<tr>
<td>(e) Force Account</td>
</tr>
</tbody>
</table>

3. Requirements for the National Competitive Bidding. The procedures to be followed for National Competitive Bidding shall be those set forth in the Recipient’s Procurement Code of September 24, 2004, as revised from time to time in a manner deemed acceptable to the Association, subject, however, to the modifications described in the following paragraphs required for compliance with the Procurement Guidelines.

(i) In accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (a) the bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Association, at its request, to inspect all accounts, records and other documents relating to the submission of bids and contract performance, and to have said accounts and records audited by auditors appointed by the Association; and (b) the deliberate and material violation of such provision may amount to an obstructive practice as defined in paragraph 1.16 (a)(v) of the Procurement Guidelines;
(ii) The invitation to bid shall be advertised in, at least, one national newspapers with wide circulation;

(iii) The bid evaluation, qualification of bidders and contract award criteria shall be clearly indicated in the bidding documents;

(iv) The bidders shall be given adequate response time (at least four (4) weeks) from the date of the invitation to bid or the date of availability of a bidding documents, whichever is later, to prepare and submit their bids;

(v) Eligible bidders, including foreign bidders, shall be allowed to participate;

(vi) No domestic preference shall be given to domestic contractors and to domestically manufactured goods and association with national firm shall not be a condition for participation in a bidding process;

(vii) Bids are awarded to the lowest evaluated bidder provided that such bidder is qualified; No scoring system shall be allowed for the evaluation of bids, and no “blanket” limitation to the number of lots which can be awarded to a bidder shall apply; and

(viii) Qualification criteria shall only concern the bidder’s capability and resources to perform the contract taking into account objective and measurable factors.

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.

3. Other Methods of Procurement of Consultants’ Services. The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan:
D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. 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:
Amount of the Credit Percentage of Expenditures Allocated (expressed to be Financed Category in SDR) (inclusive of Taxes)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, and consultants' services for Part A of the Project</td>
<td>65,800,000</td>
<td>100% (excluding value added taxes and custom duties)</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants’ services, and Training for Part B the Project</td>
<td>1,700,000</td>
<td>100% (excluding value added taxes and custom duties)</td>
</tr>
<tr>
<td>(3) Goods, works, non-consulting services, consultants’ services, Training and Operating Costs for Part C of the Project</td>
<td>1,900,000</td>
<td>100% (excluding value added taxes and custom duties)</td>
</tr>
<tr>
<td>(4) Unallocated</td>
<td>2,200,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>71,600,000</td>
<td></td>
</tr>
</tbody>
</table>

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; or
   (b) under Category (1) unless the Recipient has disclosed all Safeguard Instruments required under the Project in accordance with the provisions of Section V.A of this Schedule 2.

2. The Closing Date is June 30, 2017.

Section V. Other Undertakings

A. Without limitations upon the provisions of Section I.F.1 of this Schedule 2, the Recipient shall ensure that all Safeguards Instruments required under the Project
are disclosed in country and at the Association's Infoshop, no later than one hundred twenty (120) days prior to the signing of any contracts for works to be carried out under Part A of the Project.

B. The Recipient shall ensure that the Financing shall be used exclusively for the financing of activities detailed in Schedule 1 of this Agreement and no portion of the Financing shall be used for any applicable expenditure under the Project if such expenditure was reimbursed by the PACA Financing.

C. For purposes of Section 4.06 of the General Conditions, the Recipient shall maintain the Concession Decret and furnish to SEMRY such resources necessary to operate and maintain the infrastructure facilities to be rehabilitated under Part A of Schedule 1 to this Agreement, and shall ensure that said facilities are at all times properly operated and maintained. Without limitations to the foregoing, the Recipient shall not: (i) amend, suspend, abrogate, repeal or waive the Concession Decret so as to affect materially and adversely the ability of SEMRY to perform any of its obligations under the said Concession Decret; and (ii) transfer any of the rehabilitated facilities to any entity, other than SEMRY, without the prior written consent of the Association, such consent not to be unreasonably withheld or delayed.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15:</td>
<td></td>
</tr>
<tr>
<td>commencing August 15, 2023 to and including February 15, 2033</td>
<td>1%</td>
</tr>
<tr>
<td>commencing August 15, 2033 to and including February 15, 2053</td>
<td>2%</td>
</tr>
</tbody>
</table>

*The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Section I. Definitions

1. “Affected Person” means a person who as a result of: (i) the involuntary taking of land under the Project is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood; and “Affected Person” means any of the Affected Persons.

2. “Annual Work Plan and Budget” means the annual work plan and budget as prepared by the Recipient for and approved by the Association in accordance with the provisions of Section I.E of Schedule 2 to this Agreement.


4. “CAA” means Caisse Autonome d’Amortissement du Cameroun or the Recipient’s national debt management agency established pursuant to the Recipient’s Decret No. 85/1176 du 28-08-1985 portant creation de la Caisse Autonome d’Amortissement.

5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


8. “Contingency Plan” means the plan referred to in Part B.2(a) of the Schedule 1 to this Agreement.

9. “Dam” means the Maga Dam, an impounding dam located in the area of the Recipient’s city of Maga.

10. “Dam Safety Panel” means the dam safety panel to be established in accordance with Section I.A.2 of the Schedule to the Project Agreement.
21. "PACA-IU" means the project implementation unit established pursuant to Section 1.A.2 of Schedule 2 to the PACA Financing Agreement.

22. "PACA Special Tender Board" means the special tender board established pursuant to Section V.4 of Schedule 2 to the PACA Financing Agreement.

23. "Pest Management Plan" or "PMP" means a plan, approved by the Association, to be prepared by the Recipient to minimize and manage the environmental and health risks associated with pesticide use and promote and support safe, effective and environmental sound pest management, as the same may be amended from time to time with the agreement of the Association.


25. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated May 10, 2013, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

26. "Project Implementation Manual" means the implementation unit of the Project to be established and maintained by the Recipient in accordance with the provisions of Section 1.D of Schedule 2 to this Agreement.

27. "Project Implementing Entity" means SEMRY.


29. "Project Steering Committee" means the steering committee of the Project to be established and maintained in accordance with the provisions of Section 1.A.1 of Schedule 2 to this Agreement.

30. "Regional Technical Monitoring Team" means the regional technical monitoring team of the Project to be established and maintained in accordance with the provisions of Section 1.A.2 of Schedule 2 to this Agreement.

31. "Resettlement Action Plan" and "RAP" mean a plan prepared by the Recipient and approved by the Association for the Project, to outline the mitigation measures for addressing any resettlement risks associated with the Project, as the said document may be amended and/or supplemented from time to time with the prior written concurrence of the Association and subject to the initial consultation and disclosure requirements carried out on the RAP.
11. “Dyke” means the Logone River dyke located in the area of the Recipient’s city of Yagoua.

12. “ESIA” means an assessment, approved by the Association for the project, to be carried out by the Recipient to evaluate the Project’s potential environmental and social risks and impacts in its area of influence, examine alternatives and identify ways of mitigating and managing adverse environmental and social impact throughout Project implementation, as the same may be amended from time to time with the agreement of the Association.

13. “Environmental and Social Management Plan” and “ESMP” mean a plan, approved by the Association for the Project, to be prepared by the Recipient, proposing appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental and resettlement impacts, offset them, reduce them to acceptable levels or enhance positive impacts, as the same may be amended from time to time with the agreement of the Association.

14. “FUGRIMA” means Fédération des Unions des Groupements des Riziculteurs de Maga, the apex organization of rice producers in the Recipient’s city of Maga.

15. “FUGRIYA” means Fédération des Unions des Groupements des Riziculteurs de Yagoua, the apex organization of rice producers in the Recipient’s city of Yagoua.


17. “Minister of Economy, Planning and Regional Development” or “MINEPAT” means the Recipient’s ministry responsible for economy, planning and regional development and successor thereto.

18. “Operating Costs” means incremental recurrent expenditures incurred on account of Project implementation, including: local contractual support staff salaries; travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications’ expenses, but excluding the salaries of officials and public servants of the Recipient’s civil service.

19. “PACA Financing” means the credit extended by the Association to the Recipient under the PACA Financing Agreement.

20. “PACA Financing Agreement” means the agreement for the Agricultural Competitiveness and Diversification Project between the Recipient and Association, dated September 16, 2009 (Credit number 4612-CM).
32. "Safeguards Instruments" means, collectively, the ESIA, ESMP, RAP and PMP.

33. "SEMRY" means Société d'Expansion et Modernisation de la Riziculture de Yagoua or Society for the Expansion and Modernization of Rice Cultivation in Yagoua, established and operating pursuant to the Project Implementing Entity's Legislation, as said law and decree may be amended from time to time. "SEMRY-PIU" means the project implementation unit to be established and maintained within Project Implementing Entity in accordance with Section I.A.1(b) of the Schedule to the Project Agreement.

34. "Special Tender Board Mandate" means the mandate extended to the PACA Special Tender Board, pursuant to the Recipient's Arrêté No. 006/A/MINMAP du 08 main 2013 portant création des Commissions Spéciales de passation des marchés auprès du certain Projets, for the purpose of facilitating the procurement activities for the Project.

35. "Subsidiary Agreement" means the agreement 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 Project Implementing Entity.


37. "Taxes" means taxes as defined in the General Conditions with the exclusion of value added taxes and custom duties.

38. "Training" means the training of persons under the Project, including through seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: 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.