FINANCING AGREEMENT

(Additional Financing for Health System Performance Reinforcement Project and Amendment to the Original Financing Agreement)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
Additional Financing:
CREDIT NUMBER 6225-CM
GRANT NUMBER D3000-CM

Amendment:
CREDIT NUMBER 5790-CM

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF CAMEROON ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"), for the purpose of: (i) providing additional financing for the Original Project and activities related to the Original Project (as defined in the Appendix to this Agreement); and (ii) amending the Original Financing Agreement. The Association has decided to provide this financing on the basis of, among other things, the existence of an adequate refugee protection framework. 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 and a credit, both deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement (collectively, "Financing") in the following amounts to assist in financing the project described in Schedule 1 to this Agreement ("Project"):

(a) an amount equivalent to twenty million eight hundred thousand Special Drawing Rights (SDR 20,800,000) ("Grant"); and

(b) an amount of five million Euros (€5,000,000) ("Credit").

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 Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.

2.05. The Interest Charge is the greater of: (a) the sum of one and a quarter percent (1.25%) per annum plus the Basis Adjustment to the Interest Charge; and (b) zero percent (0%) per annum on the Withdrawn Credit Balance.

2.06. The Payment Dates are April 15 and October 15 in each year.

2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. 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 in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following, namely, that the Recipient’s refugee protection framework is no longer adequate in the opinion of the Association.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Association is satisfied that the Recipient has an adequate refugee protection framework.

5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is the Minister of Economy, Planning and Regional Development.
6.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient’s address is:

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

(b) the Recipient’s Electronic Address is:

Facsimile:
237-222-221509

6.03. 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.

REPUBLIC OF CAMEROON

By

Authorized Representative

Name: Ousmane May
Title: Representative
Date: December 17, 2018

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Issa Diah
Title: Acting Country Manager
Date: December 17, 2018
SCHEDULE 1

Project Description

The objective of the Project is to: (i) increase utilization and improve the quality of health services with a particular focus on reproductive, maternal, child and adolescent health and nutrition services for the population of Cameroon, including refugees and refugee host communities; and (ii) in the event of an Eligible Emergency, to provide immediate and effective response to said Eligible Emergency.

The Project consists of the following parts:

A. **Strengthening of Health Service Delivery**

Strengthening health service delivery through, *inter alia*:

1. Support for the provision of Basic Health Services Package through the payment of performance-based subsidies to Health Authorities, Health Facilities and selected community health worker groups or nongovernmental organizations.

2. Support for the facilitation of performance-based financing systems and procedures through, *inter alia*: (a) establishment of contract development and verification agencies in relation to the provision of the Basic Health Services Package; (b) provision of training and capacity building activities on PBF systems, processes and benefits; and (c) technical assistance to tertiary level hospitals in the Recipient’s cities of Yaounde and Douala on the use of PBF approach in health service delivery.

3. Improvement of access to RMNCAH and nutrition services, including health activities related to the early years of a child’s development, through, *inter alia*: (a) development and implementation of a package of integrated health, education and social protection services to improve adolescent health; (b) reinforcement of quality and high impact nutrition provision services supported through performance-based subsidies; (c) development and implementation of a communication strategy on PBF-based health service delivery; (d) support to the piloting of Kangaroo Mother Care to reduce risks related to low birth weight and prematurity; and (e) support in the provision of critical inputs in maternal, neonatal, family planning and adolescent health care services.

4. Reinforcement of equity mechanisms to ensure provision of primary healthcare, maternal and child health care and nutrition services for refugees and vulnerable host population, in particular:
(a) Provision of basic health care through the payment of performance-based subsidies to waive fees for all refugees and vulnerable host populations for primary healthcare, maternal and child healthcare, and nutrition services.

(b) Provision of performance-based financing to health facilities, including community health centers, primary health centers, district and regional hospitals in the communities hosting refugees to encourage specific interventions targeted to meet specific medical and health needs of refugees, including: life-saving sexual and reproductive health services, including those related to the management of rape, female genital mutilation (FGM) and gender-based violence (GBV), deworming, soft water sanitation and hygiene interventions, mental health and psychosocial support programs.

(c) Engaging community health workers and community-based organizations in the host communities and refugee camps to provide select basic preventative and referral services and support positive behavior.

(d) Provision of performance-based bonuses to health facilities in crisis areas to encourage rapid increase in healthcare, including reconstruction and acquisition of medical equipment and supplies for health facilities that were destroyed due to conflict.

B. Institutional Strengthening for Improved Health System Performance

1. Strengthening of the Ministry of Public Health at the national, regional and district levels in specific areas including, *inter alia*: (a) carrying out of analytic studies and facilitation of policy dialogue to address priority challenges to the Recipient’s health system; (b) development of a national health financing strategy and implementation of resulting action-plans, including development of a public expenditure review for the health sector; (c) carrying out of ex-post third-party verification of the provision of the Basic Health Services Package; and (d) upgrading and extension of the PBF portal and carrying out of service delivery indicators surveys.

2. Strengthening civil registration and vital statistics systems, including for refugees and host communities.

3. Project coordination, management and monitoring, preparation of financial audits and periodic evaluations, including, *inter alia*: (a) recruitment of requisite staff, purchase of equipment, and provision of Training, audits, and monitoring and evaluation activities; (b) facilitation of performance contracting within the PBF Technical Unit and other relevant units within the Ministry of Public Health; (c) setting up of institutional framework and systems and capacity building to improve health sector program budget indicators, investment budget execution and
information management systems; (d) project supervision, including validating results through technical and financial audits, making payments based on results attained, and overall scheme evaluation; and (c) coordination among stakeholders.

4. Strengthening monitoring and evaluation system, and the information systems of the health facilities at the national and regional levels.

5. Strengthening communicable disease surveillance systems and epidemic preparedness and response in refugee host communities and refugee camps.

C. Strengthening Emergency, Sexual and Reproductive Health Services, and Water Sanitation and Hygiene and Nutrition Service Delivery for Refugee and Host Population in the Northern and East Regions

1. Performance-Based Payments for carrying out a program of activities designed to:
   (a) encourage development of norms, guidelines and training modules on, \textit{inter alia}:
      (i) emergency health services and life-saving sexual and reproductive health services, including those related to the management of rape, FGM and GBV;
      (ii) nutrition, deworming and soft water sanitation and hygiene interventions in preschools, schools, health facilities, at community-level, including refugee camps;
      (iii) comprehensive mental health and psychosocial support programs for refugees, internally displaced persons and communities hosting refugees; and
      (iv) biomedical waste management.
   (b) strengthening institutional capacity building, including:
      (i) provision of sensitivity training of frontline health professionals, community health workers and community-based organizations, including refugee population, communities hosting refugees, and civil registration officers;
      (ii) provision of training to health professionals on basic and comprehensive emergency obstetric and newborn care; and
      (iii) provision of training to health professionals and community health workers on the management of GBV, FGM, mental health, psychosocial conditions, nutrition, neglected tropical diseases.
(NTDs), biomedical waste management and water sanitation and hygiene.

(c) building the institutional capacity, including: (i) provision of sensitivity training of the health professionals directly involved with refugees, and civil registration officers; (ii) provision of training of skilled birth attendants on basic and comprehensive emergency obstetric and newborn care; and (iii) provision of training of health professionals, community health workers and community-based organizations in refugee and host communities on the management of rape, FGM and GBV complications, including mental health, psychosocial conditions, nutrition, and water, sanitation and hygiene.

2. Carrying out a program of water, sanitation and hygiene activities, including:

(a) an analytical work on water sanitation practices in health facilities, and formative research on sanitation marketing, handwashing, household water treatment and safe storage, and menstrual hygiene management.

(b) strengthening health communication towards good sanitation and hygiene behaviors among refugees and host community populations at health and nutrition facilities, schools (including pre-schools if any), and communities in an enabling environment.

D. **Contingent Emergency Response Component**

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

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Technical Working Group

   (a) The Recipient shall maintain at all times during the implementation of the Project, a Project technical working group with composition, mandate and resources satisfactory to the Association ("Technical Working Group");

   (b) The Technical Working Group shall be chaired by a director level representative of the Recipient’s ministry responsible for health and shall be comprised of, inter alia, a representative of the Recipient’s ministries at the time responsible for planning and finance; and

   (c) The Technical Working Group shall meet at least once every year and shall be responsible for Project oversight, including inter alia: providing overall conceptual and strategic guidance to the PBF Technical Unit for Project design, implementation and coordination of activities; reviewing Project progress and performance; reviewing each Annual Work Plan and Budget; identifying necessary Project adjustments based on monitoring and evaluation reports; and submission of annual Project reports to the Health Sector Strategy Steering Committee.

2. PBF Technical Unit

   (a) The Recipient shall maintain at all times during the implementation of the Project, the PBF Technical Unit within the Recipient’s Ministry of Public Health with a mandate, composition and resources satisfactory to the Association.

   (b) Without limitation upon the provisions of Paragraph (a) of Section I.A.2 of this Schedule 2, the PBF Technical Unit shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers and to this end, inter alia, recruit: (A) a procurement specialist and a financial management specialist; and (B) not later than two (2) months after the Effective Date, an accountant, an assistant accountant, and an internal auditor; all in accordance with Section III of this Schedule 2, with qualifications and terms of reference acceptable to the Association; and (ii) be responsible for coordinating the day-to-day implementation of the Project, including, preparing the proposed overall Annual Work Plan and
3. **Tender Board**

To facilitate the carrying out of the Project procurement activities, the Recipient shall expand the mandate of the Tender Board and thereafter maintain the Tender Board, at all times during the implementation of the Project, with composition, terms of reference and resources satisfactory to the Association, which shall be responsible for providing technical procurement support to the PBF Technical Unit.

4. **Steering Committee on Refugees and Technical Secretariat on Refugees**

To facilitate coordination among stakeholders in respect of carrying out and monitoring the implementation of the pertinent activities related to refugees under the Project, the Recipient shall maintain the Steering Committee on Refugees and the Technical Secretariat on Refugees at all times during the implementation of the Project, in a manner satisfactory to the Association.

B. **Performance-Based Financing Implementing Agents**

1. In order to assist the Recipient in carrying out aspects of the PBF activities under Part A of the Project, the Recipient shall engage each of the Implementing Agents under an implementation agreement ("Implementation Agreement") between the Recipient and the Implementing Agent, under terms and conditions approved by the Association, pursuant to which the Implementing Agent shall, on behalf of and as agent for the Recipient, undertake to:

   (a) carry out those activities under said Part of the Project which are located within its assigned region or jurisdiction and specified in the Implementation Agreement ("PBF Activities"), in accordance with the provisions of the Financing Agreement, (including the Project Operational Manual and the PBF Manual); and

   (b) without limitation on the foregoing, ensure that: (i) the performance of the PBF Activities are implemented in accordance with the provisions of Section I.D of this Schedule; (ii) all goods, services, Training and Operating Costs required for the PBF Activities and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of this Schedule 2; (iii) the PBF Activities shall be carried out in accordance with the Anti-Corruption Guidelines; and (iv) the PBF Activities shall be monitored and evaluated in accordance with the provisions of Section II of this Schedule 2.
2. The Recipient shall not make available any portion of the Financing to an Implementing Agent until an Implementation Agreement has been executed between the Recipient and such Implementing Agent.

3. The Recipient shall exercise its rights and carry out its objectives under each Implementation Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Implementation Agreement or any of its provisions.

C. Project Operational Manual

1. The Recipient shall, not later than thirty (30) days after the Effective Date, update the Project operational manual, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) monitoring, evaluation, reporting and communication; (e) environmental and safeguard management; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall afford the Association a reasonable opportunity to review and approve such manual, and shall thereafter adopt or cause to be adopted such manual as shall have been approved by the Association (“Project Operational Manual”).

3. The Recipient shall ensure that the Project is carried out in accordance with the Project Operational Manual and shall not 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.

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

D. PBF Manual

1. The Recipient shall: (a) update the PBF Manual in form and substance satisfactory to the Association, setting forth, inter alia, the detailed arrangements, including payment methods, verification mechanisms, contract management and quality assessment procedures in accordance with defined PBF best practices, for the implementation of performance-based financing, in consideration of the Financing, as well as a detailed assessment of the estimated unit costs of the Basic Health Services Package to be provided by each Participating Health Authority; and (b) thereafter adopt the revised PBF Manual as shall have been approved by the Association (“PBF Manual”).
2. The Recipient shall ensure that the Project is carried out in accordance with the PBF Manual, and except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the PBF Manual, or any of its provisions.

E. Annual Work Plans and Budgets

1. Not later than November 30 in each calendar year (or one (1) month after the Effective Date for the first year of Project implementation), the Recipient shall prepare and furnish 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 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. For any training proposed to be included in an Annual Work Plan and Budget, the Recipient shall, inter alia, identify: (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. Performance-Based Payments

1. General

Without prejudice to the provisions of Section I.A of this Schedule, the Implementing Agents shall review and approve, on behalf of the Recipient, applications for Performance-Based Payments, in accordance with the provisions of this Section I.F and the PBF Manual.
2. Terms and Conditions of Performance-Based Contracts

(a) The Basic Health Services Package shall be carried out pursuant to a Performance-Based Contract, to be concluded between the relevant Implementing Agent on behalf of the Recipient and the respective Participating Health Authority, under terms and conditions, satisfactory to the Association, as further described in the PBF Manual, which shall include the following:

(i) a description of the Basic Health Services Package, the applicable rates, and applicable performance indicators;

(ii) the obligation of the Participating Health Authority to: (A) carry out the Basic Health Services Package with due diligence and efficiency and in accordance with sound technical, financial, administrative, and environmental practices; (B) ensure that the resources required for the activities are provided promptly as needed; (C) maintain adequate records to reflect, in accordance with sound accounting practices, the resources, operations, and expenditures relating to the Basic Health Services Package; and (D) at the request of the Association or the Recipient, have such records audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the records as so audited to the Recipient and the Association;

(iii) the obligation of the Participating Health Authority to carry out the Basic Health Services Package in accordance with the provisions of the Anti-Corruption Guidelines;

(iv) the obligation of the Participating Health Authority to carry out the Basic Health Services Package in accordance with the provisions of the Project Operational Manual and the PBF Manual;

(v) the obligation of the Participating Health Authority to carry out the Basic Health Services Package in accordance with the provisions of: (A) the IPPF; and (B) the Medical Waste Management Plan;

(vi) the requirement that the goods and consultants' services to be financed from the proceeds of the Performance-Based Payment shall be procured in accordance with procedures ensuring efficiency and economy as further detailed in Section III of this
Schedule, and shall be used exclusively in the carrying out of the Basic Health Services Package; and

(vii) the right of the Implementing Agents, on behalf of the Recipient, and of the Recipient in its own right, to: (A) inspect by itself, or jointly with the Association, if the Association shall so request, the goods and sites included in the Basic Health Services Package, the operations thereof, and any relevant records and documents; (B) obtain all information as it or the Association shall reasonably request regarding the administration, operation, and financial condition of the Basic Health Services Package; and (C) suspend or terminate the right of the Participating Health Authority to use the proceeds of the Performance-Based Payment, or obtain a refund of all or any part of the amount of the Performance-Based Payment then withdrawn, as the case may be, upon failure by the Participating Health Authority to perform any of its obligations under the Performance-Based Contract.

(b) The Recipient shall not make available any portion of the Performance-Based Payments to a Participating Health Authority until an Implementing Agent has verified that such Participating Health Authority has delivered the Basic Health Services Package in accordance with the Performance-Based Contract, the PBF Manual and the Project Operational Manual.

(c) The Recipient, or the relevant Implementing Agent, as the case may be, shall exercise its rights and carry out its obligations under the Performance-Based Contract in such manner as to protect its interests and those of the Association and to accomplish the purposes of the Performance-Based Payment, and, except as the Association shall otherwise agree, neither the Recipient nor any of the Implementing Agents, shall assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

3. Performance-Based Payments Eligibility and Basic Health Services Package Implementation Guidelines and Procedures

No proposed Participating Health Authority shall be eligible for financing under Part A.1 of the Project unless, on the basis of a review conducted in accordance with this Section I.F and the PBF Manual, the proposed Participating Health Authority is deemed to satisfy the eligibility criteria specified below and in further detail in the PBF Manual, which shall include the following:

(a) the proposed Participating Health Authority is a public or private health service provider carrying out the Basic Health Services Package;
(b) the proposed Basic Health Services Package satisfies the requirements of Part A.1 of the Project as described in further detail in the PBF Manual;

(c) the proposed Basic Health Services Package complies with the IPPF and the Medical Waste Management Plan;

(d) the proposed Basic Health Services Package is consistent with the relevant sectoral, environmental, and social standards and policies; and

(e) the Participating Health Authority has put in place all necessary arrangements, including financial and human resources, for the management of the proposed Basic Health Services Package.

4. **External Controls**

(a) The Recipient shall maintain or, as needed, in accordance with Section III of this Schedule 2, recruit not later than nine (9) months after the Effective Date and thereafter maintain, throughout Project implementation, external verification agents, with qualifications, experience, and terms of reference satisfactory to the Association, for purposes of the third-party verification of the Basic Health Services Package to be carried out under Part A.1 of the Project.

(b) The Recipient shall cause said external verification agents to carry out, once every semester, throughout Project implementation, verification exercises of Basic Health Services Package, including community and focus group surveys, beneficiary spot checks, verification of data provided and records kept by the relevant Participating Health Authority in relation to the Basic Health Services Package, and assessments of the quality of health services provided under such Basic Health Services Package, in accordance with the provisions of the PBF Manual.

G. **Safeguards**

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the IPPF, the Medical Waste Management Plan, the Environmental and Social Management Framework, and any Environmental and Social Management Plan ("Safeguard Instruments") and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

2. In the event of any conflict between the provisions of any Safeguard Instrument, and those of this Agreement, the latter shall prevail.
3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, for each Safeguard Instrument, on a semester basis as part of the Project Reports (or with more frequency or in a separate report whenever the circumstances warrant), 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, giving details of:

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

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

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

4. The Ministry of Public Health in close collaboration with the Ministry of Environment, Nature Protection and Sustainable Development shall be responsible for the implementation and monitoring and evaluation of said Safeguard Instruments, and to this end, the Recipient shall maintain, throughout Project implementation, in said Ministry of Public Health, an environmental and social safeguards unit, with a mandate, composition and resources satisfactory to the Association.

H. Contingent Emergency Response under Part D of the Project

In order to ensure the proper implementation of Part D of the Project ("Contingent Emergency Response") ("CER Part"), the Recipient shall take the following measures.

1. The Recipient shall:

(a) prepare and furnish to the Association for its review and approval, an operations 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; (iv) documentation required for withdrawals of Emergency Expenditures; (v) environmental and social safeguard management frameworks for the CER Part, consistent with the Association's policies on the matter; and
(vii) any other arrangements necessary to ensure proper coordination and implementation of the CER Part;

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

(c) promptly adopt such operations manual for the CER Part as shall have been approved by the Association ("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 Association.

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

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 Association a request to include said activities in the CER 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 safeguard instruments required for said activities, in accordance with the CER 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.

3. **Procurement of Emergency Expenditures under the CER Part of the Project**

Emergency Expenditures required for the CER Part of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CER Operations Manual.
Section II. **Project Monitoring, Reporting and Evaluation**

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

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

A. **General**

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

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in Euros)</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) Performance-Based Payments under Parts A.1, A.2(a), A.4 and Part C.1 of the Project</td>
<td>5,000,000</td>
<td>17,300,000</td>
<td>100% of Performance-Based Payments</td>
</tr>
<tr>
<td>(2) Goods, consultants’ services, Training and Operating Costs for the Project except Parts A.1, A.2(a), A.4 and Part C.1 of the Project</td>
<td>0</td>
<td>3,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Emergency Expenditures under Part D of the Project</td>
<td>0</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>5,000,000</strong></td>
<td><strong>20,800,000</strong></td>
<td></td>
</tr>
</tbody>
</table>


B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of paragraph A above, no withdrawal shall be made:

   (a) for payments made prior to the Signature Date; or

   (b) Under Category (1) unless such a withdrawal is made on the basis of a Performance-Based Contract executed between an Implementing Agent, on behalf of the Recipient and a Participating Health Authority in accordance with the provisions of Section I.F.2 of Schedule 2 to this Agreement.

   (c) under Category (3), for Emergency Expenditures under Part D of the Project, unless and until the Association is satisfied, and notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of 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 CER 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.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.H 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 Association and the provisions of the CER Operations Manual remain, or have been updated in accordance with the provisions of Section I.H of this Schedule 2 so as to be appropriate for the inclusion and implementation of said activities under the CER Part.

2. The Closing Date is December 31, 2022.
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 April 15 and October 15:</td>
<td></td>
</tr>
<tr>
<td>commencing April 15, 2023, to and including October 15, 2042</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing April 15, 2043, to and including October 15, 2047</td>
<td>3.40%</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 3.05 (b) of the General Conditions.
APPENDIX

A. Definitions

1. "Annual Work Plan and Budget" means each annual work plan, together with the related budget, for the Project approved by the Association pursuant to the provisions of Section I.E of Schedule 2 to this Agreement.

2. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.

3. "Basic Health Services Package" means a combination of health services and related regulatory activities provided in the Recipient's territory and detailed in the PBF Manual as approved by the Association.

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

5. "Contingent Emergency Response Implementation Plan" and "CERIP" each means the plan referred to in Section I.H of Schedule 2 to this Agreement, to be adopted by the Recipient for the Emergency Response Component in accordance with the provisions of said Section; and "Contingent Emergency Response Implementation Plans" and "CERIPs" each means, two or more such plans.

6. "CER Operations Manual" and "CER Operations Manual" each means the operations manual referred to in Section I.H of this Agreement, to be adopted by the Recipient for the CER Part of the Project in accordance with the provisions of said Section.

7. "CER Part of the Project" and "CER Part" each means Part D of the Project.

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

9. "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.

10. "Emergency Expenditure" means any of the Eligible Expenditures set forth in the CER Operations Manual in accordance with the provisions of Section I.D of Schedule 1 to this Agreement and required for the activities included in the CER Part of the Project.
11. “Environmental and Social Management Framework” or “ESMF” means the framework dated February 2018, and disclosed by the Recipient and the Association on March 9, 2018, setting out modalities to be followed in assessing the potential adverse environmental and social impact associated with the Project activities, (including risks of gender-based violence and sexual exploitation and abuse) and the measures to be taken to offset, reduce or mitigate such adverse impacts (including measures designed to prevent gender-based violence and sexual exploitation and abuse); as well as for the preparation of environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.

12. “Environmental and Social Management Plan” or “ESMP” means a plan, approved by the Association for the Project, to be prepared and adopted by the Recipient, as required by the ESMF, setting out appropriate actions, mitigation, monitoring and institutional measures (including measures designed to prevent gender-based violence and sexual exploitation and abuse) and policies designed to mitigate potential adverse environmental and social impacts, offset them, reduce them to acceptable levels or enhance positive impacts, and as such plan may be amended from time to time, with the prior written approval of the Association.


14. “FRPS” (Fonds Regionale pour la Promotion de la Sante) means the funds established or to be established in select regions of the Recipient, pursuant to the Recipient’s laws to perform all public service activities in the health domain within the relevant jurisdiction.


17. “Health Authority” means a public or private health authority set up within the Recipient’s district, regional or national levels, satisfying the criteria set forth in the PBF Manual. “Health Authorities” means collectively all such health authorities.

18. “Health Facility” means any health facility located within the territory of the Recipient satisfying the criteria set forth in the Project Operational Manual. “Health Facilities” means collectively all such facilities.

19. “Health Sector Strategy Steering Committee” means the sector strategy steering committee, established pursuant to the Recipient’s Arrete N. 131/PM du 12
20. "HSSIP Financing" means the financing provided under the HSSIP Financing Agreement.

21. "HSSIP Financing Agreement" means the financing agreement between the Recipient and the International Development Association for the Health Sector Support Investment Project (HSSIP Project), dated October 30, 2008, and amended and restated on August 25, 2011, (Credit Number H4478-CM) and the additional financing agreement between the Recipient and the International Development Association for said project, dated September 26, 2014, (Credit Number 5486-CM).

22. "HSSIP Project" means the Project described in the HSSIP Financing Agreement.

23. "Implementation Agreement" means each agreement referred to in Section I.B of Schedule 2 to this Agreement between the Recipient and an Implementing Agent.

24. "Implementing Agent" means an FRPS or a nongovernmental organization selected in accordance with the criteria set forth in the Project Operational Manual and with whom the Recipient shall enter into an agreement pursuant to Section I.B of Schedule 2 to this Agreement for the purpose of implementing the PBF Activities under Part A of the Project in accordance with the terms of the Project Operational Manual and the PBF Manual. "Implementing Agents" means collectively all such entities.

25. "IPPF" means the Recipient’s framework dated February 2016, and disclosed by the Recipient and by the Association on February 25, 2016, and as updated by the IPPF dated February 2018, and to be applied to the purposes of the Financing, outlining measures to ensure culturally appropriate social and economic benefits for the pigmies under the Project and avoidance, minimization, or mitigation of, or compensation for, any potential adverse effects on the pigmies associated with activities to be implemented under the Project, as shall have been agreed with the Association for purposes of Project implementation and shall be applied by the Recipient in accordance with the provisions of Section I.F of Schedule 2 to this Agreement, as the same may be updated from time to time with the prior written consent of the Association, and such term includes any schedules to said framework.

26. "Kangaroo Mother Care" means a simple cost-effective health intervention approach consisting of continuous skin to skin contact between caregivers and premature or low birth weight infants for the purpose of improving the health and mortality rate of said premature or low birth weight infants.
27. "Medical Waste Management Plan" means the Recipient’s plan dated February 2016, and disclosed by the Recipient and by the Association on February 25, 2016, and as updated by the plan dated February 2018, and disclosed by the Recipient and the Association on March 9, 2018, and to be applied to the purposes of the Financing, setting out the measures to be taken for the development and implementation of biomedical waste management and safe handling of said waste, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to said plan.


29. "Ministry of Public Health" means the Recipient ministry responsible for public health, and any successor thereto.

30. "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.

31. "Original Financing Agreement" means the Financing Agreement for Health System Performance Reinforcement Project, between the Recipient and the Association dated September 14, 2016 (Credit Number 5790-CM).

32. "Original Project" means the Project described in Schedule 1 to the Original Financing Agreement.

33. "Partnership Agreement" means the agreement between the Recipient and the United Nations High Commission for Refugees, dated October 4, 2016, as such agreement may be amended from time to time.

34. "Participating Health Authority" means a Health Authority, Health Facility, non-governmental organization or community health worker groups determined to be eligible to carry out the Basic Health Services Package pursuant to the procedures and criteria referenced in Section I.F.3 of Schedule 2 to this Agreement as further detailed in the PBF Manual.

35. "PBF" means performance-based financing.

36. "PBF Activities" means the performance-based financing activities outlined in Part A of the Project, as further detailed in the PBF Manual.
37. "PBF Manual" means the performance-based financing manual referred to in Section I.D.1 of Schedule 2 this Agreement.


39. "Performance-Based Contract" means the performance-based contract to be entered into between an Implementing Agent and a Participating Health Authority, pursuant to Section I.F.2 of Schedule 2 to this Agreement, in the form annexed to the Project Operational Manual.

40. "Performance-Based Payment" means a payment made or proposed to be made out of the proceeds of the Financing by an Implementing Agent to a Participating Health Authority under a Performance-Based Contract in accordance with Section I.F.3 of Schedule 2 to this Agreement to finance the provision of the Basic Health Services Package.

41. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers"; dated July 2016, revised November 2017.

42. "Project Operational Manual" means the manual to be prepared and adopted by the Recipient in accordance with the provisions of Section I.C of Schedule 2 to this Agreement, outlining implementation, institutional, administrative, financial management, accounting, procurement, disbursement, environmental, social, and monitoring and evaluation arrangements for purposes of the Project implementation, and such term includes any schedules or annexes to the Project Operational Manual, including: (a) an annex on financial and accounting procedures; and (b) an annex on procurement procedures, and such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project, as the same may be amended from time to time with the prior written consent of the Association.

43. "RMNCAH" means reproductive, maternal, neonatal, child and adolescent health.

44. "Safeguard Instruments" means the IPPF, the Medical Waste Management Plan, the Environmental and Social Management Framework, and any Environmental and Social Management Plan, and the term, "Safeguard Instrument" means either the IPPF, or the Medical Waste Management Plan, or the Environmental and Social Management Framework, or any Environmental and Social Management Plan.
45. "Steering Committee on Refugees" means a high-level committee for coordination and monitoring of the refugees-related activities, established pursuant to the Partnership Agreement.

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

47. "Technical Working Group" means the technical working group for the Project, to be established and maintained by the Recipient in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.

48. "Technical Secretariat on Refugees" means the technical secretariat established pursuant to the Partnership Agreement to assist the Steering Committee.

49. "Tender Board" means the tender board established in accordance with the Recipient's decree no. 006/A/MINMAP portant création des Commission Speciales de passation des marchés auprès de certain Projets, dated May 8, 2013, to be revised in accordance with Section I.A.3 of Schedule 2 to this Agreement.

50. "Training" means the costs of training under the Project, based on the Annual Work Plans and Budgets approved by the Association, and attributable to seminars, workshops and study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.

51. "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.

B. Amendments to the Original Financing Agreement

The Recipient and the Association hereby agree to amend the Original Financing Agreement as follows:

1. Schedule 1 to the Original Financing Agreement is amended as set forth in Schedule 1 to this Agreement.

2. Category (2) of the table under paragraph 2 of Section IV.A of Schedule 2 to the Original Financing Agreement is amended to read as follows:

   "(2) Goods, consultants' services, Training and Operating Costs for the Project, except Parts A.1, A.3(b), C and D of the Project"
3. The Closing Date established under Section IV.B.2 of Schedule 2 to the Original Financing Agreement shall be December 31, 2022.

4. The following definitions are added to Section I of the Appendix to the Original Financing Agreement, in alphabetical order, and the rest of the definitions are renumbered accordingly, as follows:

"""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."

"""FGM" means female genital mutilation."

"""GBV" means gender-based violence."