H.E. Patrice Kitebi  
Minister of Finance  
Ministry of Finance  
Boulevard du 30 juin  
Commune de la Gombe  
Kinshasa 1, BP 12997  
Democratic Republic of Congo

Re: Amendment and Restatement of Financing Agreement  
IDA H595-ZR - Multimodal Transport Project

Excellency:

In order to support certain reforms of Société Nationale du Chemin de Fer du Congo management and operations contemplated in connection with the above mentioned project (“Project”), namely the financing of certain departure indemnities and social security pension contributions, the International Development Association (“Association”) proposes to amend and restate the financing agreement (“Original Financing Agreement”), dated July 14, 2010, between the Democratic Republic of Congo (“Recipient”) and the Association in respect of the Project.

Accordingly, the Original Financing Agreement is hereby amended and restated pursuant to this letter agreement so as to read as set forth in the Annex.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this letter agreement, and to carry out the Project in accordance with the terms and conditions set forth or referred to in this letter agreement.

Please confirm the Recipient’s agreement to the foregoing amendment and restatement of the Original Financing Agreement by having an authorized official of the Recipient sign and date the enclosed copy of this letter agreement, and returning it to the Association.

Upon receipt by the Association of this countersigned copy, this letter agreement shall become effective as of the date of the countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By  
Eustache Ouayoro  
Country Director for the Democratic Republic of Congo  
Africa Region
AGREED:
DEMOCRATIC REPUBLIC OF CONGO

By ____________________________
Authorized Representative

Name: PATRICE LIEBI
Title: MINISTRE DELEGUE AUX FINANCES
Date: 29/06/2013
3
Amendment and Restatement of Financing Agreement
IDA H595-ZR – Multimodal Transport Project

ANNEX

GRANT NUMBER H595-ZR

Financing Agreement
(Multimodal Transport Project)

between

DEMOCRATIC REPUBLIC OF CONGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 14, 2010
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 one hundred sixty eight million eight hundred thousand Special Drawing Rights (SDR 168,800,000) ("Financing" or "Grant") to assist in financing Parts A(other than A.1(b)(iii)), B (other than B.6 and B7), C and D of 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 April 15 and October 15 in each year.

2.05. The Payment Currency is Dollar.
ARTICLE III—PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out Parts B.3, B.4, B.5, B.6, C, and D of the Project through the Ministry of Transport (MoT) and cause Part A of the Project to be carried out by the SNCC, Part B.1(a) of the Project to be carried out by SCTP, Part B.1(b) of the Project to be carried out by RVA, Part B.1(c) and B.2 of the Project to be carried out by RVF, Part B.1(d) of the Project to be carried out by CVM, and Part B.7 of the Project to be carried out by AAC, all in accordance with the provisions of Article IV of the General Conditions and the Project Agreements.

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 Project Implementing Entities Legislations have been amended, suspended, abrogated, repealed or waived, in whole or in part, so as to affect materially and adversely the ability of the Project Implementing Entities to perform any of their respective obligations under the Project Agreements.

(b) A situation has arisen which shall make it improbable that the SNCC Recovery Plan, or a significant part of it, will be carried out.

ARTICLE V—EFFECTIVENESS; TERMINATION

5.01. Sections 8.01, 8.02 and 8.03 of the General Conditions shall not apply to this Agreement.

5.02. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement shall terminate is ten years after the date of this Agreement.

ARTICLE VI—REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is the Recipient’s minister responsible for finance.

6.02. The Recipient’s Address is:

Ministry of Finance
Boulevard du 30 juin
BP 12997
Kinshasa I - Gombe
Democratic Republic of Congo
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

Telephone: 243 993 90 0039
Email: abfinances@minfinrdc.com
AGREED at Kinshasa, July 14, 2010, as of the day and year first above written.

DEMOCRATIC REPUBLIC OF CONGO

By //s// Matata Ponyo Mapon

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By //s// Marie Francoise Marie-Nelly

Authorized Representative
SCHEDULE 1

Project Description

The objectives of the Project are: (i) to improve transport connectivity in the Recipient's territory; (ii) to restore SNCC's financial and operational viability; and (iii) to strengthen transport state-owned enterprises' operational performance.

The Project consists of the following parts:

**Part A: SNCC Recovery Plan:**

1. Provision of support for the carrying out of the reform of SNCC management and operations through:

   (a) implementation and independent monitoring of a five year management contract with a private operator selected in accordance with Section III of Schedule 2 of this Agreement;

   (b) financing of the payments of the departure indemnities and social security pension contributions of up to respectively: (i) 1675 in the first phase; (ii) 1650 in the second phase; and (iii) 400 in the third phase of voluntarily departing retirees of the SNCC (who are eligible for retirement through December 31, 2013) pursuant to the SNCC-Unions Agreement dated May 26, 2009 as amended on February 13, 2010, and certification of each eligible retirees' departure indemnities and social security contribution by an independent auditor;

   (c) rehabilitation and upgrade of: (i) railway tracks, (ii) rolling stock, (iii) SNCC workshop, and (iv) facilities used by the SNCC; and as well as related technical assistance and equipment;

   (d) financing of eligible operational costs (mainly fuel, electricity and water bills, spare parts and locomotive leasing) of the SNCC;

   (e) provision of training for key new and existing SNCC personnel;

   (f) carrying out of monitoring activities and surveys related to the impact of the Project on rail passengers and voluntarily departing retirees;

   (g) preparation of a new tariff policy and model contract designed to mobilize future investment financing from mining companies to SNCC under terms satisfactory to the Association; and

   (h) carrying out of financial and procurement audits of SNCC financial accounts and procurement activities and preparation of new financial and procurement manuals for SNCC in form and substance satisfactory to the Association.
Part B: Operational performance strengthening and improved governance of the sector

1. Provision of transport and navigational equipment and carrying out studies for (a) SCTP, (b) RVA, (c) RVF and (d) CVM.

2. Financing of the payments of the departure indemnities and social security pension contributions of up to 100 voluntarily departing retirees of the RVF.

3. Carrying out of an internal diagnostic of the MoT and performance of the transport sector to recommend possible reorganizational scenarios and improvements in sector strategies, as well as provision of training for selected MoT’s staff and procurement of administrative/office equipment.

4. Carrying out of annual procurement and financial audits of SCTP, RVA, RVF, CVM and AAC.

5. Develop a transport sector wide governance plan which can be tailored for adoption by SCTP, RVA, CVM, RVF, SNCC and AAC.

6. Provision of equipment, technical assistance related to capability to regulate river transport, training and office rehabilitation of the DMVN.

7. Provision of equipment, technical assistance related to capability to regulate air transport, training and office rehabilitation of the AAC.

Part C: International trade procedures simplification

1. Development of an international trade procedures simplification strategy and the associated action plan (including actions related to materials, equipments and basic infrastructure investments) to facilitate the flow of goods along the Recipient’s main international trade transport corridors, in line with the Recipient’s international trade agreements commitments and the results and recommendations of the study on the facilitation of international trade.

Part D: Project management

1. Provision of support to carry out Project management activities assigned to the CEPTM Project Unit for Part A of the Project.

2. Provision of support to carry out Project management activities assigned to the CEPTM Project Unit for Part B and C of the Project.
SCHEDULE 2
Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall maintain, throughout the implementation of the Project, a Project Steering Committee (PSC), including high-level representatives of the Recipient’s concerned ministries and entities with terms of reference, composition and resources satisfactory to the Association, which shall be responsible for providing overall strategic guidance for the Project at the national level.

2. The MoT shall be responsible for the: (a) overall coordination and facilitation of the implementation of the Project; (b) examination of the consolidated progress reports for the Project submitted by the CEPTM; (c) resolution of any conflicts that may arise between the different entities involved in the implementation of the Project; and (d) follow-up on the orientations and recommendations of the PSC.

3. The Recipient shall maintain the CEPTM, including a Project Unit for Part A of the Project based in Lubumbashi and a Project Unit for Parts B and C of the Project based in Kinshasa, throughout implementation of the Project, all with terms of reference, composition and resources satisfactory to the Association, which, inter alia, shall be responsible for the: (a) day-to-day financial management of the Project, including audits and management of the Designated Accounts; (b) oversight of all technical, social, and environmental matters relating to Project implementation; (c) monitoring and evaluation of Project activities; (d) carrying out of the procurement of goods, works and services of the Project; and (e) managing of any Training activity carried out under the Project.

4. The Recipient shall cause the SNCC to maintain an Environmental Unit throughout implementation of the Project, with terms of reference, composition and resources satisfactory to the Association, responsible for the coordination and follow-up activities related to managing the environmental and social impacts of SNCC activities and safety of the SNCC railway transport network.

B. Subsidiary Agreements

1. To facilitate the carrying out of Part A of the Project, the Recipient shall make part of the proceeds of the Financing available in the form of a grant to the SNCC under a subsidiary agreement between the Recipient and the SNCC, under terms and conditions approved by the Association, which shall include: (a) the principal amount of such financing denominated in Dollars; (b) the Recipient’s right to suspend, terminate or seek refund, of such financing to the SNCC in the event the SNCC fails to perform its obligations under the subsidiary agreement; and (c) the rights and obligations of the SNCC and the Recipient, including the obligation of the Recipient to promptly transfer the ownership of goods and equipment purchased by the Recipient for the SNCC (“SNCC Subsidiary Agreement”).
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2. To facilitate the carrying out of Part B.1 (a) of the Project, the Recipient shall make part of the proceeds of the Financing available in the form of a grant to the SCTP under a subsidiary agreement between the Recipient and the SCTP, under terms and conditions approved by the Association, which shall include: (a) the principal amount of such financing denominated in Dollars; (b) the Recipient’s right to suspend, terminate or seek refund, of such financing to the SCTP in the event the SCTP fails to perform its obligations under the subsidiary agreement; and (c) the rights and obligations of the SCTP and the Recipient (“SCTP Subsidiary Agreement”).

3. To facilitate the carrying out of Part B.1 (b) of the Project, the Recipient shall make part of the proceeds of the Financing available in the form of a grant to the RVA under a subsidiary agreement between the Recipient and the RVA, under terms and conditions approved by the Association, which shall include: (a) the principal amount of such financing denominated in Dollars; (b) the Recipient’s right to suspend, terminate or seek refund, of such financing to the RVA in the event the RVA fails to perform its obligations under the subsidiary agreement; and (c) the rights and obligations of the RVA and the Recipient (“RVA Subsidiary Agreement”).

4. To facilitate the carrying out of Parts B.1 (c) and B.2 of the Project, the Recipient shall make part of the proceeds of the Financing available in the form of a grant to the RVF under a subsidiary agreement between the Recipient and the RVF, under terms and conditions approved by the Association, which shall include: (a) the principal amount of such financing denominated in Dollars; (b) the Recipient’s right to suspend, terminate or seek refund, of such financing to the RVF in the event the RVF fails to perform its obligations under the subsidiary agreement; and (c) the rights and obligations of the RVF and the Recipient (“RVF Subsidiary Agreement”).

5. To facilitate the carrying out of Part B.1 (d) of the Project, the Recipient shall make part of the proceeds of the Financing available in the form of a grant to the CVM under a subsidiary agreement between the Recipient and the CVM, under terms and conditions approved by the Association, which shall include: (a) the principal amount of such financing denominated in Dollars; (b) the Recipient’s right to suspend, terminate or seek refund, of such financing to the CVM in the event the CVM fails to perform its obligations under the subsidiary agreement; and (c) the rights and obligations of the CVM and the Recipient (“CVM Subsidiary Agreement”).

6. The Recipient shall exercise its rights and carry out its obligations under the Subsidiary Agreements 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 Agreements or any of their provisions.

C. Anti-Corruption

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

1. Except as the Association shall otherwise agree, the Recipient shall carry out the Project and/or cause the project to be carried out in accordance with the AFAPM, and except as the Association shall otherwise agree, not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written agreement of the Association.

2. In the event of any conflict between the provisions of the AFAPM and those of this Agreement, the provisions of this Agreement shall prevail.

E. Safeguards

1. The Recipient shall carry out the Project, and/or cause the Project to be carried out, in accordance with the ESMF, RPF and the IPDF.

2. The Recipient shall: (a) ensure that all measures necessary for the carrying out of the ESMF, RPF and IPDF are taken in a timely manner; (b) ensure that adequate resources are made available for the proper implementation of the ESMF, RPF and IPDF; and (c) ensure that the Project Reports referred to in Section II of this Schedule will include adequate information on monitoring the measures defined in the ESMF, RPF and IPDF.

3. The Recipient shall not suspend, amend, abrogate, waive or otherwise modify, whether in whole or in part, any of provision of the ESMF, RPF and IPDF without the prior written agreement of the Association.

4. The Recipient shall carry out and cause the Project Implementing Entities to carry out the Project in accordance with the provisions of the Environmental Management Plan (EMP), the Environmental and Social Impact Assessment (ESIA), the Resettlement Action Plan (RAP), the Indigenous People Plan (IPP), as the case may be, under terms and conditions satisfactory to the Association and, except as the Association shall otherwise agree, the Recipient shall not amend, abrogate, or waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision of either one thereof, without the prior written agreement of the Association.

5. In the event of any conflict between the provisions of the ESMF, RPF, IPDF, EMP, ESIA, RAP or IPP, and those of this Agreement, the provisions of this Agreement shall prevail.
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 agreed with the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than forty-five (45) days 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 six 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 (including related staff, software and an internal auditor for the Project Unit for Part A of the Project and an internal auditor and accountant for the Project Unit for Parts B and C of the Project under terms and with qualifications satisfactory to the Association) 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 as part of the Project Report not later than forty-five (45) days after the end of each quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have the Financial Statements for the Project 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 of the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

Section III. **Procurement**

A. **General**

1. **Goods, Works and Non-consultant Services.** All goods, works and non-consultant 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-consultant Services**

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

2. **Other Methods of Procurement of Goods, Works and Non-consultant Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and non-consultant 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) Limited International Bidding</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Force Account</td>
</tr>
<tr>
<td>(e) Shopping</td>
</tr>
</tbody>
</table>

(*) National Competitive Bidding may be used subject to using the open procedure ("appel d'offres ouvert") set forth in the Recipient's Public Procurement Law No 10/010 dated April 27, 2010 (the “PPL”) and the Manual of Procedures of the PPL as per Recipient’s Decree No 10/22 dated June 2, 2010 (the “Manual of Procedures”); provided however that such procedure shall be subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of Section III of the Procurement Guidelines and the additional following modifications: (a) **Standard Bidding Documents:** All standard bidding documents to be used for the Project shall be found acceptable to the World Bank before their use during the implementation of Project; (b) **Eligibility:** Eligibility of bidders and acceptability of their goods and services shall not be based on their nationality and/or their origin; and association with a national firm shall not be a condition for participation in a bidding process; (c) **Advertising and Bid Preparation Time:** Bidding opportunities shall be advertised at least in a national newspaper of wide circulation or on the website of the Recipient’s Procurement Regulator (Autorité de Régulation des Marchés Publics) and bidders should be given at least 30 days from the date of invitation to bid or the date of availability of the bidding documents, whichever is later; (d) **Criteria for Qualification of Bidders:** Qualification criteria shall only concern the bidder’s capability and resources to perform the contract taking into account objective and measurable factors. Such criteria for qualification of bidders shall be clearly specified in the bidding documents; (e) **Bid Evaluation and Contract Award:** A contract shall be awarded to the substantially responsive and lowest evaluated bidder provided that such bidder meets the qualification criteria specified in the bidding documents. No scoring system shall be allowed for the
evaluation of bids, and no “blanket” limitation to the number of lots which can be awarded to a bidder shall apply. The criteria for bid evaluation and the contract award conditions shall be clearly specified in the bidding documents; (f) Preferences: No domestic/regional preference shall be given to domestic/regional bidders; to domestically/regionally manufactured goods; and to bidders forming a joint venture with a national firm or proposing national sub-contractors or carrying out economic activities in the territory of the Recipient; (g) Publication of Contract Award: Information on all contract awards shall be published in at least a national newspaper of wide circulation or in the Recipient’s Procurement Regulator (Autorité de Régulation des Marchés Publics) web-site; (h) Fraud and Corruption: In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the World Bank’s policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the Procurement Guidelines; (i) Inspection and Audit Rights: In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the World Bank’s policy with respect to inspection and audit of accounts, records and other documents relating to the bid submission and contract performance; and (j) Requirement for administrative documents and/or tax clearance certificate. The bidding documents shall not require foreign bidders to produce any administrative or tax related certificates prior to confirmation of awarding a contract.

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 Consultants’ Qualifications</td>
</tr>
<tr>
<td>(b) Least Cost Selection</td>
</tr>
<tr>
<td>(c) Single Source Selection</td>
</tr>
<tr>
<td>(d) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(e) Quality Based Selection</td>
</tr>
</tbody>
</table>

D. Review by the Association of Procurement Decisions

1. 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. Terms of reference for all contracts for Consultants’ Services shall be subject to Prior 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, except as otherwise noted below)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) (a) Goods, works, non-consultant services, and consultants’ services and Operating Costs for Part A.1 (other than Part A.1 (b) and Part A.1 (c)(ii)) of the Project</td>
<td>107,830,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(b) SNCC departure indemnities and social security pension contributions under Part A.1 (b) (i) of the Project</td>
<td>9,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>(c) Goods under Part A.1 (c) (ii) of the Project</td>
<td>6,600,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(d) SNCC departure indemnities and social security pension contributions under Part A.1 (b) (ii) of the Project</td>
<td>19,200,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) Goods, works, non-consultant services and consultants’ services for Parts B.1 (a) of the Project</td>
<td>5,560,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(3) Goods, works, non-consultant services and consultants’ services for Parts B.1 (b) of the Project</td>
<td>6,620,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(4) (a) Goods, works, non-consultant services and consultants’ services for Parts B.1 (c) of the Project</td>
<td>2,050,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(b) RVF departure indemnities and social security pension contributions under Part B.2 of the Project</td>
<td>500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Goods, works, non-consultant services and consultants’ services for Parts B.1(d) of the Project</td>
<td>930,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(6) (a) Goods, works, non-consultant services, consultants’ services, and Operating Costs for Part D.1 of the Project</td>
<td>3,640,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(b) Goods, works, non-consultant services and consultants’ services for Parts B.3, B.4, B.5, C and D.2 of the Project and Operating Costs for Part D.2 of the Project</td>
<td>4,630,000</td>
<td>100%*</td>
</tr>
<tr>
<td>(7) Refund of Preparation Advance</td>
<td>1,340,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>168,800,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Exclusive of value added tax and taxes on import rights and all applicable import taxes and fees.

## B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made

   (a) (i) prior to the date of the Original Financing Agreement with respect to amounts of the Financing, except that withdrawals up to an aggregate amount not to exceed $51,000,000 equivalent may be made for payments made on or after June 30, 2009 for Eligible Expenditures under the Project.
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(b) (i) Under Category (1)(d) for quarterly installments for the payment of departure indemnities and social security pension contributions of all SNCC eligible voluntarily departed retirees, unless Recipient has provided evidence satisfactory to the Association that the salary arrears, departure indemnities and social security pension contributions and any outstanding SNCC social debt of these retirees have been fully accounted and certified, under terms and conditions satisfactory to the Association, by an independent auditor under terms and conditions satisfactory to the Association.

(ii) Under Category (1)(c) unless the Recipient has provided evidence satisfactory to the Association that SNCC has adopted a legal asset protection plan for its rolling stock, satisfactory to the Association and consistent with Recipient law.

(iii) Under Category (2) unless the Recipient has provided evidence satisfactory to the Association that the Recipient has adopted the reform strategy note for SCTP under terms and conditions satisfactory to the Association.

(iv) Under Category (4)(b) unless the Recipient has provided evidence satisfactory to the Association that the salary arrears for the employees of the RVF have been fully accounted, certified and paid by the RVF, or alternatively by the Recipient, to the RVF employees and voluntarily departing eligible employees pursuant to the RVF Retirement Plan Agreement in accordance with the Recipient’s laws.

2. The Closing Date is June 30, 2018.

Section V. Other Undertakings

1. The Recipient shall cause the Project Implementing Entities (other than SNCC) to respectively adopt by not later than five (5) months after the Effective Date the tailored governance plans referred to in Part B.5 of the Project under terms satisfactory to the Association and immediately thereafter it shall cause the Project Implementing Entities to take all measures and provide sufficient resources to implement said plans in a manner satisfactory to the Association and shall not suspend, amend, abrogate, waive or otherwise modify, whether in whole or in part, any of provision of said plans without the prior written agreement of the Association.

2. The Recipient shall by not later than five (5) months after the Effective Date recruit, and thereafter maintain throughout Project implementation, an external procurement auditor for each of SNCC, SCTP, RVA, and CVM and an external financial auditor for each of SNCC, SCTP, RVA, CVM and CEPTM, all under terms and conditions and with qualifications and experience satisfactory to the Association.

3. The Recipient shall cause the Project Implementing Entities to maintain throughout implementation of the Project the expenses related to their respective Board of Directors at or below the rate of 0.5% of the annual turnover of their respective companies.
4. The Recipient shall throughout the implementation of the Project avoid, and shall cause entities under its authority to avoid, taking any action or omitting to take any action which might jeopardize the financial and operational viability of the Project Implementing Entities.

5. The Recipient shall ensure that the Project Implementing Entities do not, throughout the implementation of the Project, enter into arrangements or contracts (including employees' promotions and salary increases) that could materially and/or adversely affect the ability of the Project Implementing Entities to perform any of their respective obligations under the Project Agreements and/or affect their financial viability, unless otherwise agreed in writing with the Association.

6. The Recipient shall maintain a management or partnership contract with a private operator referred to in Part A.1 (a) of the Project under terms and conditions satisfactory to the Association and shall not suspend, amend, abrogate, waive or otherwise modify, whether in whole or in part, any of provision of said contract without the prior written agreement of the Association.

7. Unless otherwise agreed with the Association, the Recipient shall promptly as needed, provide the funds, facilities, goods, services and other resources required for the Project and shall allocate the equivalent of one million and five hundred thousand Dollars (US$ 1.5 million) equivalent monthly from no later than three (3) months after the Effective Date until June 30, 2015 to the SNCC for the cost of its operations and ensure said amounts shall be used exclusively to finance such expenditures in respect of reasonable cost of works, goods, salaries and services for the operational costs of the SNCC.

8. The Recipient shall cause the SNCC to carry out the SNCC Retirement Plan Agreement under terms satisfactory to the Association and shall ensure that the SNCC shall not suspend, amend, abrogate, waive or otherwise modify, whether in whole or in part, any of provision of said agreement without the prior written agreement of the Association.

9. (a) The Recipient shall cause the SNCC to start implementing by not later than March 31, 2014 a plan for the clearance of the SNCC salary arrears and social debt, not financed with the financial assistance of the Association, for all its employees and voluntarily departed eligible retirees as of December 31, 2013, under terms satisfactory to the Association.

(b) To this effect, the Recipient shall, by no later than January 31, 2014 or any other later date agreed with the Association, adopt the report, prepared under terms satisfactory to the Association, by an independent auditor, hired under terms and qualifications and experience satisfactory to the Association, certifying the amount of salary arrears and outstanding social debt owed by the SNCC to its employees and voluntarily departed retiring employees of the SNCC until December 31, 2013, under terms satisfactory to the Association.

10. The Recipient shall cause the Project Implementing Entities to prepare by not later than seven (7) months after the Effective Date and implement throughout the implementation of
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the Project an HIV/AIDS prevention and treatment program under terms and conditions satisfactory to the Association.
APPENDIX

Definitions

1. "Agence de l'Aviation Civile" or "AAC" means the Recipient's public entity in charge of regulating the civil aviation transport sector in accordance with the Recipient's laws and regulation, pursuant to the Recipient's Government's decree n°011/29 dated June 10, 2011.

2. "Administrative Financial, Accounting and Procurement Manual" or "AFAPM" means the manual outlining the administrative, financial, accounting and procurement arrangements for the implementation of the Project, as the same may be amended by agreement of the Recipient and the Association from time to time, and such term includes any schedules to the AFAPM.


4. "Anti-Corruption Plan" means the Recipient’s anti-corruption action plan to be adopted by the Recipient of this Agreement 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.

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

6. "Cellule d’Execution du Projet de Transport Multimodal" or “CEPTM” is the Project management entity in charge of the overall management of the Project pursuant to the Recipient’s Decree No. 409/CAB/Min/TVC/016/2010 dated February 16, 2010 and which shall include the Project Unit for Part A of the Project and the Project Unit for Parts B and C of the Project.

7. "Congolaise des Voies Maritimes" or “CVM” (formerly known as RVM) means the Recipient’s public enterprise legally established and in charge of maritime transports pursuant to the Recipient’s Order-Law No. 71-003 dated January 26, 1971 as modified by the Recipient’s law No. 08/007 on the transformation of the largest SOEs into commercial companies dated July 7, 2008 and the Decrees No. 9/11 and No. 9/12 dated April 24, 2009.

8. “CVM Subsidiary Agreement” means the agreement referred to in Section I.B.5 of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Original Financing available to the CVM.

10. "Designated Accounts" means the account to be opened and maintained by the Recipient in accordance with the provisions of Article II of the General Conditions, Section IV.A.1 of Schedule 2 of this Agreement, 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).

11. “DMVN” means the Recipient’s Directorate of the Marine and Navigation Ways within the MoT (as defined hereinafter) in charge of regulating maritime and inland waterways traffic.

12. “Displaced Person(s)” means any person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.

13. “Effective Date” has the meaning given to such term in Section 5.01 of this Agreement.

14. “Environmental and Social Impact Assessment” or “ESIA” means an environmental and social impact assessment of a particular activity under the Project, required pursuant to the ESMF, which is acceptable to the Association, giving details of the status of the natural environment, social and potential risks and adverse impacts thereto, which are specific to the activity, along with proposed mitigation measures and “ESIAs” means all of them collectively.

15. “Environmental and Social Management Framework” or “ESMF” means the Recipient’s framework, dated January 21, 2010, setting out the rules, guidelines and procedures to assess environmental and social impacts of the Project’s activities, and measures to reduce, mitigate or offset adverse social and environmental impacts and enhance positive impacts of said activities including public consultation, institutional arrangements for the implementation, monitoring and supervision of said measures, as the ESMF may be amended from time to time with the prior written approval of the Association.

16. “Environmental Management Plan” or “EMP” means an environmental management plan required pursuant to the ESMF for an activity proposed to be included under the Project, which is acceptable to the Association, giving details of measures appropriate or required to maximize the benefits of the Project, eliminate, offset or mitigate any adverse environmental impacts, or reduce such impacts to acceptable levels, together with budget and cost estimates, sources of funding, adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, such Environmental Management Plan, and “EMPs” means all of them collectively.

17. “Environmental Unit” means the Recipient’s entity to be established pursuant to Section I.A.4 of Schedule 2 to this Agreement.
18. "Fiscal Year" means the period between January 1 and December 31 for the calendar years 2010 to 2020.


20. "Indigenous Peoples Development Framework" or "IPDF" means the Recipient’s document dated January 21, 2010, defining specific measures to be implemented for the indigenous population in order to protect them and to ensure that members of said minorities be granted equal legal, financial and organizational opportunities under the Project.

21. "Indigenous Peoples Plan" or "IPP" means the Recipient’s plan to be prepared for a particular activity under the Project, required pursuant to the IPDF, and which is satisfactory to the Association, describing the measures and processes to be implemented in accordance with said framework, as such plan may be amended from time to time with the prior written approval of the Association, and "RAPs" means all of them collectively.

22. "Ministry of Finance" or "MoF" means the Recipient’s ministry in charge of finance or its successor thereof acceptable to the Association.

23. "Ministry of Transportation et Voies de Communications" or "MoT" means the Recipient’s ministry in charge of transport, or its successor thereof acceptable to the Association.

24. "Operating Costs" means the incremental expenses incurred by the Recipient on account of Project implementation, management, and monitoring, for office space rental, utilities, and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, building and equipment maintenance, advertising expenses, travel and supervision (including supervision activities in connection with Part A of the Project), salaries of contractual and temporary staff, but excluding salaries, fees, honoraria, and bonuses of members of the Recipient’s civil service.

25. "Original Financing Agreement" means the financing agreement for a Multimodal Transport Project between the Recipient and the Association, dated July 14, 2010(Grant NoH595-ZR).

26. "Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association/Bank to the Recipient pursuant to the letter agreement signed on behalf of the Association/Bank on March 29, 2007 and November 3, 2009 and on behalf of the Recipient on May 3, 2007 and November 24, 2009 respectively.


28. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated April 17, 2013 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.

29. "Project Agreements" means the agreements of even date of the Original Financing Agreement between on the one hand the Association and on the other the Project Implementing Entities:CVM, SCTP, SNCC, RVA, and RVF.

30. "Project Implementing Entities" means together the AAC, SNCC, SCTP, RVA, RVF and CVM.

31. "Project Implementing Entities Legislations" means the following decrees and laws cited under paragraphs 1,8, 36, 37, 43 and 45 as well as the Recipient’s laws on the transformation of the largest state owned enterprises into commercial companies dated July 7, 2008 as well as the Recipient’s Decrees No. 09/11 and No. 09/12 dated April 24, 2009.


33. "Project Unit for Part A of the Project" means the unit within CEPTM based in Lubumbashi to manage the implementation of Part A of the Project under terms and conditions, with resources and with qualified and experience staff satisfactory to the Association.

34. "Project Unit for Parts B and C of the Project" means the unit within CEPTM based in Kinshasa to manage the implementation of Parts B and C of the Project under terms and conditions, with resources and with qualified and experience staff satisfactory to the Association.


36. "RVA Subsidiary Agreement" means the agreement referred to in Section I.B.3 of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Original Financing available to the RVA.

37. "Régie des Voies Fluviales" or “RVF” means the Recipient’s public enterprise legally established and in charge of fresh water transports pursuant to the Recipient’s Order-Law No. 71-004 dated January 26, 1971, Decree No. 09/12 dated April 24, 2009 and Decree No. 09/60 dated December 3, 2009 as modified by the Recipient’s law no. 08/007 on the transformation of large state owned enterprise onto commercial companies dated July 7, 2008 and Recipient’s decree no. 09/11 and no. 09/12 dated April 24, 2009 and the decree No 09/60 dated December 3, 2009.
38. "RVF Retirement Plan Agreement" means the agreement to be entered into between the RVF and the staff of the RVF under terms satisfactory to the Association for the payment of the salary arrears and departure indemnities and social security pension contributions owed to the voluntarily departed retirees of the RVF.

39. "RVF Subsidiary Agreement" means the agreement referred to in Section I.B.4 of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the RVF.

40. "Resettlement Action Plan" or "RAP" means the resettlement action plan for a particular activity under the Project, required pursuant to the Resettlement Policy Framework (as defined hereinafter), and which is satisfactory to the Association, describing the social impacts of such activity and providing measures for the compensation, resettlement and rehabilitation of Displaced Persons including institutional arrangements for implementation, supervision and monitoring of such measures, budget, environmental protection, participation and consultation of Displaced Persons and grievance processes available to them, as such plan may be amended from time to time with the prior written approval of the Association, and "RAPs" means all of them collectively.

41. "Resettlement Policy Framework" or "RPF" means the Recipient's policy framework, dated January 21, 2010, providing procedures and guidelines for the preparation, adoption, implementation, supervision and monitoring of a Resettlement Action Plan or Plans, as said framework may be amended from time to time with the prior written approval of the Association.

42. "Société Commerciale des Transports et des Ports" or "SCTP" means the Recipient's public enterprise legally established in charge of transports at the national level pursuant to the Recipient's decree No 0051 promulgated by the Prime Minister and dated November 7, 1995, as modified by the Recipient's law No. 08/007 on the transformation of large state owned enterprise onto commercial companies dated July 7, 2008 and Recipient's decree No. 09/11 and No. 09/12 dated April 24, 2009.

43. "SCTP Subsidiary Agreement" means the agreement referred to in Section I.B.2 of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Original Financing available to the SCTP.

44. "Société Nationale du Chemin de Fer du Congo" or "SNCC" means the Recipient’s public enterprise established and operating pursuant to the Recipient’s Decree No. 0050, dated November 7, 1995 “portant création et statuts d’une entreprise publique dénommée SNCZ” and as modified by the Recipient’s law No. 08/007 on the transformation of large state owned enterprise onto commercial companies dated July 7, 2008 and Recipient’s decree No. 09/11 and No. 09/12 dated April 24, 2009.

45. “SNCC Management Contract” means the contract, in form and substance satisfactory to the Association, to be entered into between the Recipient and a private sector firm or company recruited in accordance with the provisions of Section III of Schedule 2 to this Agreement for the management of the business and operations of SNCC under the Project.
46. "SNCC Recovery Plan" means the plan adopted by the Recipient’s Commission Economique et de Re constitution (Economic and Reconstruction Commission - ECOREC) on December 22, 2009 to delineate the various restructuring steps of the SNCC over years 2010-2015 as well as the Recipient’s commitment to complement the Association’s financing using its own funds.

47. “SNCC Retirement Plan Agreement” means the plan for the payment of departure indemnities and social security pension contributions and salary arrears agreed between the SNCC and the unions of workers representing the staff of the SNCC, dated May 26, 2009, as amended on February 13, 2010, as said agreement may be further amended from time to time, including all appendices, schedules and supplemental agreements.

48. “SNCC Subsidiary Agreement” means the agreement referred to in Section I.B.1 of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the SNCC.

49. “SNCC – Unions Agreement” means the agreement agreed between the SNCC and the unions of workers representing the staff of the SNCC, dated May 26, 2009, as amended on February 13, 2010, as said agreement may be further amended from time to time, including all appendices, schedules and supplemental agreements.

50. “Subsidiary Agreements” means the agreements referred to in Section I.B of Schedule 2 to this Agreement and Section I.B of Schedule 2 to the Original Financing Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the Project Implementing Entities as the case may be.

51. “Training” means the training and training-related activities, including seminars, workshops and study tours, travel and subsistence allowances for training participants, trainers’ fees, rental of training facilities, preparation and reproduction of training materials and other activities incidental to the preparation and implementation of training activities.
46. “SNCC Recovery Plan” means the plan adopted by the Recipient’s Commission Economique et de Reconstruction (Economic and Reconstruction Commission - ECOREC) on December 22, 2009 to delineate the various restructuring steps of the SNCC over years 2010-2015 as well as the Recipient’s commitment to complement the Association’s financing using its own funds.

47. “SNCC Retirement Plan Agreement” means the plan for the payment of departure indemnities and social security pension contributions and salary arrears agreed between the SNCC and the unions of workers representing the staff of the SNCC, dated May 26, 2009, as amended on February 13, 2010, as said agreement may be further amended from time to time, including all appendices, schedules and supplemental agreements.

48. “SNCC Subsidiary Agreement” means the agreement referred to in Section I.B.1 of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the SNCC.

49. “SNCC – Unions Agreement” means the agreement agreed between the SNCC and the unions of workers representing the staff of the SNCC, dated May 26, 2009, as amended on February 13, 2010, as said agreement may be further amended from time to time, including all appendices, schedules and supplemental agreements.

50. “Subsidiary Agreements” means the agreements referred to in Section I.B of Schedule 2 to this Agreement and Section I.B of Schedule 2 to the Original Financing Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the Project Implementing Entities as the case may be.

51. “Training” means the training and training-related activities, including seminars, workshops and study tours, travel and subsistence allowances for training participants, trainers’ fees, rental of training facilities, preparation and reproduction of training materials and other activities incidental to the preparation and implementation of training activities.