Financing Agreement

(Additional Financing For Third Phase of the Central African Backbone Program - Republic of Congo Project)

between

REPUBLIC OF CONGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated April 18, 2017
FINANCING AGREEMENT

AGREEMENT dated April 13, 2017, entered into between the REPUBLIC OF CONGO ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). 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.

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 three million seven hundred thousand Special Drawing Rights (SDR 3,700,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are February 15 and August 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 the Dollar.
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 IV of the General Conditions.

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 — TERMINATION

4.01. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of this Agreement.

4.02. 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 V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its minister responsible for finance.

5.02. The Recipient’s Address is:

Ministère des Finances, du Budget et du Portefeuille Public
B.P. 2083
Brazzaville
Republic of Congo

5.03. The Association’s Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Telex: 248423 (MCI)  Facsimile: 1-202-477-6391
AGREED at District of Columbia, United States of America, as of the day and year first above written.

REPUBLIC OF CONGO

By:

Authorized Representative

Name: NGANONGO Calixte
Title: Ministre des Finances, du budget et du Patrimoine Public

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:

Authorized Representative

Name: Ahmadou Moustapha Ndoye
Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to contribute to increase geographical reach and usage of regional broadband network services and to reduce their prices in the Recipient’s territory.

The Project constitutes part of the third phase of the Program, and consists of the Original Project and the following additional activity under Part C of the Original Project, as modified below:

Part C: Promotion of ICT sector

(b) Establishing a digital development facility (Digital Development Fund) as a financing mechanism for development of innovations in the field of ICT (applications, software) to promote the creation of a new ICT-enabled industry, including carrying out a program of activities for skills development, capacity building and business incubation (Incubation Program), through the provision of grants (Incubation Grants) to eligible local ICT start-ups and innovation entrepreneurship (Beneficiaries), and the provision of technical advisory services.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The MPTNCT shall be in charge of overall implementation of the Project.

2. The Recipient shall maintain throughout Project implementation, a Project steering committee (the “Steering Committee”) in accordance with the SC Decision, and a Project Coordination Unit (the “PCU”) within the MPT, both with responsibilities set forth below and with composition, functions and resources satisfactory to the Association:

(a) Steering Committee

The Steering Committee shall be responsible for:

(i) reviewing and adopting of the proposed Annual Work Plans and Budgets for the Project prepared by the PCU;

(ii) overseeing overall performance of the Project, including on fiduciary activities, and providing policy guidance; and

(iii) identifying necessary Project adjustments based on monitoring and evaluation results.

(b) Project Coordination Unit

(i) The PCU shall be staffed with qualified and experienced personnel in adequate numbers, including, inter alia, a Project coordinator, a technical expert on backbone issues, a financial management specialist, a monitoring and evaluation specialist, an accountant, a procurement specialist, an environmental and social specialist, and an internal auditor, all with qualifications, experience, and terms of reference satisfactory to the Association.

(ii) Without limitation upon the provisions of sub-paragraph (b)(i) of this Section, the PCU shall be responsible for day-to-day Project coordination and implementation, including:

(A) preparing proposed Annual Work Plans and Budgets for inclusion in the Project, and updating the Procurement
Plan and consolidated Project reports, and sending same to SC;

(B) overseeing all technical matters relating to Project implementation;

(C) in coordination with DGE, monitoring and reporting on, the social and environmental compliance of Project activities;

(D) carrying out all central Project financial management and procurement activities in coordination with ARPCE;

(E) monitoring and evaluating the progress of the Project in association with DNT; and

(F) preparing Project progress reports and monitoring and evaluation reports for the meetings of the SC.

c) DGE

DGE shall be responsible, in coordination with the PCU and in accordance with the terms of the MOU, for carrying out the monitoring of the Project activities’ safeguards compliance with relevant national policies and the policies of the Association.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines and the Recipient’s Anti-Corruption Plan.

C. Manuals

1. The Recipient shall update under terms of reference acceptable to the Association, and furnish to the Association, the Procedures Manual for the Project, setting forth the detailed arrangements and procedures for: (i) institutional coordination and day-to-day execution of the Project; (ii) environmental and social safeguards management; (iii) monitoring, evaluation, reporting and communication; and (iv) the administrative, financial, procurement and accounting management arrangements, for the Project.

2. The Recipient shall carry out Part C(b) of the Project in accordance with the provisions of the DDF Manual, containing, inter alia: (a) detailed arrangements and procedures for management, supervision, monitoring, evaluation and reporting of the Incubation Programs; (b) disbursement and funds flow arrangements;
(c) procedures for procurement and financial management setting forth, *inter alia*, the procurement and financial management responsibilities of the respective Beneficiaries; (d) guidelines for the carrying out of the respective Incubation Programs, including, the eligibility criteria for determining the Beneficiaries, and detailed procedures for the selection, approval and implementation of respective Incubation Programs; and (e) a sample format of an Incubation Grant Agreement.

3. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Procedures Manual, or the DDF Manual, without the prior written agreement of the Association; provided, however, that in case of any conflict between the arrangements and procedures set out in any of said manuals and the provisions of this Agreement, the provisions of this Agreement shall prevail.

D. **Annual Work Plans and Budgets (AWPB)**

1. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association not later than December 31 in each calendar year, for the Association's consideration, a proposed annual work plan and budget for activities to be included in the Project for the following calendar year, such plan to include an implementation schedule financing plan therefor.

2. The Recipient shall afford the Association a reasonable opportunity to review and exchange views with the Recipient on such proposed AWPB, and thereafter, shall implement such work plan as shall have been approved by the Association, with due diligence.

E. **Safeguards**

1. The Recipient shall ensure that the Project is implemented in accordance with the provisions of the Social and Environmental Safeguards Frameworks, and each of the Supplemental Social and Environmental Safeguards Instruments in a manner satisfactory to the Association, and the Recipient shall not amend or waive any provision of the aforementioned without the prior written agreement of the Association.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall collect, compile and furnish to the Association on a bi-annual basis reports on the status of compliance with the Social and Environmental Safeguards Frameworks and each of the Supplemental Social and Environmental Safeguards Instruments, giving details of:

(a) measures taken in furtherance of such frameworks and instruments;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such frameworks and instruments; and
(c) remedial measures taken or required to be taken to address such conditions.

3. The Recipient shall promptly take all remedial measures referred to in paragraph 2 of this Section I.E. as shall have been agreed by the Association.

F. Incubation Grants

1. General

The Recipient shall appraise, approve and monitor the respective Incubation Programs and administer the Incubation Grants in accordance with the provisions and procedures set forth or referred to in this Part F and in more detail in the DDF Manual.

2. Eligibility Criteria for Incubation Programs

No proposed Incubation Program shall be eligible for financing under an Incubation Grant out of the proceeds of the Financing unless the Project coordinator or the Steering Committee, as the case may be, have determined, on the basis of an appraisal conducted in accordance with this sub-paragraph and the guidelines set forth in the DDF Manual, that the proposed Incubation Program satisfies the eligibility criteria specified below and set forth or referred to in more detail in the DDF Manual, which shall include, **inter alia**, the following:

(a) The proposed Incubation Program shall fall within the areas described under Part C(b) of the Project, and shall exclude any activities and expenditures specified as ineligible in the DDF Manual;

(b) the proposed Incubation Program shall be initiated by a Beneficiary which has met the eligibility criteria established in the DDF Manual;

(c) the Beneficiary has adequate technical, financial management and procurement capacity to implement the proposed Incubation Program in compliance with the guidelines set forth in the DDF Manual; and

(d) the Beneficiary shall be eligible to receive a subsequent Incubation Grant if it has completed the preceding Incubation Program to the satisfaction of the Steering Committee, in accordance with the terms of the digital development agreement (Incubation Grant Agreement).

3. Terms and Conditions of Incubation Grants

An Incubation Program shall be carried out pursuant to a Incubation Grant Agreement, prior to commencement of any activity under such Incubation Program, all under terms and conditions described or referred to in more detail in the DDF Manual.
Manual and satisfactory to the Association, which, *inter alia*, shall include the following:

(a) the description of the activities to be implemented, including the outputs and performance targets to be achieved, and the arrangements for monitoring, evaluating and reporting on the implementation of the Incubation Program;

(b) the modalities of transfer of funds by the PCU to the respective Beneficiary for the financing of the Incubation Program;

(d) the obligation of the respective Beneficiary to: (i) carry out the business or training plan with due diligence and efficiency and in accordance with sound technical, financial, and managerial practices, and in accordance with the provisions of the Anti-corruption Guidelines and the pertinent provisions of this Agreement; and (ii) maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures relating to the Incubation Program;

(e) the requirement that the goods and consultants' services to be financed from the proceeds of the Incubation Grant shall be procured in accordance with procedures ensuring efficiency and economy and in accordance with the provisions of DDF Manual;

(f) the right of the PCU, on behalf of the Recipient, to: (i) inspect by itself, or jointly with the Association, if the Association shall so request, the goods, included in the Incubation Program, the operations thereof and any relevant records and documents; (ii) obtain all information as the Recipient, or the Association, shall reasonably request regarding the administration, operation and financial conditions of the respective Incubation Program; and (iii) suspend or terminate Incubation Grant upon failure by said Beneficiary to perform any of its obligations under the Incubation Grant Agreement; and

(g) the obligation of the PCU, on behalf of the Recipient, to ensure that the Incubation Program is carried out in accordance with the Anti-Corruption Guidelines.

**Section II. Project Monitoring, Reporting and Evaluation**

**A. Project Reports**

1. 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 set forth
in the Procedures Manual. 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.

2. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than four (4) months after the Closing Date.

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. The Recipient shall prepare and furnish 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, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) 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 the Procurement Guidelines, or 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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
</tbody>
</table>

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.

2. **Other Methods of Procurement of Consultants’ Services.** The following table specifies methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<table>
<thead>
<tr>
<th>Procurement Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Least-Cost Selection</td>
</tr>
<tr>
<td>(b) Selection Based on Consultants’ Qualifications</td>
</tr>
<tr>
<td>(c) Quality-Based Selection</td>
</tr>
<tr>
<td>(d) Single Source Selection</td>
</tr>
</tbody>
</table>
Procurement Methods

<table>
<thead>
<tr>
<th></th>
<th>Fixed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>(e)</td>
<td></td>
</tr>
<tr>
<td>(f)</td>
<td>Individual Consultants under paragraphs 5.1 to 5.4 of the Consultant Guidelines</td>
</tr>
</tbody>
</table>

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:
### Percentage of Amount of the Credit Expenditures to be Category Allocated Financed (expressed 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, non-consulting services, and consultants’ services for Part B of the Project</td>
<td>2,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, training and consultants’ services for Part C of the Project</td>
<td>740,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Incubation Grants for goods and consultant’s services under the Digital Development Fund under Part C of the Project</td>
<td>80,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Goods, works, Operating Costs, non-consulting services, and consultants’ services for Part D of the Project</td>
<td>380,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>3,700,000</strong></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) for payments made for expenditures under Category (3) of the table set forth in paragraph A.1 of this Schedule unless the Recipient has adopted the DDF Manual, and model digital development or Incubation Grant
Agreement, in a manner acceptable to the Association, including a report, satisfactory to the Association, relating to the DDF containing, *inter alia*, arrangements, technical and economic feasibility, selection criteria for eligible private investors.

2. The Closing Date is December 31, 2019.
**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, 2022, to and including February 15, 2032</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing August 15, 2032, to and including February 15, 2042</td>
<td>3.35%</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

Definitions

1. “Annual Work Plans and Budgets” or “AWPB” means the annual work plans and budgets for the Project approved by the Association in accordance with the provisions of Section I.D of Schedule 2 to this Agreement and “Annual Work Plan and Budget” means any of the Annual Work Plans and Budgets.


3. “Anti-Corruption Plan” means the simplified anti-corruption action plan adopted by the Recipient on March 18, 2011, which sets forth the measures and actions to be taken during implementation of the Project with respect to disclosure, civil society oversight, collusion mitigation, mitigation of forgery and fraud, complaints handling and sanctions and remedies.

4. “ARPCE” means Agence de Régulation des Postes et des Communications Electroniques, the Recipient’s regulator responsible for communications, established and operating pursuant to the Recipient’s Law No. 11-2009, dated November 25, 2009.

5. “Beneficiary” means a private sector entity (including technology training center), established and operating in the territory of the Recipient, or an individual engaged in ICT-services, which has met the eligibility criteria specified in the DDF Manual and, as a result, has been extended, or is to be extended, an Incubation Grant for the carrying out of an Incubation Program.

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


9. “Digital Development Fund” or “DDF” means a funding facility established by the Recipient to, inter alia, develop and exploit digital opportunities in the ICT sector within the Recipient’s territory. Specifically, said Digital Development Fund designed to: (i) support creative industries businesses to exploit new business markets through emerging digital technologies; (ii) as a funding mechanism for
ICT-sector initiatives utilizing the breadth of digital devices, platforms and channels; (iii) support ICT-sector led initiatives that can achieve significant commercial returns; and (iv) support creative businesses exploiting international market opportunities.

10. “DDF Manual” means the Recipient’s manual, in form and substance satisfactory to the Association, and referred to in Section I.C.2 of Schedule 2 to this Agreement, as such manual may be amended from time to time with the agreement of the Association.

11. “DNT” means Direction des Nouvelles Technologies, the direction within the MPTNTC in charge of new technologies.

12. “Environmental and Social Impact Assessment” or “ESIA” means a site-specific report, to be prepared by the Recipient in accordance with the parameters laid down in the ESMF (as hereinafter defined) and acceptable to the Association, identifying and assessing the potential environmental and social impacts of the activities to be undertaken for the Project, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures.

13. “Environmental and Social Management Framework” or “ESMF” means the environmental and social safeguards framework adopted by the Recipient and disclosed at the Association’s Infoshop on April 5, 2011, setting forth the procedures to be used for the preparation and approval of a site-specific Environmental and Social Impact Assessment and/or Environmental and Social Management Plan for any site where there exists environmental and/or social issues of a type and scale sufficient to trigger the Association’s safeguards policies.

14. “Environmental and Social Management Plan” or “ESMP” means a site-specific environmental and social management plan to be prepared by the Recipient, in accordance with the parameters laid down in the ESMF and acceptable to the Association, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of Project activities to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.


16. “ICT” means information and communications technology.

17. “Incubation Grant” means a grant made or proposed to be made out of the proceeds of the Financing by the Recipient, to a Beneficiary for the purpose of financing an
Incubation Program in accordance with the provisions of Section I.F of Schedule 2 to this Agreement.

18. “Incubation Grant Agreement” means a digital development agreement entered into, or to be entered into, between the Program Coordinator on behalf of the Recipient, and a Beneficiary, for the purpose of extending an Incubation Grant to such Beneficiary on the terms and conditions set forth or referred to in Section I.F.3 of Schedule 2 to this Agreement.

19. “Incubation Program” means a set of specific activities carried out or to be carried out by a Beneficiary under Part C(b) of the Project, and financed or proposed to be financed out of the proceeds of the Financing through an Incubation Grant.

20. “Indigenous Peoples’ Plan” or “IPP” means a subproject-specific plan, acceptable to the Association, adopted pursuant to the Indigenous Peoples Planning Framework defining specific measures for indigenous peoples in order to protect them and to ensure that said people be granted equal legal, financial and organizational opportunities under the Project, and to be implemented under a specific activity, in accordance with the provisions of the Indigenous Peoples Planning Framework, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said plan.

21. “Indigenous Peoples Planning Framework” or “IPPF” means the document adopted by the Recipient and disclosed at the Association’s Infoshop on April 7, 2011, and updated and disclosed on January 20, 2017, defining specific measures to be implemented for indigenous minorities in order to protect them and to ensure that members of said minorities be granted equal legal, financial and organizational opportunities under the Project.

22. “Monitoring and Evaluation Indicators” means the agreed monitoring and evaluation indicators set forth in the Procedures Manual (as hereinafter defined) to be utilized by the Recipient to measure the progress in the implementation of the Project and the degree to which the objective thereof is being achieved.

23. “MOU” has the meaning set forth in Section I.A(c) of Schedule 2 of this Agreement.

24. “MPTNTC” means Ministère des Postes et des Télécommunications, the Recipient’s Ministry in charge of posts, telecommunications and ICT.

26. "Operating Costs" means the incremental operating expenses, based on annual budgets approved by the Association on account of the Project implementation, management and monitoring, including operation and maintenance costs of office, vehicles and office equipment, water and electricity utilities, telephone, office supplies, bank charges, additional staff costs, travel and supervision costs, per diem, but excluding the salaries of officials and public servants of the Recipient's civil service.

27. "Original Financing Agreement" means the financing agreement for a Third Phase of the Central African Backbone Program – Republic of Congo Project between the Recipient and the Association, dated July 15, 2011 (Credit No. 4974-CG), with the modifications set forth in the Annex to this Agreement.

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

29. "PCU" means the Project Coordination Unit at MPT established and operating pursuant to the Decision No. 0004/MPTNTC/CAB, dated April 8, 2011.

30. "PPP" means the contractual, governance, ownership, operational and financing arrangements between a government agency and one or more private sector entities participating in a PPP Arrangement (as hereinafter defined) for the purpose of delivering a project or service (building, operating and commercializing capacity on the fiber optic network) by sharing the risks and rewards of the venture.

31. "PPP Arrangement" means a PPP set up under Part B of the Project.

32. "Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on April 20, 2010, and on behalf of the Recipient on April 24, 2010.

33. "Procedures Manual" means the Recipient's set of guidelines and procedures to be adopted by the Recipient pursuant to Section 4.01(a) of this Agreement, for the purpose of implementing the Project, including in the areas of monitoring and evaluation, coordination, financial management (including financial, administrative and accounting procedures, procurement, internal controls and audits), environment and social safeguards, and other provisions related to the institutional organization of the Project, as such guidelines and procedures may be amended from time to time with the prior written agreement of the Association.

35. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated February 9, 2017, 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.

36. “Program” has the meaning set forth in the preamble to this Agreement.

37. “Project Implementation Plan” means the detailed implementation plan (Plan d’Exécution du Projet) for the Project to be adopted pursuant to Section 4.01(a) of this Agreement which will define the roles, responsibilities, and individual work programs of each participating agency or entity, and the timetable for Project implementation.

38. “Resettlement” means: (i) the involuntary (i.e., an action that may be taken without a person’s informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (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 persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected persons, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.

39. “Resettlement Action Plan” or “RAP” means a site-specific resettlement action plan to be prepared in accordance with the parameters laid down in the RPF (as hereinafter defined), acceptable to the Association, to be developed by the Recipient for each Project site which involves Resettlement, and covering the following: (i) a baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of Resettlement sites and programs for improvement or restoration of livelihoods and standards of living; an implementation schedule for Resettlement activities; and detailed cost estimate; (ii) measures designed to ensure that the displaced persons: (A) are informed about their options and rights pertaining to Resettlement, consulted on, offered choices among, and provided with technically and economically feasible Resettlement alternatives; and (B) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (iii) if the impacts include physical relocation, that the displaced persons are: (A) provided assistance (such as moving allowances) during relocation; (B) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; and (C) offered support after displacement, for a transition period, based on a reasonable estimate
of the time likely to be needed to restore their livelihood and standards of living; (iv) affordable and accessible grievance procedures, taking into account the availability of judicial recourse and community and traditional dispute settlement mechanisms; and (v) provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training, or job opportunities.

40. “Resettlement Policy Framework” or “RPF” means the resettlement policy framework adopted by the Recipient and disclosed at the Association’s Infoshop on April 5, 2011, setting forth, inter alia, a brief description of the Project and components for which land acquisition and Resettlement are required, the principles and objectives governing Resettlement preparation and implementation, and a description of the process for preparing and approving a site-specific Resettlement Action Plan.


42. “Social and Environmental Safeguards Frameworks” means the ESMF, the IPPF and the RPF.

43. “Steering Committee” or “SC” means the Steering Committee for the Project (Comité de Pilotage CITCG), established and operating pursuant to the SC Decision, and referred to in Section I.A.2 of Schedule 2 to this Agreement.

44. “Supplemental Social and Environmental Safeguards Instruments” means any ESIA, IPP, RAP or ESMP adopted pursuant to the Social and Environmental Safeguards Frameworks.

45. “Training” means the costs based on annual work plans and budgets approved by the Association, for the training and workshops including, reasonable cost of travel, room, board and per diem expenditures incurred by trainers and trainees in connection with approved training, course fees, instruction materials and coaching, training or workshop facility and equipment rentals, costs associated with Application Competition, and preparation of training material preparation, acquisition, reproduction and distribution expenses. For the purpose of Training, the term “Application Competition” means a young entrepreneurs’ contest, approved by the Association, and focused on developing mobile applications in which candidates are invited to devise and create mobile applications that will benefit the Recipient’s economy. The overall plan for the competition will consist of: (i) identification of partners and sponsors and training needs; (ii) organization of a communication campaign (launch workshop and communications on social networks) for developers and young entrepreneurs; (iii) selection of candidates and organization of a technical training workshop and a business training workshop;
and (vi) selection of finalists and organization of the event for the selection of the winners.
ANNEX

AMENDMENT TO THE ORIGINAL FINANCING AGREEMENT

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

1. The Closing Date set forth in Section IV.B.2 of Schedule 2 to the Original Financing Agreement shall be the date December 31, 2019.

Except as amended herein, all the other provisions of the Original Financing Agreement, shall remain in full force and effect.