Financing Agreement

(Mineral Development Support Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated August 9, 2011
FINANCING AGREEMENT

AGREEMENT dated August 9, 2011, entered into between BURKINA FASO ("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 grant in an amount equivalent to twenty million nine hundred thousand Special Drawing Rights (SDR 20,900,000) ("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 Payment Dates are May 15 and November 15 in each year.

2.05. The Payment Currency is the 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 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 — REMEDIES OF THE ASSOCIATION**

4.01. The Additional Events of Suspension consist of the following:

(a) The Association has determined that: (i) at any time before the Disbursement Deadline Date, the Recipient has failed to apply sound environmental or social standards or practices in its management or carrying out of activities in its industrial mining sector; and (ii) as a result of such failure, a situation has arisen after the date of this Agreement which makes it improbable that the objective of the Project will be achieved.

(b) The Bureau of Mines and Geology’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Bureau of Mines and Geology to perform any of its obligations under the Subsidiary Agreement.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

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

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

(b) The Project Manual has been adopted in accordance with the provisions of Section I.A.3 of Schedule 2 to this Agreement.

(c) The PMT has been established in accordance with the provisions of Section I.A.2 of Schedule 2 to this Agreement; and a (i) Project coordinator; (ii) financial management specialist; (iii) accountant; (iv) procurement specialist; and (v) minerals specialist; all referred to in Section I.A.2 (b) of Schedule 2 to this Agreement have been employed and assigned to the PMT in accordance with the provisions of said Section.

(d) The Subsidiary Agreement has been executed on behalf of the Recipient and BUMIGEB.

5.02. The Additional Legal Matter consists of the following, namely that the Subsidiary Agreement has been duly authorized or ratified by the Recipient and BUMIGEB and is legally binding upon the Recipient and BUMIGEB in accordance with its terms.
5.03. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

5.04. 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. The Recipient’s Representative is its minister responsible at the time for finance.

6.02. The Recipient’s Address is:

Minister of Economy and Finance
\textit{Ministère de l’Économie et des Finances}
03 BP 7050
Ouagadougou 03
Burkina Faso


6.03. The Association’s Address is:

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

Cable: INDEVAS Telex: 248423 (MCI) Facsimile: 1-202-477-6391
Washington, D.C.
AGREED at Ouagadougou, Burkina Faso, as of the day and year first above written.

BURKINA FASO

By //s// Lucien Marie Noel Bembamba
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By //s// Galina Sotirova
Authorized Representative
SCHEDULE 1

Project Description

The objective of the Project is to strengthen the capacity of key institutions of the Recipient to manage its industrial mineral sector.

The Project consists of the following parts:

Part A:  **Fostering Beneficial Mineral Resources Development**

(1)  **Policy, Legal and Regulatory Framework**

Carrying out of a program to upgrade the Recipient’s policy, legal and regulatory framework governing the mineral sector, consisting of:

(a) updating the Recipient’s national mining policy and mining code, based on extensive consultations with public, private, and civil society stakeholders;

(b) carrying out a sectoral environmental and social assessment (“SESA”) for the mining sector;

(c) developing regulations, guidelines and manuals for the mining sector designed, inter alia, to provide for the application in said sector of sound (i) fiscal and accounting standards, (ii) environmental and social standards, including related to mine closure, resettlement, and other issues identified under the SESA, (iii) health and safety standards, (iv) mine closure standards, (v) standards for community development in mining areas, and (vi) artisanal and small-scale mining; all with due attention to considerations of gender and decentralization;

(d) developing and implementing a communications and consultation strategy for the activities included in this Part A(1)(a) and (b); and

(e) providing goods and training required for the purpose.

(2)  **Geo-data Infrastructure**

Carrying out of a program designed to promote private sector investment in mining and increase value derived by the Recipient from these investments, consisting of:

(a) carrying out geological, geophysical and geochemical surveying and mapping throughout the Recipient’s territory;

(b) updating geological mapping standards;
(c) upgrading the existing geographic information systems at the Bureau of Mines and Geology to ensure adequate storage, management and assessment of the geological information; and

(d) providing training, tools and equipment required for the purpose.

(3) **Office of Mineral Cadastre and Geology**

Carrying out of a program to facilitate and enhance transparency in the mineral titling process and handling of mining information, consisting of:

(a) updating procedures related to the processing of applications for mineral rights to reflect the updates to the mining code enacted and regulations issued under Part A(1) of the Project;

(b) providing hardware and software required for a modern mineral cadastre;

(c) providing training to the Recipient’s personnel responsible for the cadastre;

(d) providing training and equipment required to monitor and control mineral exploration sites;

(e) compiling and storing exploration information;

(f) ranking prospective mining sites in the public domain so as to enable the Recipient to capitalize on the known value of its deposits; and

(g) developing a public information center on mining.

**Part B: Strengthening Institutional Sector Management, Coordination, and Accountability**

Carrying out of a capacity building program to enhance the efficient and transparent management of the Recipient’s mineral sector, consisting of:

(1) **Institutional Strengthening and Coordination**

(a) **MMQE.** Carrying out of a program designed to enhance the implementation of the Recipient’s legal framework governing the mineral sector, consisting of: (i) developing control and monitoring procedures, manuals and processes; (ii) providing training and equipment to MMQE staff for mineral related data collection and processing, physical control and monitoring of mining operations; (iii) developing a system to strengthen collaboration and coordination between MMQE on the one hand and MOEF on the other; (iv) carrying out a study to develop measures to ensure the sustainability of the Recipient’s institutional capacity to manage and oversee the mineral sector within its territory, and implementation of selected measures to ensure such
sustainability; and (v) carrying out sensitization programs for artisanal and small scale miners in matters relating to the fight against HIV/AIDS, promotion of health and safety and environmental and social matters.

(b) **MESD.** Carrying out of a program designed to enhance the implementation of the Recipient’s environmental legal framework pertaining to the mining sector, consisting of: (i) developing environmental control and monitoring procedures, manuals and processes; (ii) providing training and equipment to MESD staff; (iii) equipping an environmental laboratory in Ouagadougou and its extension in Bobo Dioulasso; (iv) overseeing and monitoring the implementation of environmental management plans, programs and site rehabilitation works; and (v) implementing selected recommendations based on the SESA.

(c) **MOEF.** Carrying out of a program to develop an appropriate mineral tax collection framework, consisting of: (i) developing an information system designed to facilitate coordination and collaboration between MOEF and MMQE; (ii) mapping physical and financial control points to identify and address risks of tax avoidance by individual mineral extraction firms; (iii) providing training to MOEF staff on revenue information collection and processing; (iv) developing management reporting systems and a database of mineral revenues; and (v) providing goods, publications and carrying out consultations, all as needed for assessing the compliance of mineral revenues collection.

(2) **Human Resources Development in Mineral Resource Management**

Carrying out of a program to increase the availability of training and sustainability of capacity building efforts to address the mining needs of the public and private sectors, consisting of:

(a) designing and delivering appropriate demand-driven continuing education programs as well as college level engineering programs;

(b) developing and implementing a program at the Recipient’s Fada N’Gourma School of Engineering to train the trainers delivering such programs; and

(c) providing goods required for the purpose.

(3) **Transparency and Accountability**

Carrying out of a program aimed at improving transparency and accountability in the Recipient’s management of its extractive industries, consisting of:

(a) implementing the post-validation requirements for EITI-compliance, and building the capacity of the Recipient’s personnel responsible for such activities;
(b) developing a system for information collection management and diffusion; and

(c) providing training to mining stakeholders in sound mining principles, including those relating to public revenue generation and collection, and social and environmental considerations in communities affected by, or dependent on, mining.

(4) Economic Integration Analysis, Facilitation, and Knowledge-Sharing

Carrying out of a program to provide the analytic underpinnings for, and develop strategies to enhance, social and economic benefits from mining, consisting of the following activities, to be executed with participation by private sector, civil society and mining community members:

(a) carrying out national spatial analysis and developing road-maps for mining growth poles;

(b) assessing conditions for improved local content of mining operations and developing an action plan to implement a supplier development program; and:

(c) developing a knowledge-sharing platform to leverage private sector economic inclusion and community development activities, such platform to facilitate access to information on: (i) international best practices in community development, local procurement and public-private partnerships; and (ii) mining-related issues, and recommendations to address such issues.

Part C: Project Management

Project coordination, fiduciary management (including procurement, financial management and disbursement), and performance of Project financial audits and monitoring and evaluation.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Steering Committee

(a) The Recipient shall establish, and thereafter maintain throughout the implementation of the Project, a steering committee with composition, mandate and resources satisfactory to the Association (“Steering Committee”), to be responsible for providing overall strategic guidance for the Project, and to ensure Project coordination along the extractive industry value chain.

(b) Without limitation on the provisions of paragraph (a) of Section I.A.1 of this Schedule, the Steering Committee shall be comprised, inter alia, of high level representatives of MMQE, MOEF and MESD.

2. Project Management Team

(a) The Recipient shall establish and thereafter maintain throughout the implementation of the Project, a Project management team within the Department of Mines, with terms of reference acceptable to the Association, and with qualified and experienced staff in adequate numbers (“PMT”), to be responsible for coordinating the implementation of the Project.

(b) Without limitation on the provisions of Section I.A.2(a) of this Schedule, the Recipient shall procure in accordance with the provisions of Section III of this Schedule 2 and assign to the PMT: (i) a Project coordinator; (ii) a financial management specialist; (iii) an accountant; (iv) a procurement specialist; and (v) a minerals specialist; and (vi) not later than December 31, 2012, a monitoring and evaluation specialist; each with qualifications and experience and terms and conditions of employment acceptable to the Association.

3. Project Manual

(a) The Recipient shall: (i) prepare in accordance with terms of reference acceptable to the Association and furnish to the Association for its review and approval a proposed manual for the Project containing detailed (A) administrative, (B) procurement, (C) financial management and (D) monitoring and evaluation procedures and arrangements for the Project, as well as responsibilities of, and procedures to ensure proper coordination among, the various ministries involved in the Project; (ii) afford the Association a reasonable opportunity to exchange views with the Recipient on said manual;
and (iii) thereafter adopt such Project manual as shall have been approved by the Association (“Project Manual”).

(b) The Recipient shall ensure that the Project is carried out in accordance with the Project Manual, and shall not amend or waive any of its provisions without the prior written agreement of the Association.

(c) Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the Project Manual and those of the Financing Agreement, the provisions of the Financing Agreement shall prevail.

4. **Subsidiary Agreement**

(a) In order to facilitate the carrying out of Part A(2) of the Project, the Recipient shall make the proceeds of the Financing allocated from time to time to Category (2) available to BUMIGEB on a grant basis (“Sub-Financing”) under a subsidiary agreement between the Recipient and BUMIGEB, under terms and conditions approved by the Association, which shall include those set forth below in sub-paragraph (b) of Section I.A.4 of this Schedule (“Subsidiary Agreement”).

(b) BUMIGEB shall: (i) carry out Part A(2) of 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 in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient and the provisions of Section I.C.3 of this Schedule; (ii) provide, promptly as needed, the resources required for the purpose; (iii) request the Recipient, for and on BUMIGEB’s behalf, to procure the goods and services to be financed out of the Sub-financing in accordance with the provisions of Section III of this Schedule and the General Conditions; (iv) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of Part A(2) of the Project and the achievement of its objectives; (v) request the Recipient, for and on BUMIGEB’s behalf, to: (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 Part A(2) of the Project; and (B) have such financial statements audited annually by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements and their audits to the Recipient and the Association; (vi) enable the Recipient and the Association to inspect Part A(2) of the Project, its operation and any relevant records and documents; and (vii) 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.
(c) The Recipient shall undertake to carry out for and on behalf of BUMIGEB: (A) the procurement required for Part A(2) of the Project, in accordance with the provisions of subparagraph (b)(iii) of Section I.A.4 of this Schedule; and (B) the financial management obligations referred to in subparagraph (b)(v) of Section I.A.4 of this Schedule in respect of Part A(2) of the Project; and to this end, BUMIGEB shall irrevocably authorize the Recipient to withdraw on its behalf the proceeds of the Financing allocated for such activities.

(d) The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (i) suspend or terminate the right of BUMIGEB to use the proceeds of the Sub-financing; or (ii) obtain a refund of all or any part of the amount of the Sub-financing then withdrawn, upon BUMIGEB’s failure to perform any of its obligations under the Subsidiary Agreement.

(e) The Recipient shall exercise its rights 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. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

B. Anti-Corruption

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

C. Environmental and Social Aspects

1. SESA

The Recipient shall:

(a) under Part A(1)(b) of the Project, carry out, under terms of reference acceptable to the Association, the Sectoral Environmental and Social Assessment, in order to identify and assess environmental and social issues associated with mining sector development (including the adequacy of the Recipient’s environmental and resettlement policies) and recommend measures based on said assessment to address such issues, and prepare a time-bound action plan to implement recommendations;

(b) (i) ensure that said assessment shall be completed and that said action plan shall be prepared, and both shall be furnished to the Association not later than March 31, 2013; (ii) afford the Association a reasonable opportunity to review the same; and (iii) thereafter carry out such action plan as shall have been agreed with the Association, under B(1)(b) of the Project; and
(c) employ consultants in accordance with the provisions of Section III of this Schedule, and whose qualifications and experience and terms and conditions of employment shall be acceptable to the Association, to assist the Recipient in carrying out said assessment and prepare said action plan.

2. **Community Development Guidelines**

Under Part A(1)(c) of the Project, the Recipient shall:

(a) carry out a study under terms of reference acceptable to the Association, to identify, evaluate and recommend appropriate community development guidelines for communities within the area of mineral activities, designed to (i) build the capacities of said communities within a decentralized governmental administrative framework and enhance participation and leadership by members of said communities in the development of their communities; and (ii) align mining investments with local economic development plans;

(b) ensure that said study shall be completed and said community development guidelines shall be developed and both shall be furnished to the Association not later than March 31, 2014 for its review and comments; and

(c) engage consultants in accordance with the provisions of Section III of this Schedule, and whose qualifications and experience and terms and conditions of employment shall be acceptable to the Association, to assist the Recipient in carrying out said study and preparing said framework.

3. **Safeguards-Compliant Terms of Reference**

The Recipient shall ensure that:

(a) all terms of reference for any technical assistance or studies carried out under the Project (including those referred to under Section I.C.1 of this Schedule) are consistent with, and pay due attention to, the Association’s environmental and social safeguards policies, as well as the Recipient’s own laws relating to the environment and social aspects; and

(b) in drafting any regulations under the Project, due attention will be given to said policies and laws.

D. **Institutional Sustainability**

1. Under Part B (1)(a) of the Project, the Recipient shall: (a) carry out a study under terms of reference acceptable to the Association, to identify, evaluate and recommend measures designed to ensure the sustainability of its institutional capacity to manage and oversee the mineral sector within its territory; (b) complete said study and furnish said study and a time-bound action plan based thereon to the Association not later than
March 31, 2014 for its review and comments; and (c) thereafter, implement said action plan, taking into account the comments of the Association on the matter.

2. To assist the Recipient in carrying out the study referred to in Section I.D.1 of this Schedule, the Recipient shall engage consultants in accordance with the provisions of Section III of this Schedule, and whose qualifications and experience and terms and conditions of employment shall be acceptable to the Association.

E. Training Programs

1. The Recipient shall, prior to conducting any training or workshop under the Project, furnish to the Association for its review, the following information relating to such training or workshop: (a) the objective and content of the training or workshop envisaged; (b) the selection method of institutions or individuals conducting such training or workshop, and said institutions if already known; (c) the expected duration and an estimate of the cost of said training or workshops; and (d) the personnel selected to attend the training or the workshop.

2. Thereafter, the Recipient shall carry out such training and workshops, taking into account the comments of the Association thereon.

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 indicators acceptable to the Association. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than forty-five (45) days 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 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.
4. In order to ensure the timely carrying out of the audits referred to in Section II.B.3 of this Schedule, the Recipient shall, not later than three (3) months after the Effective Date, engage auditors for the purpose, in accordance with the provisions of Section III of this Schedule.

Section III. Procurement

A. General

1. Goods and Non-consulting Services. All goods 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 and Non-consulting Services

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

2. Other Methods of Procurement of Goods and Non-consulting Services. The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:
Procurement Method

(a) National Competitive Bidding subject to the following additional requirements: (i) the invitation to bid shall be advertised in a national newspaper with wide circulation; (ii) the bid evaluation, qualification of bidders and contract award criteria shall be clearly indicated in the bidding documents; (iii) the bidders shall be given at least four (4) weeks to prepare and submit their bids; (iv) the contracts shall be awarded to the lowest evaluated bidder; (v) no eligible bidder, including a foreign bidder, shall be precluded from participating; and (vi) no preference margin shall be granted to domestic suppliers.

(b) Shopping

(c) Direct Contracting

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 Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Selection based on the Consultants’ Qualifications</td>
</tr>
<tr>
<td>(b) Quality-Based Selection</td>
</tr>
<tr>
<td>(c) Selection under a Fixed Budget.</td>
</tr>
<tr>
<td>(d) Least-Cost Selection</td>
</tr>
<tr>
<td>(e) Single-Source Selection</td>
</tr>
<tr>
<td>(f) Selection of Individual Consultants</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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing 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, consultants’ services, Training and Operating Costs for the Project (excluding Part A(2) thereof)</td>
<td>14,250,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, consultants’ services, Training and Operating Costs for Part A(2) of the Project</td>
<td>6,350,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Refund of Preparation Advance</td>
<td>300,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>20,900,000</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 for payments made prior to the date of this Agreement.
2. The Closing Date is September 30, 2016.

APPENDIX

Definitions


2. “Bureau of Mines and Geology” and “BUMIGEB” each means the public enterprise known as “Bureau des Mines et de la Géologie du Burkina” established under the Bureau of Mines and Geology’s Legislation and operating pursuant to the laws of the Recipient, and any successor thereto.

3. “Bureau of Mines and Geology’s Legislation” means the Recipient’s Decree No. 97-340/PRES/PM/MCIA/MEM/MEF dated August 11, 1997, as the same may be amended from time to time.

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


6. “Department of Mines” means the department known as “Département des Mines” within the MMQE, and any successor thereto.

7. “Disbursement Deadline Date” means the Closing Date or such later date established by the Association for receipt of applications for withdrawal (and supporting documentation) pursuant to Section 3.7 of the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association.

8. “Extractive Industries Transparency Initiative” and “EITI” each means the standard adopted by the Association for the Extractive Industries Transparency Initiative, an association established by Articles of Association adopted February 16, 2009, as the same may be amended from time to time.


10. “Ministry of Environment and Sustainable Development” and “MESD” each means the Recipient’s ministry responsible at the time for the environment.

11. “Ministry of Economy and Finance” and “MOEF” each means the Recipient’s ministry responsible at the time for finance.
12. “Ministry of Mines, Quarrying, and Energy” and “MMQE” each means the Recipient’s ministry responsible at the time for mining.

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

14. “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 January 6, 2011 and on behalf of the Recipient on January 20, 2011.


16. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 20, 2011 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

17. “Project Management Team” and “PMT” each means the team referred to in Section I.A.2 of Schedule 2 to this Agreement.

18. “Project Manual” means the manual for the Project referred to in Section I.A.3 of Schedule 2 to this Agreement.

19. “Sectoral Environmental and Social Assessment” and “SESA” each means the sectoral environmental and social assessment to be carried out under Part A(1)(b) of the Project.

20. “Steering Committee” means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.

21. “Sub-financing” means the amount of the Financing to be made available to BUMIGEB under the Subsidiary Agreement.

22. “Subsidiary Agreement” means the agreement between the Recipient and the BUMIGEB referred to in Section I.A.4 of Schedule 2 to this Agreement, pursuant to which the Recipient shall make the Sub-financing available to BUMIGEB.

23. “Training” means the reasonable costs associated with training and workshop participation under the Project, consisting of 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 course or workshop preparation and implementation.