Financing Agreement

(Sahel Women Empowerment and Demographic Dividend Regional Project)

between

REPUBLIC OF MALI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated April 3, 2015
FINANCING AGREEMENT

AGREEMENT dated \underline{Agreed} 3, 2015, entered into between REPUBLIC OF MALI ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

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 credit in an amount equivalent to twenty seven million and one hundred thousand Special Drawing Rights (SDR27,100,000) (variously, "Credit" and "Financing") to assist in financing 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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are April 15 and October 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.07. The Payment Currency is Euro.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions.

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 Event of Suspension consists of the following, namely that the Agreement for the Provision of Technical Assistance has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Recipient to perform any of its obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of 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 (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.
ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its minister at the time responsible for finance.

6.02. The Recipient's Address is:

Ministry of the Economy and Finance
P. O. Box 234
Bamako
Mali

Facsimile:

(223)20 22 19 14

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

Washington, D.C.
AGREED at Bamako, Mali, as of the day and year first above written.

REPUBLIC OF MALI

By

Authorized Representative

Name: Heur Ronea
Title: Director of Public Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Pratt Nwabueze
Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to increase women and adolescent girls' empowerment and their access to quality reproductive, child and maternal health services in selected areas of the Participating Countries, including the Recipient's territory, and to improve regional knowledge generation and sharing as well as regional capacity and coordination.

The Project consists of the following parts:

Component 1: Improve Regional Demand for RMNCHN Services and Increase Empowerment for Women and Adolescents

Support the Recipient to improve the lives of women and adolescent girls in order to increase the demand for and use of quality RMNCHN services consistent with a voluntary, rights-based approach; improve sexual and reproductive health knowledge and practices; delay marriage and pregnancy; and enhance girls' autonomy, social networks, and participation to enable informed decision-making by supporting regional initiatives, such as: (a) social and behavioral change communication programs, (including the fight against female genital mutilation); (b) life skills training; (c), economic and livelihood interventions, or (d) direct support to girls or their families to improve their schooling outcomes.

Component 2: Strengthen Regional Capacity for Availability of RMNCHN Commodities and Qualified Health Workers

Support the Recipient to increase commodities and qualified staff required to provide RMNCHN services by: (a) fostering regional harmonization of registration and quality control of RMNCHN commodities through the harmonization and strengthening of regulatory systems for medicines, and the improvement of quality assurance in procurement and distribution and in-market quality controls through a network of quality control laboratories; (b) supporting a regional pooled procurement process for purchasing RMNCHN commodities; (c) enhancing the performance of RMNCHN supply chain through innovative regional schemes; and (d) supporting rural health workers training institutions in order to increase the number and the qualifications of midwives and other personnel involved in RMNCHN delivery services through the development and dissemination of new regional curricula; the setting up of two regional training hubs and implement Regional Rural Pipeline Strategies focusing on cross-border areas.
Component 3: Foster Commitment and Capacity for Policy Making and Project Implementation

Support the Recipient to: (a) increase its advocacy and its commitment on RMNCHN by supporting the creation of a regional monitoring and accountability mechanism on demographic dividend (through data collection on policies, fiscal commitments and results at the national and the regional level and publication of annual reports) and the establishment of regional networks including members from the public and private sectors; (b) strengthen its policymaking and analytical capacity on demographic dividend issues by establishing a regional network of demographic dividend observatories to assist policymakers through data collection, capacity building and dissemination events; and (c) strengthen implementation capacity by supporting efficient and effective Project management, including in the areas of medical waste and obsolete drugs.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall maintain throughout the period of Project implementation:

   (a) Its representative in the Regional Steering Committee to provide overall regional guidance and oversight for the Project and to participate in the semi-annual meetings.

   (b) The National Steering Committee to provide guidance and oversight for the Project and hold semi-annual reviews of performance and implementation planning.

   (c) The Project Implementation Unit to run the day-to-day management of the Project, and provide secretariat services to the National Steering Committee.

All with the composition, staffing, and powers acceptable to the Association as further described in the Project Operations Manual.

2. (a) The Recipient shall, not later than November 30 in each calendar year during Project implementation, prepare, in cooperation with the National Steering Committee and furnish to the Association, a program of activities proposed for inclusion in the Project during the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of said activities; (b) the types of expenditures required for such activities; and (c) the planned procurement methods for the expenditures ("Annual Work Program").

   (b) The Recipient shall exchange views with the Association on each such proposed annual work program, and shall thereafter carry out such program of activities for such following year as shall have been agreed between the Recipient and the Association.

   (c) Only those activities which are included in an Annual Work Program shall be included in the Project. Notwithstanding the foregoing, the Annual Work Program might be amended from time to time to include new activities with the prior and written concurrence of the Association.

B. Anti-Corruption

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

(a) The Recipient shall carry out the Project in accordance with the Project Operations Manual.

(b) The Recipient shall not amend the Project Operations Manual without the prior written approval of the Association.

(c) In the event of any conflict between the provisions of the Project Operations Manual and this Agreement, the provisions of this Agreement shall prevail.

D. Agreement for the Provision of Technical Assistance

1. To facilitate the carrying out of the Project, the Recipient shall, no later than one month after the Effective Date, make part of the proceeds of the Financing allocated from time to time to Category (1) of the table set forth in Section IV.A.2 of this Schedule available to UNFPA under an agreement between the Recipient and UNFPA with terms and conditions approved by the Association, as further described in the Project Operations Manual ("Agreement for the Provision of Technical Assistance").

2. The Recipient shall exercise its rights under the Agreement for the Provision of Technical Assistance 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 Agreement for the Provision of Technical Assistance.

3. In the event of any conflict between the provisions of the Agreement for the Provision of Technical Assistance and the provisions 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 indicators set forth in the Project Operations Manual and found acceptable to 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 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 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 not later than forty-five days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements 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 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 and Non-consulting Services. All goods and non-consulting 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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Non-consulting Services

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

2. Other Methods of Procurement of Goods and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, subject to the additional provisions referred to in subparagraph 3 below; (b) Limited International Bidding; (c) Shopping;
3. Additional Provisions for National Competitive Bidding

The Additional Provisions for National Competitive Bidding are as follows:

(a) in addition to the advertisement through a General Procurement Notice in the United Nations Development Business (UNDB), and on the Bank's external website, bids would be advertised in national newspapers with wide circulation;

(b) eligible firms, including foreign bidders shall be allowed to participate in National Competitive Bidding procedures;

(c) no domestic preference would be granted to domestic bidders or bidders from the West African Economic and Monetary Union (WAEMU) countries and for domestically manufactured goods;

(d) bidders would be given at least four weeks to submit bids from the date of availability of the bidding documents;

(e) the evaluation and award process for alternative bids would be revised to be concordant with the Bank's Procurement Guidelines;

(f) procurement entities would use appropriate standard bidding documents acceptable to Association;

(g) each bidding document and contract financed out of IDA financing would include provisions on matters pertaining to fraud and corruption as defined in paragraph 1.16(a) of the Procurement Guidelines;

(h) in accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Grant would provide that:

(i) the bidders, suppliers, contractors and subcontractors would permit the World Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the World Bank; and

(ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines; and

(i) the Association may recognize, if requested by the Borrower, exclusion from participation as a result of debarment under the national system, provided that the debarment is for offenses involving fraud, corruption or similar misconduct,
and further provided that the Association confirms that the particular debarment procedure afforded due process and the debarment decision is final.

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 methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Least Cost Selection; (b) Quality-based Selection; (c) Fixed Budget Selection; (d) Selection based on Consultants' Qualifications; (e) Selection of Individual Consultants; (f) Single-source Selection for firms and individual consultants; and (g) Selection of United Nations Agencies.

D. Review by the Association of Procurement Decisions

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.

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 Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
### Category

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Non-Consulting Services, Consultants’ Services, Operating Costs, Workshops and Training for the Project</td>
<td>25,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Conditional Cash Transfers, Unconditional Cash Transfers, In-Kind Cash Transfers under Component 1(d) of the Project</td>
<td>1,400,000</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>27,100,000</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.

2. The Closing Date is December 31, 2018.

#### Section V. Other Undertakings

A. By December 31, 2016, or such other date as the Association shall agree upon, the Recipient shall: (i) carry out jointly with the Association, 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 Association.

B. On or before one month after the Effective Date, the Recipient shall adopt the Project Operations Manual in form and substance satisfactory to the Association.

C. On or before one month after the Effective Date, the Recipient shall create and establish the Project Implementation Unit and the National Steering Committee in form and substance satisfactory to the Association.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each April 15 and October 15, commencing April 15, 2021 to and including October 15, 2052</td>
<td>1.5625%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03(b) of the General Conditions.
APPENDIX - Definitions

1. "Agreement for the Provision of Technical Assistance" means the Agreement to be signed between the UNFPA and the Recipient for the provision of technical assistance under the Project.

2. "Annual Work Program" means the annual work program to be prepared by the Recipient, through the Project Implementation Unit, in cooperation with the National Steering Committee not later than November 30 in each calendar year during Project implementation.


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

5. "Conditional Cash Transfers" means stipends to adolescent girls or their families under Component I (d) of the Project conditional upon certain schooling and health care conditions as further detailed in the Project Operations Manual.


8. "In-Kind Cash Transfers" means the provision of certain items to adolescent girls and their families, such as uniforms or household goods under Component 1(d) of the Project as further detailed in the Project Operations Manual.

9. "National Steering Committee" means a steering committee to be established by the Recipient to provide guidance and oversight for the Project and hold semi-annual reviews of performance and implementation planning, as further described in the Project Operations Manual.

10. "Operating Costs" means recurrent costs of the Project: (i) operation and maintenance of vehicle, repairs, fuel and spare parts; (ii) computer maintenance, including hardware and software; (iii) communication costs and shipment costs (whenever these costs are not included in the cost of goods); (iv) office supplies; (v) rent and maintenance for office facilities; (vi) utilities and insurances; (vii) travel and per diem costs for technical staff carrying out training, supervisory and quality control activities; and (viii) salaries of support staff for the National Steering Committee and the Project Implementation Unit, but excluding salaries of the Recipient’s civil servants.


13. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated November 11, 2014 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.

14. “Project Implementation Unit” means the unit within the administrative structure of the Recipient’s Ministry in charge of population, in charge of the day-to-day management and implementation of the Project with the following key staff: a coordinator, a financial management specialist, a procurement specialist, an accountant and a monitoring and evaluation specialist.

15. “Project Operations Manual” means a manual to be adopted by the Recipient and found satisfactory to the Association and which shall contain, inter alia: (i) the terms of reference, functions and responsibilities for the members or personnel of the Regional Steering Committee, the National Steering Committee, as well as Project Implementation Unit; (ii) the procedures for procurement of goods, non-consulting services, consultants’ services, Operational Costs, In-Kind Cash Transfers, Training and Workshops, as well as for financial management (including the set up and use of a financial management software) and audits under the Project (including the hiring of an internal auditor and an external auditor); (iii) the indicators to be used in the monitoring and evaluation of the Project; (iv) flow and disbursement arrangements of Project funds; (v) the procedures and conditions for the disbursement of Conditional Cash Transfers, Unconditional Cash Transfers, In-Kind Cash Transfers for women and girls; and (vi) the communication strategy for the Project and the complaint handling mechanism; as said manual may be amended from time to time with the Association’s prior approval.

16. “Regional Rural Pipeline Strategies” means a set of policies designed to ensure an adequate deployment of qualified health workers in rural areas in the Participating Countries.

17. “Regional Steering Committee” means a steering committee established and operating under UNFPA authority to provide overall regional strategic direction for the Project, as further described in the Project Operations Manual.


19. “Unconditional Cash Transfers” means cash transfers to the poorest households with an adolescent girl under Component 1(d) of the Project as further detailed in the Project Operations Manual.

21. "Workshops and Training" means workshops and training, including purchase and publication of materials, rental of facilities, course fees, study tours and travel and subsistence for participants, trainees and trainers.