H. E. MEY Alamine Ousmane
Minister of Economy, Planning and Regional Development
Yaoundé
Republic of Cameroon

CAMEROON: Credit Number 5718-CM
Community Development Program Support Project- Phase 3
Amendment to the Financing Agreement

Honorable Minister:

We refer to the Financing Agreement (the “Agreement”) for the Community Development Program Support Project – Phase 3 dated February 3, 2016, between the Republic of Cameroon (the “Recipient”) and the International Development Association (the “Association”).

Further to the discussions held with the representatives of the Recipient, we are pleased to inform you that the Association hereby proposes to amend the Agreement as follows:

1. The Project description set forth in Schedule 1 to the Agreement is amended as set forth in Annex 1 to this Agreement.

2. The Closing Date established under Section IV.B.3 of Schedule 2 to the Agreement shall be June 30, 2022.

3. Any reference to “Divisional Officer” is amended to read “Senior Divisional Officer” as defined below.

4. The following Definitions in the Appendix are modified as follows and the subsequent numbering adjusted accordingly:

   “8. “CDP Performance Grant” means a grant in the amount determined in the PIM made, or to be made, to an Eligible Commune out of the proceeds of the Financing to recognize and reward a performing Commune under Part A.1(d) of the Project.”

   “18. “Commune” means a decentralized local council established and operating under the laws of the Recipient (Law No. 74/23 dated December 5, 1974), relating to communal organization and any amendment thereto.”

[Signature]
“22. "Senior Divisional Officer" means the Préfet of each of the Division (Départements) of the Recipient within which the Communes are located.”

All other provisions of the Agreement, except as amended herein, shall remain in full force in effect.

Please indicate your agreement with the foregoing, on behalf of the Recipient, by countersigning and dating below on the two original copies of this letter provided and returning one countersigned original to us. Upon receipt by the Association of the original of this letter countersigned by you, this amendment shall become effective as of the date of countersignature.

Sincerely,

[Signature]

Elisabeth Haybens

Country Director for Cameroon
Africa Region

CONFIRMED:

[Stamp]

[Signature]

December 17, 2018
ANNEX

SCHEDULE 1

Project Description

The objective of the Project is to strengthen local public finance management and participatory development processes in Communes for the delivery of quality and sustainable social and economic infrastructure.

The Project constitutes the third phase of the Program, and consists of the Original Project as modified below:

Part A: Local Development Support

Implementation of a program of activities to support local development, including, *inter alia*:

1. (a) provision of CDP-Subproject Grants to Participating Communes to finance: (i) social infrastructure sub-projects in sectors, including health education, water and sanitation; and (ii) economic infrastructure sub-projects including, *inter alia*, the construction or rehabilitation of rural markets, community storage facilities, rural roads, small bridges, culverts, and small irrigation schemes, all as identified in the respective Communal Development Plan (CDP) and Annual Investment Plan (AIP);

(b) provision of CDP Preparation Grants to Eligible Communes for the preparation of Communal Development Plans and CDP Preparation Activities;

(c) enhancing and improving the inclusion of the needs of refugees in the respective CDP and AIP documents and participatory processes, with particular focus on women and girls, taking into account movement of refugees in the Communes, and inclusion of refugees in the respective village consultation committees; and

(d) provision of CDP Performance Grants to Eligible Communes to reward the best managed Communes.

2. (a) Carrying out of a program of activities to strengthen the level and quality of: (i) social infrastructure in sectors, including health, education, water and sanitation; and (ii) economic infrastructure sub-projects or productive investments, including, *inter alia*, the construction and rehabilitation of rural markets communities' storage facilities, rural roads, small bridges, culverts and small-scale irrigation schemes, all for poor and vulnerable populations through the provision of Poor and Vulnerable Investment Support Grants to Target Communes to finance, *inter alia*, support to industries involved in the local employment of the target poor and vulnerable populations; and (iii) improving access to essential services, including carrying out targeted activities that will contribute in reduction of gender-based violence (GBV).

(b) Carrying out a program of activities designed for Communes in the Far North, North, Adamawa and East regions that are hosting refugees.
**Part B: Support to the Decentralization Process**

1. Provision of institutional support to the Recipient’s institutions responsible for the design and implementation of the decentralization process through, *inter alia*:

   (a) provision of technical assistance and implementation of studies in support of MINATD in connection with the drafting of implementing decrees under the Recipient’s Decentralization Laws and the finalization of the national decentralization strategy;

   (b) organization of workshops and dissemination of the Decentralization Laws and corresponding implementing decrees;

   (c) provision of consultant services and acquisition of small cartographic equipment required for the mapping of Communes;

   (d) organization of study tours on decentralization and local development for the technical secretariat of the Inter-Ministerial Committee on Local Services, National Council for Decentralization and the Mayors’ Association;

   (e) development and deployment by MINATD and MINFI of a financial management and accounting software for Communes; and

   (f) carrying out studies related to refugees’ inclusion, GBV, including sexual violence, and forced displacement.

2. Implementation of capacity building activities for Communes and other local stakeholders, including, *inter alia*:

   (a) For Communes: (i) development of a training manual on the local economy; (ii) promotion of nationwide competitions for local governments on best practices for enhancing good governance and transparency; (iii) acquisition of computer equipment; (iv) strengthening the capacity of communal councils in environmental and social impact monitoring of subprojects; (v) enhancing social accountability and civil society engagement in annual budget planning and execution; and (vi) promotion of inter-communal and decentralized cooperation.

   (b) For other local stakeholders, provision of Training and organization of workshops and study tours on decentralization and local development, including facilitating knowledge exchange, including conducting relevant approved study tours on refugee crisis management.

   (c) Strengthening the operational capacity of Communes hosting refugees to equip them to face related challenges and to implement additional activities, including provision of training and technical assistance on, *inter alia*: (i) basics of international protection of refugees; (ii) aspects of managing refugee population and peaceful cohabitation; (iii) effective management of risks and opportunities associated with the presence of a large number of refugees; (iv) awareness on protection risks including GBV; and (v) concrete guidelines on interaction with different refugee communities.
3. Implementation of a program of activities to strengthen the public financial management systems of Communes, including, *inter alia*;

(a) Expansion of the local integrated financial management information system (SIMBA) to, at least 31 Eligible Communes to and, at least, 275 Participating Communes.

(b) Training of auditors of the Recipient's Chambre des Comptes in the utilization of the SIMBA for the auditing of Commune accounts and carrying out of SIMBA awareness workshops for local public accountants and mayors.

(c) Dissemination of the Commune budget to the applicable Commune residents by relevant local means of communication.

Part C: Project Coordination, Management, Monitoring and Evaluation, and Communication

1. Project coordination, management and monitoring, preparation of financial audits and periodic evaluations, including:

(a) preparation of Safeguard Instruments and implementation of Safeguard Instruments-derived mitigation measures associated with the Project; and

(b) strengthening the technical and fiduciary capacity of the NCU and each RCU to manage and implement the Project, including, *inter alia*, recruitment of requisite staff, purchase of equipment, and provision of Training, audits, and monitoring and evaluation activities; and

(ii) support to the Project oversight, regulatory and monitoring and other relevant institutions in the carrying out of their Project responsibilities and facilitation of strategic Project planning.

2. Monitoring and evaluations, impact evaluations, Beneficiary assessments, outreach and communication activities, coordination among stakeholders and knowledge production and sharing.

3. Carrying out regular monitoring and valuation system and knowledge management, including facilitating knowledge management, coordination of interventions at local and national levels, access to the grievance redress mechanism, and hiring of required essential staff in the NCU and RCUs for rapid and effective implementation of the Project.

4. Strengthening the Project Implementation Unit, including:

(a) facilitating regular monitoring and evaluation system and knowledge management, including mainstreaming data collection, sharing and utilization, to include refugee related information, exploring mechanisms for project monitoring such as third-party monitoring and use of information and communication technologies, for hard to reach areas;

(b) developing a knowledge-management strategy based on the Project database and short studies conducted on refugees;

(c) establishing a collaboration framework to foster coordination of interventions at local and national levels;
(f) establishing a harmonized grievance redress mechanism for the Project and other projects that are implementing refugee-related activities.