H. E. Henry Yaun Mulang,  
Minister of Finance  
Ministry of Finance  
Boulevard du 30 juin  
Commune de La Gombe  
Kinshasa I  
Democratic Republic of Congo

Re: Democratic Republic of Congo: Proposed Productive Inclusion Project  
PPA No. V2060  
Amendment No. 2 to the Project Advance Agreement

Honorable Minister:

We refer to the Advance Agreement dated July 17, 2018 (the “Agreement”), between the Democratic Republic of Congo ("Recipient") and the International Development Association ("World Bank"), for the above-referenced PPA, as amended.

We also refer to a need to make some specific modifications to the Agreement. Therefore, we would like to inform you that the World Bank proposes to amend the Agreement as follows:

1. All references to “Project Implementing Entity” are hereby amended throughout the Agreement and replaced with “Implementing Entity”.

2. Section 2.01 (f) of the Annex to the Agreement is hereby amended to read as follows:

“(f) Preparing and piloting a Cash-for-Work operation, comprising about 3,000 beneficiaries and consisting of labor-intensive maintenance works, in about three (3) health zones of the Recipient’s territory.”

3. The existing paragraph (b) of Section 1.02 of the Annex to the Agreement is hereby amended to read as follows:

“(c) “Environmental and Social Management Framework” means the document dated November 28, 2014, to be updated and adopted by the Implementing Entity, which shall: (i) set out the modalities to be followed by the Implementing Entity in assessing the potential adverse
environmental and social impacts of the Cash-for-Work operation, and the measures to be taken to offset, reduce or mitigate such adverse impacts; and (ii) consist, \textit{inter alia}, of sections dealing with environmental and social screening processes for the Cash-for-Work operation as well as for the preparation of environmental and social management plans, as the same may be amended from time to time with the World Bank prior written approval."

4. The existing paragraph (a) to (i) of Section 1.02 of the Annex to the Agreement are respectively renumbered as paragraphs (d) to (q) and the following 7 new paragraphs are added to read as follows:

(a) "Cash-for-Work" means the monetary remuneration, as stated in Section 2.03 (d) of the Annex to the Agreement, to be paid by the Implementing Entity to Eligible Beneficiaries for labor-intensive maintenance works to be carried out under Section 2.01 (f) of the Agreement.

(b) "Cash-for-Work Agreement" means an agreement to be entered into between the Implementing Entity and any Eligible Beneficiaries for labor-intensive maintenance works as referred to in Section 2.03 (d) of the Annex to the Agreement.

(c) "Eligible Beneficiary" means any individual, as per criteria set out under Section 2.03 (d) of this Amendment Letter, retained for the Cash-for-Work operation. "Eligible Beneficiaries" means, collectively, all such individuals.

(g) "Indigenous Peoples Planning Framework" means the document dated September 8, 2014, to be updated and adopted by the Implementing Entity, which shall: (i) outlines measures to ensure culturally appropriate social and economic benefits under the Advance and avoid, minimize, or mitigate or compensate for any potential adverse effects associated with activities to be implemented under the Advance, including the Cash-for-Work operation; and (ii) consists, \textit{inter alia}, of sections dealing with social screening processes for the Activities as well as for the preparation of Indigenous Peoples plans, as the same may be amended from time to time with the World Bank prior written approval.

(h) "Integrated Pest Management Plan" means the document dated January 24, 2014, to be updated by the Implementing Entity, which shall set out the modalities to be followed by the Implementing Entity in assessing the potential adverse environmental impacts of pest management, and the measures to be taken to offset, reduce or mitigate such adverse impacts, as the same may be amended from time to time with the World Bank prior written approval.

(m) "Resettlement Policy Framework" means the Implementing Entity's framework, prepared for the Eastern Recovery project, to be updated and redisclosed in the Recipient's territory and in the World Bank's external
website, which shall: (i) set out the modalities to be followed by the Implementing Entity in assessing the potential adverse social impacts related to involuntary resettlement of the Project, and the measures to be taken to offset, reduce or mitigate such adverse impacts; and (ii) consist, inter alia, of sections dealing with social screening processes for the Activities as well as for the preparation of resettlement plans, as the same may be amended from time to time with the World Bank prior written approval.

(n) "Safeguards Documents" means the Safeguards Documents adopted by the Implementing Entity in the context of the Eastern Recovery project to be revised and adopted by the Recipient, not later than one (1) month after the Effective Date of this Amendment Letter, as to reflect the Cash- for-Work operation to be carried out under this Advance. Said revised Safeguards Documents shall include: (i) the Environmental and Social Management Framework; (ii) the Indigenous Peoples Planning Framework; (iii) the Integrated Pest Management Plan; and (iv) the Resettlement Policy Framework.

5. Section 2.07 of the Annex to the Agreement is hereby amended to read as follows:

"2.07 Safeguards

(a) The Recipient shall cause the Implementing Entity to carry out the Activities in accordance with the Safeguards Documents.

(b) Except as the World Bank shall otherwise agree in writing, and subject to compliance with the same consultation and information disclosure requirements as applied to the adoption of the aforesaid Safeguards Documents in the first instance, the Recipient shall not amend or waive any provision of the Safeguards Documents, nor shall it permit any Beneficiaries to do so.

(c) Without limitation upon its other reporting obligations under this Agreement, the Recipient shall take all measures necessary to regularly collect and compile, and submit to the World Bank, as part of the Project Reports, and promptly in a separate report whenever the circumstances warrant, information on the status of compliance with the Safeguards Documents, providing details of:

(i) the measures taken in furtherance of the Safeguards Documents;

(ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Documents; and

(iii) remedial measures taken or required to be taken to address such conditions."
(d) In case of any inconsistency between the provisions of any of the Safeguards Documents and this Agreement, the provisions of this Agreement shall prevail.

(e) The Recipient shall ensure that all advisory, analytical, planning, institutional capacity building, carried out under the Advance shall be carried out according to terms of reference, satisfactory to the World Bank, requiring such services to deliver products which take into account, and are consistent with, the World Bank’s safeguard policies and procedures.

6. Three new paragraphs are added under Section 2.03 of the Annex to the Agreement to read as follows:

“(d) To facilitate Part 2.01(f) of the Activities, the Recipient shall cause the Implementing Entity to enter into an agreement with each eligible Beneficiary under terms and conditions acceptable to the World Bank (Cash-for-Work Agreement), including, inter alia:

(i) each Eligible Beneficiary shall be of a minimum of 18 years of age;

(ii) each Eligible Beneficiary shall be paid an amount equivalent to US$3.00 per day;

(iii) each Eligible Beneficiary shall be allowed to work a maximum of 40 days over two (2) consecutive months;

(iv) each Eligible Beneficiary shall be selected through a public lottery administered at the level of the health zone.

(e) The Recipient shall cause the labor-intensive maintenance works to be performed, as described in the Cash-for-Work Agreement, to be carried out with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and practices acceptable to the World Bank, including in accordance with the provisions of the (i) Anti-Corruption Guidelines; and (ii) appropriate health, safety, and social and environmental standards as set out in the Safeguards Documents for the IDA-financed Eastern Recovery project as revised and adopted by the Recipient.”

7. The withdrawal table set forth under Section 3.01 of the Annex to the Agreement is hereby deleted in its entirety and replaced with the table shown in the Attachment to this Amendment Letter.

8. Section 3.03 of the Annex to the Agreement is hereby amended to read as follows:

“3.03. Refinancing Date. The Refinancing Date is December 28, 2019.”
Please note that the capitalized terms used in this letter ("Amendment Letter") and not defined herein have the meaning ascribed to them in the Agreement.

All provisions of the Agreement which are not expressly modified in accordance with this Amendment Letter remain unchanged.

Please indicate your agreement with the foregoing, by countersigning and dating the two original copies of this Amendment Letter and returning one countersigned original copy to the World Bank. Upon receipt by the World Bank of said original countersigned by the authorized representative of the Recipient and dated, this amendment shall become effective as of the date of countersignature of this Amendment Letter.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

____________
Jean-Christophe Carret
Country Director for Democratic Republic of Congo
Africa Region

AGREED:
DEMOCRATIC REPUBLIC OF CONGO

__________________
Authorized Representative

Name: Henri YAV MULANG
Title: Ministre des Finances
Date: July 10th, 2013
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Advance Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
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<td>(1) Goods, works, non-consulting services, consulting services,</td>
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<td>Operating Costs and Training under the Activities, except for Part 2.01 (f)</td>
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<td>(2) Cash-for-Work under Part 2.01 (f) of the Activities</td>
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<td>100% of amounts disbursed</td>
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<td>TOTAL AMOUNT</td>
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