
OFFICIAL
DOCUMENTS

CREDIT NUMBER 1607 BUR

Development Credit Agreement

(Health Services Development Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *June 17*, 1985

CREDIT NUMBER 1607 BUR

DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated June 17, 1985, between BURKINA FASO (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS the Borrower, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested the Association to assist in the financing of the Project; and

WHEREAS the Association has agreed, on the basis inter alia of the foregoing, to extend the Credit to the Borrower upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

General Conditions; Definitions

Section 1.01. The General Conditions Applicable to Development Credit Agreements of the Association, dated January 1, 1985, (the General Conditions) constitute an integral part of this Agreement.

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth and the following additional terms have the following meanings:

- (a) "CFAF" means the currency of the Borrower;
- (b) "CSPS" means Center for Health and Social Promotion (Centre de Santé et de Promotion Sociale), a community-level primary health care facility;
- (c) "DEPSS" means the Directorate of Health Studies, Planning and Statistics (Direction des Etudes, de la Planification et des Statistiques Sanitaires) of MOPH;
- (d) "DPSP" means a Provincial Directorate of Public Health (Direction Provinciale de la Santé Publique) of MOPH;
- (e) "EPI" means the expanded program of immunization referred to in paragraph 3 of Schedule 3 to this Agreement;

(f) "FEER" means the Rural Water and Equipment Fund (Fonds de l'Eau et de l'Equipement Rural), within the Ministry of Water;

(g) "Local Advance Account" means the account referred to in Section 3.04 of this Agreement;

(h) "MCH" means maternal and child health;

(i) "Medical Center" means a provincial health center of MOPH;

(j) "MOPH" means the Borrower's Ministry of Public Health;

(k) "PMU" means the project management unit to be attached to the Office of the Secretary General of the Ministry of Public Health pursuant to paragraph 1 of Schedule 3 to this Agreement;

(l) "Project Preparation Advance" means the aggregate of the project preparation advances granted by the Association to the Borrower pursuant to exchanges of letters dated September 30, 1982 and November 1, 1982, and August 17, 1984 and November 21, 1984.

(m) "Project Year" means, for any given year, the period from the first day of January through the thirty-first day of December next following, except that the first Project Year means the period from the date of this Agreement through the thirty-first day of December 1985;

(n) "Province" means any one of the 15 provinces to be covered by the expanded program of immunization under Part A (1) of the Project;

(o) "PSP" means primary health post (Poste de Santé Primaire) at the village level; and

(p) "Special Account" means the account referred to in Section 2.02 (b) of the Agreement.

ARTICLE II

The Credit

Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions set forth or referred to in

the Development Credit Agreement, an amount in various currencies equivalent to twenty-six million nine hundred thousand Special Drawing Rights (SDR 26,900,000).

Section 2.02. (a) The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule may be amended from time to time by agreement between the Borrower and the Association, for expenditures made (or, if the Association shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project described in Schedule 2 to this Agreement and to be financed out of the proceeds of the Credit.

(b) The Borrower shall, for the purposes of the Project, open and maintain in CFAF a special account in a commercial bank on terms and conditions satisfactory to the Association. Deposits into, and payments out of, the Special Account shall be made in accordance with the provisions of Schedule 5 to this Agreement.

(c) Promptly after the Effective Date, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and pay to itself the amount required to repay the principal amount of the Project Preparation Advance withdrawn and outstanding as of such date and to pay all unpaid charges thereon. The unwithdrawn balance of the authorized amount of the Project Preparation Advance shall thereupon be cancelled.

Section 2.03. The Closing Date shall be July 31, 1991 or such later date as the Association shall establish. The Association shall promptly notify the Borrower of such later date.

Section 2.04. (a) The Borrower shall pay to the Association a commitment charge at the rate of one-half of one per cent (1/2 of 1%) per annum on the principal amount of the Credit not withdrawn from time to time. The commitment charge shall accrue from a date sixty days after the date of the Development Credit Agreement to the respective dates on which amounts shall be withdrawn by the Borrower from the Credit Account or shall be cancelled.

(b) The commitment charge shall be paid: (i) at such places as the Association shall reasonably request; (ii) without restrictions of any kind imposed by, or in the territory of, the Borrower; and (iii) in the currency specified in this Agreement

for the purposes of Section 4.02 of the General Conditions or in such other eligible currency or currencies as may from time to time be designated or selected pursuant to the provisions of that Section.

Section 2.05. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one per cent ($3/4$ of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

Section 2.06. Commitment charges and service charges shall be payable semiannually on August 15 and February 15 in each year.

Section 2.07. The Borrower shall repay the principal amount of the Credit in semiannual installments payable on each August 15 and February 15 commencing August 15, 1995, and ending February 15, 2035. Each installment to and including the installment payable on February 15, 2005 shall be one-half of one per cent ($1/2$ of 1%) of such principal amount, and each installment thereafter shall be one and one-half per cent ($1-1/2\%$) of such principal amount.

Section 2.08. The currency of the French Republic is hereby specified for the purposes of Section 4.02 of the General Conditions.

ARTICLE III

Execution of the Project

Section 3.01. (a) The Borrower declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement and, to this end, shall carry out the Project with due diligence and efficiency and in conformity with appropriate health management and administrative practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section, the Borrower shall carry out the Project in accordance with the Implementation Program set forth in Schedule 3 to this Agreement, as said Schedule may be amended from time to time by agreement between the Borrower and the Association.

Section 3.02. Except as the Association shall otherwise agree, procurement of the goods, works and consultants' services required for the Project and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 4 to this Agreement.

Section 3.03. The Borrower shall annually: (i) organize a meeting of all aid agencies participating in the financing of the Borrower's primary health care policy in order to review the progress made in the execution thereof and to coordinate further assistance; and (ii) review in detail with the Association all investments made in the health sector during the previous year and expected to be made during the next year, regardless of the source of financing of such investments.

Section 3.04. Without limitation upon the generality of the provisions of Section 3.01 (a) of this Agreement, the Borrower shall open an account in a commercial bank and shall deposit in such account an amount of CFAF 25,000,000. The account shall be operated by PMU and shall be replenished monthly at PMU's request. Funds shall be withdrawn from this account only for the purpose of meeting the Borrower's local cost contribution to the Project.

Section 3.05. The information to be furnished by the Borrower pursuant to Section 9.06 (a) (iii) of the General Conditions shall include quarterly progress reports, prepared by PMU in accordance with a format agreed upon with the Association.

Section 3.06. The Borrower shall establish an account in its Treasury which shall operate as a revolving fund, under terms and conditions satisfactory to the Association, to support primary health care services, including the replenishment of chloroquine for the anti-malaria program under Part A (1) of the Project. All proceeds from the sales of chloroquine financed under the Project shall be deposited in said fund.

ARTICLE IV

Financial Covenants

Section 4.01. (a) The Borrower shall maintain or cause to be maintained separate records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures in respect of the Project of the

departments or agencies of the Borrower responsible for carrying out the Project or any part thereof and shall, through PMU, maintain consolidated accounts for all Project expenditures.

(b) The Borrower shall:

- (i) have the consolidated accounts of PMU, the separate accounts of FEER in respect of the Project, the separate accounts referred to in paragraph (c) (i) of this Section, the Special Account, and the Local Advance Account for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Association;
- (ii) furnish to the Association, as soon as available, but in any case not later than six months after the end of each such year, a certified copy of the report of such audit by the said auditors, of such scope and in such detail as the Association shall have reasonably requested; and
- (iii) furnish to the Association such other information concerning the said accounts and the audit thereof and said records as the Association shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals are requested from the Credit Account on the basis of statements of expenditure, the Borrower shall:

- (i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, separate records and accounts reflecting such expenditures;
- (ii) retain, until one year after the Closing Date, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;
- (iii) enable the Association's representatives to examine such records; and
- (iv) ensure that such separate accounts are included in the annual audit referred to in paragraph (b) of

this Section and that the report thereof contains, in respect of such separate accounts, a separate opinion by the said auditors as to whether the proceeds of the Credit withdrawn in respect of such expenditures have been used for the purpose for which they were provided.

ARTICLE V

Effective Date; Termination

Section 5.01. The following events are specified as additional conditions to the effectiveness of the Development Credit Agreement within the meaning of Section 12.01 (b) of the General Conditions:

(a) the PMU has been established, has been staffed with the personnel referred to in paragraph 1 of Schedule 3 to this Agreement, and an appropriate accounting system has been set up for it; and

(b) the Local Advance Account has been opened and an initial deposit of CFAF 25,000,000 has been made pursuant to the provisions of Section 3.04 of this Agreement.

Section 5.02. The date 120 days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

ARTICLE VI

Representative of the Borrower; Addresses

Section 6.01. The Minister of the Borrower at the time responsible for financial resources is designated as representative of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 6.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Ministère des Ressources Financières
B. P. 7008
Ouagadougou
Burkina Faso

Cable address:

MINIFINANCE
Ouagadougou

Telex:

5555 BF
SEGEGOUV

For the Association:

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

Cable address:

INDEVAS
Washington, D.C.

Telex:

440098 (ITT)
248423 (RCA) or
64145 (WUI)

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in Ouagadougou, Burkina Faso, as of the day and year first above written.

BURKINA FASO

By

1/2 Justin Damo Baro
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

1/2 Wilfried P. Thalwitzer
Regional Vice President
Western Africa

SCHEDULE 1

Withdrawal of the Proceeds of the Credit

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each Category and the percentage of expenditures for items so to be financed in each Category:

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in SDR Equivalent)</u>	<u>% of Expenditures to be Financed</u>
(1) Civil works	9,700,000	100%
(2) Equipment, furniture, vehicles, materials, drugs (except chloroquine)	5,660,000	100%
(3) Chloroquine	210,000	100%
(4) Operating costs	910,000	95% until disbursements reach SDR 490,000 equivalent; 60% thereafter until aggregate disbursements reach SDR 710,000; 30% thereafter
(5) Services of consultants and professionals; training	1,820,000	100%
(6) Sub-projects	5,060,000	100%
(7) Refunding of Project Preparation Advance	830,000	Amount due pursuant to Section 2.02 (c) of this Agreement

<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in SDR Equivalent)</u>	<u>% of Expenditures to be Financed</u>
(8) Unallocated	2,710,000	
	<hr/>	
TOTAL	26,900,000	
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2. For the purposes of this Schedule:

(a) "Operating costs" means the cost of operation and maintenance of vehicles, equipment, and buildings used by PMU, EPI, DPSP, referral centers, CSPS, and of such other entities or programs as may be approved by the Association, but excluding salaries (except for PMU); and

(b) "Sub-projects" means the execution of proposals accepted for financing by the Association pursuant to paragraph 16 of Schedule 3 to this Agreement.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of:

(a) payments made for expenditures prior to the date of this Agreement;

(b) Category (1) until: (i) the agreement referred to in paragraph 9 of Schedule 3 to this Agreement has been issued, and (ii) the engineer (or building technician), accountant, and the two initial site supervisors referred to in paragraph 9 of Schedule 3 to this Agreement have taken up their positions with FEER;

(c) Category (3) until the Borrower shall have furnished the Association with evidence satisfactory to it to show that adequate arrangements have been made for the bulk procurement of chloroquine, for its packaging, cost recovery (including the establishment of the revolving fund referred to in Section 3.06 of this Agreement) and for facilitating the flow of chloroquine supplies to the provinces; and

(d) Category (6) until the Association shall have notified the Borrower of its acceptance of specific proposals pursuant to paragraph 16 of Schedule 3; provided, however, that disbursements shall be limited to the extent set forth in such notices.

SCHEDULE 2

Description of the Project

The objectives of the Project are: (i) to strengthen basic health and family planning services, with immediate emphasis on the control of communicable diseases and the treatment of malaria; (ii) to formulate further national health and population policies and programs; and (iii) to strengthen MOPH's institutional capability in planning, implementing, monitoring and evaluating projects.

The Project consists of the following parts, subject to such modifications thereof as the Borrower and the Association may agree upon from time to time to achieve such objectives:

Part A: Strengthening of Health and Family Planning Services

- (1) Extension of MOPH's immunization program to 15 provinces, rehabilitation of 20 mobile teams and 30 urban vaccination centers, and establishment of a national malaria treatment program.
- (2) Establishment of an in-service training program in primary health care at the provincial level.
- (3) Construction and upgrading of about 142 Centers for Health and Social Promotion and establishment of 6 referral centers.
- (4) Execution of feasibility studies: (i) to improve maintenance of health facilities and equipment at the provincial level; and (ii) to improve management of the hospital network.

Part B: Development of National Health and Population Policies and Programs

- (1) Testing of cost recovery, drug distribution and village health and nutrition systems.
- (2) Implementation of the results of tests, feasibility and pilot studies carried out under Parts A (4), B (1) and B (3) of the Project.
- (3) Establishment of a population program, including demographic analysis and policy development, information and training activi-

ties, and provision of family planning services through the public and private sectors and voluntary organizations.

Part C: Strengthening of the Ministry of Public Health

(1) Establishment and equipment of about 8 Provincial Directorates of Public Health and operation of 2 mobile epidemiological surveillance units.

(2) Strengthening of health planning and project implementation services, including preparation of future health projects.

* * *

The Project is expected to be completed by January 31, 1991.

SCHEDULE 3

Implementation Program

Overall Management of the Project

1. The Project will be managed by a Project Management Unit to be attached to the Office of the Secretary General of the Ministry of Public Health and to be under his general supervision. The PMU will be responsible for overall scheduling and monitoring of the activities to be carried out under the Project, keeping consolidated Project accounts, and authorizing all Project expenditures. The fulltime staff of the PMU shall consist of, at least, the following: (i) Project Director; (ii) administrator; (iii) accountant; and (iv) such support staff as may be required.

2. Actual implementation of individual Project components will be managed and carried out by the relevant central and provincial level MOPH directorates, except for the construction of CPCS which will be managed by FEER.

Part A.1 of the Project

3. The Borrower shall carry out an expanded program of immunization consisting of: (i) immunization of children under 4 against measles, pertussis, poliomyelitis, diphtheria, tetanus and tuberculosis; and (ii) immunization of children in the age-group 1-15 against yellow fever and meningitis in 15 new provinces. With respect to the immunization program under (i) above, booster shots will be given as appropriate and coverage of the new 0-1 age groups will take place in each year. During the fifth Project Year, a survey of the immunization coverage will be carried out.

4. In order to carry out the EPI, all health facilities (DPSP, CPCS, Medical Centers, MCH Centers) in each Province will be equipped with adequate cold-chains. One mobile unit will be set up in each Province to serve the population living out of a 5 km radius from fixed facilities and an additional eight mobile units will be established to serve the peri-urban population of the major cities. Approximately thirty existing urban health facilities will also be further equipped as necessary.

5. Malaria will be sought to be controlled by treatment of fever episodes in lieu of chemoprophylaxis. For this purpose,

chloroquine will be made available in sufficient quantities to all health facilities in each Province and to all non-specialized organizations whose members are educated about its proper use. Chloroquine tablets will be sold at such prices as will allow the program to be self-supporting as from the third Project Year.

Part A.2 of the Project

6. The health service delivery system will be improved by the introduction of regular in-service training aimed at improving practical skills for all provincial level nurses, midwives and other health workers. To this end, the MOPH's Directorate of Professional Training will establish a core unit responsible for planning and coordinating provincial level in-service programs. This unit will train teams of provincial trainers composed of the provincial director of public health, provincial physicians, and provincial authorities in charge of preventive services. The unit will prepare hand-out materials to be used by trainees for creating their own reference manuals. The training program will be based on training courses on: (i) organization and management of primary health care; (ii) EPI; (iii) maternal and child health and family planning; (iv) sanitation; (v) detection and treatment of malnutrition and control of infections and parasitic diseases; and (vi) prescription and use of essential drugs.

7. Training sessions will be organized at the provincial level. A minimum of two complete training sessions will be completed in each Province by January 31, 1991. Follow-up will be provided by weekly radio programs and the distribution of technical hand-outs.

Part A.3 of the Project

8. All CSPS will have the following functions: provision of primary care and family planning services to the population in their immediate catchment area, nutrition rehabilitation, EPI services, and the promotion and supervision of village-level health and nutrition activities. They will have the necessary facilities for consultations, in-service training of village health workers, maternal and child health education, storage of drugs, vaccines and education materials, and on-site lodging for the nurse in charge. For these purposes, about 54 CSPS will be renovated and about 88 CSPS will be enlarged or replaced. These 142 CSPS will: (i) have about 233 m² of floor space; (ii) be provided with a year-round water supply (improved wells or bore-

holes); (iii) be equipped with refrigeration to ensure an adequate cold-chain for vaccination purposes; and (iv) be provided with a motorcycle or bicycle for supervision purposes, and be staffed by a State certified nurse, a nurse, an itinerant health agent, and a maintenance worker.

9. FEER will be responsible for overseeing the construction programs required under paragraph 8 above and for establishing a master plan for the construction program. An agreement between the Minister of Public Health and the Minister of Financial Resources, on the one hand, and, on the other, FEER will set out the arrangements pertaining to FEER's role and responsibilities under the Project. In addition, the Ministry of Equipment will make the services of a suitably qualified engineer or building technician available to FEER on a full-time basis to coordinate the program. FEER itself will obtain the full-time services of an accountant and initially of two suitably qualified site supervisors and thereafter such further site supervisors as required in the course of execution of the Project.

10. FEER will prepare an annual work program for IDA's review. Such program will include a report of progress during the previous year, the status of site surveys and community mobilization, updated cost estimates, and an account of the relationship of the annual program to the master plan.

11. In order to ensure adequate referral of cases requiring surgery and hospitalization, six additional referral centers will be established. These centers will be patterned after the referral center at Dori.

12. The construction program for the six additional referral centers and the DPSP shall be carried out under the responsibility of the PMU with supervision provided by the Ministry of Equipment.

Part B.1 of the Project

13. Experiments and tests under Part B.1 of the Project will primarily be undertaken in the province of Boulgou, or such other province as may be agreed upon with the Association, as follows:

(a) With respect to cost recovery, experiments will be undertaken: (i) to test appropriate cost recovery mechanisms at each level of service delivery; (ii) to assess the organizational

and management requirements of partial cost-recovery; (iii) to determine the cost of providing adequate primary health care at the CSPS and other referral levels; and (iv) to determine the optimal share of the national budget, the provincial budget and the financial contribution of beneficiaries toward the optimal functioning of primary health care programs. By extrapolating from the results of these studies, MOPH will determine the financial requirements of developing and sustaining a primary health care system across the country.

(b) With respect to drug distribution, operational field research will be undertaken: (i) to determine drug needs in rural areas; (ii) to assess existing channels of drug distribution; and (iii) to test alternative mechanisms for improved delivery, including a scheme of payment for drugs.

(c) With respect to village level health and nutrition activities, tests will be undertaken: (i) to determine the optimal level of services that the CSPS is capable of providing; (ii) to test the organizational and management requirements of the CSPS with regard to outreach, supervision and referral; and (iii) for outlying villages, to promote and evaluate what kinds of health, family planning and nutrition services could appropriately be provided by villagers themselves with the support of CSPS.

(d) With a view to improving the delivery of family planning services, a feasibility study will be undertaken to upgrade 8 urban MCH and maternity facilities.

14. The Borrower shall present the results of the studies, experiments and tests referred to in paragraph 13 above and in Part A (4) of the Project to the Association by March 31, 1988 for its review and comment, present proposals to apply their results to provinces other than the test area by September 30, 1988, and start to implement such proposals as may be agreed upon by the Association by April 1, 1989.

15. As part of the further development of its national pharmaceutical policy, the Borrower shall take the following actions: (i) by December 31, 1985, the Borrower shall present to the Association: (A) for its review and comment, a plan for strengthening national drug procurement and distribution, and (B) for its review and approval, an official list of pharmaceutical products authorized for importation and distribution, such a list

being presented by the generic and speciality brand name equivalents in conformity with the World Health Organization's essential drug guidelines; (ii) subsequently adopt such list, review it from time to time, and, if necessary, modify it once annually in agreement with the Association; (iii) by June 30, 1986: (A) publish a new national drug formulary based on said list, and (B) create in MOPH a pharmaceutical information service capable of providing information to prescribers and the public on essential drugs; and (iv) carry out a program to inform the public about its essential drug policy.

Part B.2 of the Project

16. Proposals referred to in paragraph 14 above intended to be financed by the Development Credit Agreement will be supported by a feasibility study and such other information as the Association may reasonably request. Upon approval by the Association of any proposal, the Association shall provide notice thereof to the Borrower by letter or telex. Said notice shall set forth the amount of financing made available for the execution of the proposal and any conditions attached to such financing.

17. Proposals will be appraised by the Association in accordance with the following criteria: (i) relationship to the Borrower's health policy; (ii) relationship to the Borrower's annual or biennial health sector investment programs; (iii) potential impact; and (iv) financial viability and availability of resources to support incremental operating costs.

Part B.3 of the Project

18. The establishment of a population program will comprise, inter alia: (i) strengthening of the National Institute of Statistics and Demography through training and technical assistance in order to enable the Institute to analyse national census data, to disseminate demographic information, and to undertake a survey of contraceptive practices; (ii) training visits abroad by senior health officials to enable them to observe established family planning programs; (iii) policy-related social research by private voluntary organizations; (iv) development, testing, evaluation and dissemination of a multi-media, multi-language information campaign; (v) training of trainers in MCH and family planning; (vi) training of nurses, midwives, traditional birth attendants and other outreach workers in family planning information and methods and training of physicians in fertility manage-

ment; and (vii) improvement of family planning services by: strengthening of the two national hospitals so they can become referral and teaching centers, development of a family planning clinic and training center of the Association for Family Well-Being, provision of family planning commodities to MOPH and private voluntary organizations.

Part C.1 of the Project

19. The Provincial Directorates of Public Health in eight provinces with inadequate or non-existing office facilities will be provided with office facilities and with related equipment and furniture in order to enable their Directors to establish themselves properly and to carry out their responsibilities under the Borrower's health policy. All required construction activities will be managed by the Ministry of Equipment.

20. Two mobile units for epidemiological surveillance in the Comoe and Bulkiemde provinces will be established and operated. They will initially focus on the screening and treatment of trypanosomiasis and, after positive evaluation of initial operations, progressively expand to surveillance of schistosomiasis, onchocerciasis and meningitis.

Part C.2 of the Project

21. MOPH's Directorate of Health Studies, Planning and Statistics (DEPSS) will be entrusted with responsibility for designing, organizing and evaluating all experiments and feasibility studies carried out under the Project. To these ends, DEPSS will be strengthened with appropriate technical assistance in health planning, economics, epidemiology and data classification. The technical responsibility of the two mobile surveillance units will be entrusted to the Direction de la Surveillance Epidémiologique et des Vaccinations.

SCHEDULE 4

Procurement and Consultants' Services

I. Procurement of Goods and Works

A. International Competitive Bidding

Except as provided in Part C hereof, goods shall be procured under contracts awarded in accordance with procedures consistent with those set forth in Sections I and II of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in August 1984 (the Guidelines).

B. Preference for Domestic Manufacturers

In the procurement of goods in accordance with the procedures described in Part A.1 of this Schedule, goods manufactured in Burkina may be granted a margin of preference in accordance with, and subject to, the provisions of paragraphs 2.55 and 2.56 of the Guidelines and paragraphs 1 through 4 of Appendix 2 thereto.

C. Other Procurement Procedures

1. Contracts for equipment, materials, furniture, vehicles and drugs estimated to cost \$75,000 equivalent or less (but, in the aggregate, not exceeding \$500,000 equivalent) and contracts for civil works may be procured on the basis of competitive bidding, advertised locally, in accordance with procedures satisfactory to the Association.

2. Items estimated to cost less than the equivalent of \$10,000 per contract may be procured under contracts awarded on the basis of comparison of price quotations solicited from a list of at least three suppliers eligible under the Guidelines, in accordance with procedures acceptable to the Association.

3. Medical equipment, vaccines and drugs may be procured through UNICEF in accordance with UNICEF's international procurement procedures.

4. Items of proprietary nature may be procured directly from the supplier in agreement with the Association.

D. Review by the Association of Procurement Decisions

1. Review of invitations to bid and of proposed awards and final contracts:

(a) With respect to each contract for civil works estimated to cost the equivalent of \$200,000 or more, and each contract for furniture, equipment and vehicles costing more than \$50,000 equivalent, the procedures set forth in paragraphs 2 and 4 of Appendix 1 to the Guidelines shall apply. Where payments for such contract are to be made out of the Special Account, such procedures shall be modified to ensure that the two conformed copies of the contract required to be furnished to the Association pursuant to said paragraph 2 (d) shall be furnished to the Association prior to the making of the first payment out of the Special Account in respect of such contract.

(b) With respect to each contract not governed by the preceding paragraph, the procedures set forth in paragraphs 3 and 4 of Appendix 1 to the Guidelines shall apply. Where payments for such contract are to be made out of the Special Account, such procedures shall be modified to ensure that the two conformed copies of the contract, together with the other information required to be furnished to the Association pursuant to said paragraph 3, shall be furnished to the Association as part of the evidence to be furnished pursuant to paragraph 4 of Schedule 5 to this Agreement.

(c) The provisions of the preceding subparagraphs (a) and (b) shall not apply to contracts on account of which the Association has authorized withdrawals from the Credit Account on the basis of statements of expenditure. Such contracts shall be retained in accordance with Section 4.01 (c) (ii) of this Agreement.

2. The figure of 20% is hereby specified for purposes of paragraph 4 of Appendix 1 to the Guidelines.

II. Employment of Consultants

In order to assure the optimal execution of the Project, the Borrower shall employ consultants whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Association. Such consultants whose services are to be financed out of the proceeds of the credit shall be selected in accordance with principles and procedures satisfactory to the

Association on the basis of the "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency" published by the Bank in August 1981.

SCHEDULE 5

Special Account

1. For the purposes of this Schedule:

(a) the term "Category" means a category of items to be financed out of the proceeds of the Credit as set forth in the table in paragraph 1 of Schedule 1 to this Agreement;

(b) the term "eligible expenditures" means expenditures in respect of the reasonable cost of goods and services required for the Project and to be financed out of the proceeds of the Credit allocated from time to time to Categories (1) through (6) in accordance with the provisions of Schedule 1 to this Agreement; and

(c) the term "Authorized Allocation" means an amount of 500,000,000 CFAF to be withdrawn from the Credit Account and deposited in the Special Account pursuant to paragraph 3 (a) of this Schedule.

2. Except as the Association shall otherwise agree, payments out of the Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Association has received evidence satisfactory to the Association that the Special Account has been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the Special Account may be made as follows:

(a) On the basis of a request or requests by the Borrower for a deposit or deposits which add up to the aggregate amount of the Authorized Allocation, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit in the Special Account such amount or amounts as the Borrower shall have requested.

(b) The Borrower shall furnish to the Association requests for replenishment of the Special Account at such intervals as the Association shall specify. On the basis of such requests, the Association shall withdraw from the Credit Account and deposit into the Special Account such amounts as shall be required to replenish the Special Account with amounts not exceeding the amount of payments made out of the Special Account for eligible expenditures. Each such deposit shall be withdrawn by the Association from the Credit Account under the respective Categories (1)

through (6), and in the respective equivalent amounts, as shall have been justified by the evidence supporting the request for such deposit furnished pursuant to paragraph 4 of this Schedule.

4. For each payment made by the Borrower out of the Special Account for which the Borrower requests replenishment pursuant to paragraph 3 (b) of this Schedule, the Borrower shall furnish to the Association, prior to or at the time of such request, such documents and other evidence as the Association shall reasonably request, showing that such payment was made for eligible expenditures.

5. (a) Notwithstanding the provisions of paragraph 3 of this Schedule, no further deposit into the Special Account shall be made by the Association when either of the following situations first arises:

(i) the Association shall have determined that all further withdrawals should be made directly by the Borrower from the Credit Account in accordance with the provisions of paragraph (a) of Section 2.02 of this Agreement; or

(ii) when the total unwithdrawn amount of the Credit allocated to Categories (1) through (6), minus the amount of any outstanding qualified agreement to reimburse made by the Association and of any outstanding special commitment entered into by the Association pursuant to Section 5.02 of the General Conditions with respect to the Project, shall be equal to the equivalent of twice the amount of the Authorized Allocation.

(b) Thereafter, withdrawal from the Credit Account of the remaining unwithdrawn amount of the Credit allocated to Categories (1) through (6) shall follow such procedures as the Association shall specify by notice to the Borrower. Such further withdrawals shall be made only after and to the extent that the Association shall have been satisfied that all such amounts remaining on deposit in the Special Account as of the date of such notice have been or will be utilized in making payments for eligible expenditures.

6. (a) If the Association shall have determined at any time that any payment out of the Special Account: (i) was made for any

expenditure or in any amount not eligible pursuant to paragraph 2 of this Schedule, or (ii) was not justified by the evidence furnished pursuant to paragraph 4 of this Schedule, the Borrower shall, promptly upon notice from the Association, deposit into the Special Account (or, if the Association shall so request, refund to the Association) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless otherwise agreed by the Association, no further deposit by the Association into the Special Account shall be made until the Borrower has made such deposit or refund.


(b) If the Association shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from the Association, refund to the Association such outstanding amount.

INTERNATIONAL DEVELOPMENT ASSOCIATION

CERTIFICATE

I hereby certify that the foregoing is a true copy of the original in the archives of the International Development Association.

In witness whereof I have signed this Certificate and affixed the Seal of the Association thereunto the 17th day of JUNE, 1985.


FOR SECRETARY