Least Developed Countries Fund

Grant Agreement

(Strengthening Hydro-Meteorological and Climate Services Project)

between

DEMOCRATIC REPUBLIC OF CONGO

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

(acting as implementing agency of the Least Developed Countries Fund)

Dated April 19, 2017
LEAST DEVELOPED COUNTRIES FUND
GRANT AGREEMENT

AGREEMENT dated April 19, 2017, entered into between the DEMOCRATIC REPUBLIC OF CONGO ("Recipient"); and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as implementing agency of the Least Developed Countries Fund ("LDCF").

The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions


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 this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall cause the Project to be carried out by METTELSAT ("Project Implementing Entity") in accordance with the provisions of Article II of the Standard Conditions and the agreement dated the same date as this Agreement between the World Bank and the Project Implementing Entity, as such agreement may be amended from time to time ("LDCF Project Agreement").

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank 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 III
The Grant

3.01. 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 five million three hundred twenty-nine thousand, four hundred fifty-two United States Dollars (USD5,329,452) ("Grant") to assist in financing the Project.
3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donor 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 donor under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Additional Remedies

4.01. The Additional Event of Suspension referred to in Section 4.02(k) of the Standard Conditions consists of the following, namely that the Project Implementing Entity’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the LDCF Project Agreement.

Article V
Effectiveness; Termination

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

(a) The GFDRR Grant Agreement has been signed and delivered, all conditions precedent to its effectiveness or the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement have been fulfilled.

(b) The LDCF Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.

(b) The Project Implementation Manual has been adopted by the Recipient and the Project Implementing Entity in a manner satisfactory to the World Bank.

5.02. The Additional Legal Matter consists of the following, namely that the LDCF Subsidiary Agreement has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.

5.03. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.
Article VI
Recipient’s Representative; Addresses

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

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

Ministry of Finance  
*Boulevard du 30 Juin - Commune de la Gombe*  
Kinshasa 1,  
Democratic Republic of Congo

Email: cabfinances@minfinrdc.com

Tel.: +243 82 58 52 240

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: INDEVAS  
Telex: 248423 (MCI) or 64145 (MCI)  
Facsimile: 1-202-477-6391
AGREED at District of Columbia, United States of America, as of the day and year first above written.

DEMOCRATIC REPUBLIC OF CONGO

By:

[Signature]

Authorized Representative

Name: H.E. HENRY YAU MULANG

Title: MINISTER OF FINANCE

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (acting as implementing agency of the Least Developed Countries Fund).

By:

[Signature]

Authorized Representative

Name: AHMADOU MOUTAPHA NDIADE

Title: COUNTRY DIRECTOR
SCHEDULE 1

Project Description

The objective of the Project is to improve the quality of the Recipient's targeted hydro-meteorological and climate services.

The Project consists of the following parts:

**Part A: Institutional and Regulatory Strengthening, Capacity Building and Implementation Support**

Strengthen institutional setup and build capacity of human resources by: (i) reinforcing the legal and regulatory framework of the Project Implementing Entity in order to develop partnerships and standard operating procedures for delivery of service; (ii) strengthening the quality management systems to raise standards and quality control/verification procedures across the institutions; (iii) implementing a long-term and on-demand capacity development and training program for the staff of the Project Implementing Entity.

**Part B: Modernization of Equipment, Facilities and Infrastructure for Basic Observation and Forecasting**

Support: (i) hydrological and meteorological monitoring networks (small-scale rehabilitation of priority stations and installation of new sensors); (ii) transmission, data management and data dissemination hardware; (iii) refurbishment of facilities needed to support the services; and (iv) technical systems and software for performing meteorological, hydrological and climate modelling and forecasting.

**Part C: Improvement of Hydro-Meteorological Information Service Delivery**

Provide technical assistance for delivery of more accurate, timely and user-friendly products and services to users and decision-makers by: (i) defining requirements and developing feedback mechanisms with different user groups (in line with the National Framework for Climate Services); and (ii) developing and delivering customized products and services made available through dedicated interfaces to user groups, including those involved in agro-meteorological information services, food security; civil protection emergency and contingency plans; and aviation using information delivery combining media (radios, TV, newspapers), internet, cellphone and smartphones to reach users according to their needs.
Part D: Project Management

Support effective and efficient Project management through: (i) incremental operating costs; (ii) technical design of Project initiatives; (iii) procurement, financial management, safeguards, monitoring and evaluation, quality control and contract management; and (iv) audit, studies and assessments required under the Project.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. LDCF Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity, under the terms and conditions approved by the World Bank ("LDCF Subsidiary Agreement").

2. The Recipient shall exercise its rights under the LDCF Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank in order to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the LDCF Subsidiary Agreement or any of its provisions without the prior written agreement of the World Bank.

B. Institutional Arrangements

1. The Recipient shall establish not later than one month after the Effective Date and thereafter maintain throughout the period of Project implementation, a Project Steering Committee to approve the Annual Work Plans and Budgets and provide general orientation, oversight and coordination between the relevant Recipient’s ministries and agencies, for the efficient implementation and coordination of the Project, with terms of reference, composition and powers acceptable to the World Bank as further described in the Project Implementation Manual.

2. The Recipient through the Project Steering Committee shall appoint not later than two months after the Effective Date and thereafter maintain throughout the period of Project implementation, an Internal Auditor to provide internal audits for the Project, with terms of reference, composition and powers acceptable to the World Bank as further described in the Project Implementation Manual.

C. Project Implementation Manual and Safeguards

1. The Recipient shall cause the Project to be carried out in accordance with the provisions of the Project Implementation Manual and the Safeguards Documents.

2. Except as the World Bank shall otherwise agree, the Recipient shall not amend or waive the Project Implementation Manual or the Safeguards Documents, or any provision thereof, or permit any such provision to be amended or waived. In case of any conflict between the provisions of the Project Implementation Manual or
the Safeguards documents and the provisions of this Agreement, the provisions of this Agreement shall prevail.

D. Anti-Corruption

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall cause the Project Implementing Entity to monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators acceptable to the World Bank, as detailed in the Project Implementation Manual. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

2. The Recipient shall cause the Project Implementing Entity to prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall cause the Project Implementing Entity to maintain or cause to be maintained a financial management system in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. Without limitation on the provisions of Part A of this Section, the Recipient shall cause the Project Implementing Entity to prepare and furnish to the World Bank not later than forty-five (45) days after the end of each fiscal quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the World Bank.

3. The Recipient shall cause the Project Implementing Entity to have its Financial Statements audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

4. The Recipient shall cause the Project Implementing Entity to disclose the audited Financial Statements in a manner acceptable to the World Bank. The Recipient
agrees that upon receipt of the Financial Statements, the World Bank shall make them available to the public in accordance with the Bank’s policy on access to information.

Section III. **Procurement**

All goods, works and services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of the Schedule to the LDCF Project Agreement.

Section IV. **Withdrawal of Grant Proceeds**

A. **General**

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may 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 World Bank 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 Grant (“Category”), the allocations of the amounts of the Grant 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 Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Works, Non-consulting Services, Consultants’ Services, Training, and Operational Costs under the Project</td>
<td>5,329,452</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>5,329,452</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, except that withdrawals up to an aggregate amount not to exceed the equivalent of USD500,000 may be made for payments made up to twelve months prior to this date, for Eligible Expenditures under Category (1).

2. The Closing Date is June 30, 2022.

Section V. Other Undertakings

By December 31, 2019, or such other date as the World Bank shall agree upon, the Recipient shall: (i) carry out jointly with the Project Implementing Entity and the World Bank, a mid-term review of the implementation of operations under the Project, which shall cover the progress achieved in the implementation of the Project; and (ii) following such mid-term review, act promptly and diligently to take any corrective action as shall be agreed by the World Bank.
APPENDIX

Definitions

1. "Annual Work Plans and Budgets" means each annual work plan and budget prepared by the Project Implementing Entity in accordance with the provisions of Section I.C of the Schedule to the LDCF Project Agreement, as approved by the Project Steering Committee and the World Bank.


3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


5. "Environmental and Social Management Framework" means the environmental and social safeguards framework adopted by the Recipient on May 16, 2016, which: (i) sets forth the standards, methods and procedures specifying how activities under the Project whose location, number and scale are presently unknown shall systematically address environmental, social and waste issues in the screening and categorization, sitting, design, implementation and monitoring phases during Project implementation; (ii) systematizes the environmental, social and waste impact assessments, be they limited impact assessments or full impact assessments, required for such activities before Project execution; and (iii) stipulates the procedures to be used for the preparation and approval of a sitespecific Environmental and Social Management Plan (as hereinafter defined) for any site where there exist environmental and social management issues of a type and scale sufficient to trigger safeguards concerns.

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

7. "GFDRR Grant Agreement" means the agreement to be entered into between the Recipient and the World Bank, acting as administrator of the Global Facility for
Disaster Reduction and Recovery Trust Fund, extending to the Recipient a grant in an amount of two million seven hundred thousand United States Dollars (USD 2,700,000) to assist in financing part of the cost of activities related to the Project on the terms and conditions set forth in the GFDRR Grant Agreement.

8. “Internal Auditor” means the auditor to be appointed by the Project Implementing Entity to provide internal audits for the Project, with terms of reference, composition and powers acceptable to the World Bank as further described in the Project Implementation Manual.

9. LDCF Subsidiary Agreement” means the agreement referred to in paragraph A.1 of Section I of Schedule 2 of this Agreement pursuant to which the Recipient shall make the proceeds of the Grant available to the Project Implementing Entity.

10. “LDCF Grant Agreement” means this Agreement.

11. “LDCF Project Agreement” means the agreement in connection with the LDCF Grant Agreement of same date between the World Bank and the Project Implementing Entity.


13. “National Framework for Climate Services” means the Recipient’s framework through which METTELSAT plans to gradually respond to specific requirements of hydrometeorological users, as recommended by WMO and as further detailed in the Project Implementation Manual.

14. “Operating Costs” means the incremental expenditures which would not exist absent the Project, incurred on account of office supplies, vehicle operation and maintenance, communication and insurance costs, rental expenses, office maintenance costs, utilities, and domestic travel costs for Project staff for Project supervision.


16. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated February 1, 2017, 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 Implementation Cell" means a unit to be created within the administrative structure of the Project Implementing Entity in charge of the day to day management, coordination, implementation, monitoring and evaluation of the Project with terms of reference, composition and powers acceptable to the World Bank as further described in the Project Implementation Manual.

18. "Project Implementation Manual" means a manual to be adopted by the Recipient and the Project Implementing Entity found satisfactory to the World Bank and which shall contain, inter alia: (i) the terms of reference, functions, working facilities and responsibilities under the Project for the Project Implementing Entity, the Recipient’s ministries and agencies involved in the Project as well as the Project Steering Committee and the Internal Auditor; (ii) the procedures for procurement of goods, non-consulting services, consultants’ services, Operational Costs and Training, as well as for financial management and audits under the Project; (iii) the indicators, baselines and targets to be used in the monitoring and evaluation of the Project; (iv) the Annual Work Plans and Budgets for the implementation of the Project; (v) the flow of funds and disbursement arrangements for the Project; and (vi) the operational steps for carrying out the National Framework for Climate Services, Standard Operating Procedures, and the grievance mechanisms; as said manual may be amended from time to time with the World Bank’s prior approval.

19. "Project Implementing Entity” means METTELSAT.


21. "Project Steering Committee” means the committee to be established by the Recipient to provide general orientation, oversight and coordination between the relevant Recipient’s ministries and agencies, for the efficient implementation and coordination of the Project, with terms of reference, composition and powers acceptable to the World Bank as further described in the Project Implementation Manual.

22. “Safeguards Documents” means collectively the Environmental and Social Management Framework and any subsequent Environmental and Social Management Plan.


24. “Standard Operating Procedures” means the procedures to be adopted by the Project Implementing Entity in cooperation with hydrometeorological users under the Project, as further detailed in the Project Implementation Manual.
25. "Training" means expenditures to be incurred for the purchase of training materials, rental of training facilities, per diem and related travel with respect to the Project.