EDUCATION FOR ALL – FAST TRACK INITIATIVE
CATALYTIC TRUST FUND
Grant Agreement

(Third Basic Education Program Support Grant)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the
Education for All – Fast Track Initiative
Catalytic Trust Fund

Dated April 20, 2012
GRANT AGREEMENT

Agreement dated April 10, 2012, entered into between, on the one hand, BURKINA FASO ("Recipient"), and on the other hand INTERNATIONAL DEVELOPMENT ASSOCIATION, acting as administrator of the Education for All – Fast Track Initiative Catalytic Trust Fund ("Trust Fund") ("World Bank") for the purpose of providing a grant in support of the Program (as defined in the Appendix to this Agreement). The World Bank has decided to provide this grant on the basis, inter alia, of (a) the actions which the Recipient has already taken under the Program and which are described in Section I of the Schedule to this Agreement, and (b) the Recipient’s maintenance of an adequate macroeconomic policy framework. The Recipient and the World Bank therefore hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

1.01. The Standard 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 Standard Conditions or in the Appendix to this Agreement.

ARTICLE II — GRANT

2.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to thirty-five million Dollars ($35,000,000) ("Grant").

2.02. The Recipient may withdraw the proceeds of the Grant in support of the Program in accordance with Section II of the Schedule to this Agreement.

2.03. The Grant is funded out of the Trust Fund, for which the World Bank receives periodic contributions from the donors to the Trust Fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the Trust Fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds. Accordingly, in the event that any donor cancels or fails to pay any contributions under the Trust Fund to the World Bank for any reason, or that as a result of currency exchange variations the amount of funds available in the Trust Fund is insufficient for the purposes of the Grant, the Recipient shall bear the risk of such funding shortfall and the World Bank shall not have any liability whatsoever to the Recipient or to any third parties in respect of any expenditures or liabilities incurred by the Recipient or any third parties in connection with this Agreement which exceed the amount of funds made available to the World Bank by the donors for the purposes of the Grant.
ARTICLE III — PROGRAM

3.01. The Recipient declares its commitment to the Program and its implementation. To this end:

(a) the Recipient and the World Bank shall from time to time, at the request of either party, exchange views on the Recipient's macroeconomic policy framework and the progress achieved in carrying out the Program;

(b) prior to each such exchange of views, the Recipient shall furnish to the World Bank for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the World Bank shall reasonably request; and

(c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, the Recipient shall promptly inform the World Bank of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program, including any action specified in Section I of the Schedule to this Agreement.

ARTICLE IV — REMEDIES OF THE WORLD BANK

4.01. The Additional Event of Suspension consists of the following, namely that a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied.

(a) the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action; and

(b) the World Bank is satisfied with the progress achieved by the Recipient in carrying out the Program and with the adequacy of the Recipient's macroeconomic policy framework.

5.02. As part of the evidence to be furnished pursuant to Section 5.01 (a) of this Agreement, there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Recipient, showing, on behalf of the Recipient, that this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.
5.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 of this Agreement. If, before said date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its minister responsible at the time for finance.

6.02. The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

Minister of Economy and Finance  
Ministère de l’Economie et des Finances  
03 BP 7050  
Ouagadougou 03  
Burkina Faso  

Cable: SESEGOUV  
Telex: 5555  
Facsimile: 226-50-31-27-15

6.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable address: NDEVAS  
Telex: 248423(MCI)  
Facsimile: 1-202-477-6391
AGreed at Ouagadougou, Burkina Faso, as of the day and year first above written.

BURKINA FASO

[Signature]

By Lucien Marie Noel Benhambu
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION,
acting as administrator of the
Education for All – Fast Track Initiative
Catalytic Trust Fund

[Signature]

By Bépici Celestin Bado
Authorized Representative
SCHEDULE
Program Actions; Availability of Grant Proceeds

Section I. Actions Taken Under the Program. The actions taken by the Recipient under the Program include the following:

A. Increased Access and Equity.

1. The Recipient has fully operationalized the multi-grade system for Primary Schools (in particular rural Primary Schools), commencing Academic Year 2011-2012, by: (a) finalizing the guide for multi-grade teaching based on feedback from teachers and teacher supervisors in the field to ensure acceptance of the guide by the users; (b) distributing the updated guide to all teachers and supervisors involved with multi-grade teaching; and (c) offering training for all teachers and supervisors newly involved with multi-grade teaching to carry out and manage such teaching properly in the classroom.

2. The Recipient has enhanced the involvement of local communities in the education process by expanding the decentralization process to ensure that: (a) over time, the school construction programs in each Municipality where a Local Education Management Committee has been established are finalized and initiated only after consultation with said Local Education Management Committee on the implementation of such construction program; and (b) ensuring that starting Fiscal Year 2011, the school construction programs in at least 12 of said Municipalities have been finalized and initiated only after such consultations with their Local Education Management Committees.

3. The Recipient has introduced a new distance education training program for students training to become math and/or science teachers in Secondary Schools and has enrolled at least twenty-five new students in said program for Academic Year 2011-2012.

B. Improved Internal Efficiency.

1. The Recipient has introduced a system for monitoring the time spent by Primary and Secondary School teachers throughout the Recipient’s territory in the classroom actually teaching and has published the results of said monitoring for Academic Year 2010-2011 in newspapers of wide circulation, all with the objective of improving the amount of time spent by said teachers effectively teaching students.

2. The Recipient has operationalized a system, commencing Academic Year 2011-2012, designed to provide to all Primary and Secondary Schools, and their teachers, as well as Primary and Secondary School teacher training institutions throughout the Recipient’s territory, performance assessments of such entities’ students, and recommendations, based on said assessments, of ways to improve teaching approaches, with the objective of improving pre-service training and teaching in primary and secondary level classrooms.
C. **Diversification of Technical Education and Vocational Training.**

The Recipient has: (1) adopted a regulatory framework designed to encourage the introduction of Dual Apprenticeship training programs, whereby students attending technical and vocational training programs intern in private enterprises as part of their training; (2) introduced and operationalized, commencing Academic Year 2011-2012, said programs in at least four training institutions; and (3) informed the public through appropriate media channels of such Dual Apprenticeship opportunities available to primary education graduates who attend technical education and vocational training programs.

D. **HIV/AIDS, Health, Nutrition.**

The Recipient has adopted and introduced, commencing Academic Year 2011, a revised curriculum for secondary education that integrates health, nutrition and HIV/AIDS education.

**Section 11. Availability of Grant Proceeds**

A. **General.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of this Section and such additional instructions as the World Bank may specify by notice to the Recipient.

B. **Allocation of Grant Amounts.** The Grant is allocated in a single withdrawal tranche, from which the Recipient may make withdrawals of the Grant. The allocation of the amounts of the Grant to this end is set out in the table below:

<table>
<thead>
<tr>
<th>Allocations</th>
<th>Amount of the Grant Allocated (expressed in Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Single Withdrawal Tranche</td>
<td>35,000,000</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>35,000,000</td>
</tr>
</tbody>
</table>

C. **Withdrawal Tranche Release Conditions.**

No withdrawal shall be made of the Single Withdrawal Tranche unless the World Bank is satisfied:

1. with the Program being carried out by the Recipient; and

2. with the adequacy of the Recipient’s macroeconomic policy framework.

D. **Deposits of Grant Amounts.** Except as the World Bank may otherwise agree:

1. all withdrawals from the Grant Account shall be deposited by the World Bank into an account designated by the Recipient and acceptable to the World Bank; and
2. The Recipient shall ensure that upon each deposit of an amount of the Grant into this account, an equivalent amount is accounted for in the Recipient’s budget management system, in a manner acceptable to the World Bank.

E. Excluded Expenditures. The Recipient undertakes that the proceeds of the Grant shall not be used to finance Excluded Expenditures. If the World Bank determines at any time that an amount of the Grant was used to make a payment for an Excluded Expenditure, the Recipient shall, promptly upon notice from the World Bank, refund an amount equal to the amount of such payment to the World Bank. Amounts refunded to the World Bank upon such request shall be cancelled.

F. Closing Date. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is September 30, 2012.
APPENDIX
Definitions;
Modifications to Standard Conditions

Section I. Definitions

1. “Academic Year” means a period commencing October 1 of one calendar year and ending July 15 of the next following calendar year.

2. “Dual Apprenticeship” means training provided to students in technical and vocational training programs, which includes practical training in the private sector as a condition of award of a certificate of completion of said training.


4. “Excluded Expenditure” means any expenditure:
   (a) for goods or services supplied under a contract which any national or international financing institution or agency other than the Association or the Bank has financed or agreed to finance, or which the Association or the Bank has financed or agreed to finance under another credit, grant or loan;
   (b) for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the World Bank by notice to the Recipient:

<table>
<thead>
<tr>
<th>Group</th>
<th>Sub-group</th>
<th>Description of Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>112</td>
<td></td>
<td>Alcoholic beverages</td>
</tr>
<tr>
<td>121</td>
<td></td>
<td>Tobacco, un-manufactured, tobacco refuse</td>
</tr>
<tr>
<td>122</td>
<td></td>
<td>Tobacco, manufactured (whether or not containing tobacco substitutes)</td>
</tr>
<tr>
<td>525</td>
<td></td>
<td>Radioactive and associated materials</td>
</tr>
<tr>
<td>667</td>
<td></td>
<td>Pearls, precious and semiprecious stones, unworked or worked</td>
</tr>
<tr>
<td>718</td>
<td>718.7</td>
<td>Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors</td>
</tr>
<tr>
<td>728</td>
<td>728.43</td>
<td>Tobacco processing machinery</td>
</tr>
<tr>
<td>897</td>
<td>897.3</td>
<td>Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths’ or silversmiths’ wares (including set gems)</td>
</tr>
<tr>
<td>971</td>
<td></td>
<td>Gold, non-monetary (excluding gold ores and concentrates)</td>
</tr>
</tbody>
</table>
(c) for goods intended for a military or paramilitary purpose or for luxury consumption;

(d) for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws of the Recipient or international agreements to which the Recipient is a party;

(e) on account of any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and

(f) with respect to which the World Bank determines that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient or other recipient of the Grant proceeds, without the Recipient (or other such recipient) having taken timely and appropriate action satisfactory to the World Bank to address such practices when they occur.

5. "Fiscal Year" means the Recipient's fiscal year, which is the calendar year.

6. "Local Education Management Committee" means a committee known as "comité de gestion d'école" established and operating pursuant to the Recipient's Decree No. 2008-236/PRES/PM/MEBA/MESSRS/MASSN/MATD entitled "Décret portant organisation de l'enseignement primaire" dated May 8, 2008, as said decree may be amended from time to time.

7. "Municipality" means an administrative division of the Recipient known as "commune", established and operating pursuant to the Recipient's Law No. 55.2004/AN dated December 21, 2004, as said law may be amended from time to time.

8. "Primary School" means a school in the Recipient's territory offering primary education ("enseignement primaire"), as defined in the Education Law.

9. "Program" means the program of actions, objectives and policies designed to promote growth and achieve sustainable reductions in poverty through reforms in the Recipient's basic education system, and set forth or referred to in the letter dated January 12, 2002 from the Recipient to the World Bank declaring the Recipient's commitment to the execution of the Program, and requesting assistance from the World Bank in support of the Program during its execution.


11. "Single Withdrawal Tranche" means the amount of the Grant allocated to the category entitled "Single Withdrawal Tranche" in the table set forth in Part B of Section II of Schedule 1 to this Agreement.

Section II. Modifications to the Standard Conditions

The modifications to the Standard Conditions are as follows:

1. Sections 2.01 (Project Execution Generally), and 2.07 (Financial Management; Financial Statements; Audits) are deleted in their entirety, and the remaining Sections in Article II are renumbered accordingly.

2. Paragraph (a) of Section 2.03 (renumbered as such pursuant to paragraph 1 above and relating to Use of Goods, Works and Services) is deleted in its entirety.

3. Paragraph (c) of Section 2.04 (renumbered as such pursuant to paragraph 1 above) is modified to read as follows:

   "Section 2.04. Documents; Records

   ... (c) all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures under the Grant are retained until two years after the Closing Date."

4. Paragraph (b) of Section 2.05 (renumbered as such pursuant to paragraph 1 above) is modified to read as follows:

   "Section 2.05. Program Monitoring, Reporting and Evaluation

   ... (b) (i) if so requested by the World Bank, ensure the preparation and delivery to the World Bank of one or more reports ("Program Reports"), in form and substance satisfactory to the World Bank, integrating the results of such monitoring and evaluation activities and setting out measures recommended by the Recipient to ensure the continued efficient and effective execution of the Program, and to achieve the Program's objectives; each Program Report to cover the period specified in the World Bank's request and to be furnished to the World Bank not later than the date specified for that purpose in the World Bank's request; and (B) afford the World Bank a reasonable opportunity to exchange views with the Recipient on such report, and thereafter implement such recommended measures, taking into account the World Bank's views on the matter; and (ii) ensure the preparation and delivery to the World Bank, not later than six (6) months after the Closing Date, a report of such scope and in such detail as the World Bank shall reasonably request, on the execution of the Program, the performance by the Recipient and the World Bank of their respective obligations under the Grant Agreement and the accomplishment of the purposes of the Grant."

5. The last sentence of paragraph (c) of Section 3.04 (relating to Applications) is deleted in its entirety.
6. Sections 3.05 (Designated Accounts) and 3.06 (Eligible Expenditures) are deleted in their entirety, and the remaining Sections in Article III are renumbered accordingly.

7. The following terms and definitions set forth in the Appendix to the Standard Conditions are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:

(a) The definition of the term “Eligible Expenditure” is modified to read as follows:

"'Eligible Expenditure' means any use to which the Grant is put in support of the Program, other than to finance expenditures excluded pursuant to the Grant Agreement."

(b) The term “Financial Statements” and its definition as set forth in the Appendix are deleted in their entirety.

(c) The term “Project” is modified to read “Program” and its definition is modified to read as follows:

"'Program' means the program referred to in the Grant Agreement in support of which the Grant is made." All references to “Project” throughout these Standard Conditions are deemed to be references to “Program".