H.E. Henri Yav Mulang  
Minister of Finance  
Ministry of Finance  
Boulevard du 30 Juin  
Commune de la Gombe  
Kinshasa 1, Democratic Republic of Congo  

Re: Japanese Grant No. TF0A1623  
Improving DRC’s Capacity to Manage, Monitor and Respond to Natural Hazards in the Region of Goma Project  

Letter Agreement

Excellency:

In response to the request for financial assistance made on behalf of the Democratic Republic of Congo (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association (“World Bank”), acting as administrator of grant funds provided by Japan (“Donor”) under the Japan World Bank Program for Mainstreaming Disaster Risk Management in Developing Countries, proposes to extend to the Recipient a grant in an amount not to exceed one million and eight hundred thousand United States Dollars (U.S.$1,800,000) (“Grant”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”).

This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donor. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), 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.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.
Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Ahmadou Moustapha Ndiaye
Country Director for the Democratic Republic of Congo
Africa Region

AGREED:

DEMOCRATIC REPUBLIC OF CONGO

By

Authorized Representative

Name: Henri Yau Mulambo
Title: Ministry de l'Education

Date:

Enclosures:


(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
Japanese Grant No. TF0A1623
ANNEX

Article I
Standard Conditions; Definitions


1.02. Definitions. 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 and the following terms have the following meanings:

1. "CEPTM" means Cellule d’Exécution du Projet de Transport Multimodal, a unit established and operating under the Recipient’s MOT, as further described in the Project Administrative, Financial, Accounting and Procurement Manual.


3. "MOT" means the Recipient’s Ministry in charge of transport or any successor thereto.

4. "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, including health insurances and health-related services; (vii) travel and per diem costs for technical staff carrying out supervisory and quality control activities; (viii) salaries of support staff for CEPTM, but excluding salaries of the Recipient’s civil servants.


6. "Project Administrative, Financial, Accounting and Procurement Manual" means a manual to be adopted by the Recipient and found satisfactory to the World Bank and which shall contain, inter alia: (i) the terms of reference, functions and responsibilities for the members or personnel of CEPTM; (ii) the procedures for procurement of goods, non-consulting services, consultants’ services, Operating Costs, Training and Workshops, as well as for financial management and audits under the Project; (iii) the indicators to be used in the monitoring and evaluation of the Project; (iv) flow and disbursement
arrangements of Project funds; and (v) the communication strategy for the Project; as said manual may be amended from time to time with the World Bank's prior approval.

7. "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.

Article II
Project Execution

2.01. Project Objectives and Description. The objective of the Project is to strengthen the Recipient's institutional capacity to manage natural disaster risks in the region of Goma, with a focus on those related to volcanic activities. The Project consists of the following parts:

Part 1. Volcanic Risk Monitoring and Assessment

(a) Strengthening the technical capacity of OVG scientists in seismology, geochemistry, deformation, satellite imagery through in-situ on-the-job training with relevant international partners and targeted study tours to international scientific institutions.

(b) Strengthening OVG's network of monitoring stations, through modernization of equipment and ICT systems, and training to OVG staff on the use and maintenance of equipment and systems.

(c) Conducting monitoring and surveillance of volcano and lake activities.

(d) Strengthening the technical capacity of OVG's in risk assessment and in understanding of risk exposure of population and infrastructure in the region of Goma. This may include risk mapping to be combined with the monitoring.

Part 2. Preparedness and Contingency Planning

(a) Provision of technical assistance, training, and equipment to civil protection authorities in the Goma area to develop, implement and monitor a contingency plan.

(b) Strengthening local coordination mechanisms to facilitate communication between OVG, civil protection authorities, and other stakeholders, and to ensure contingency planning is embedded in socio-economic planning as a foundation to ensure sustainability of disaster risk response and management.

(c) Training of relevant government institutions, agencies, and civil society on risk management, contingency planning, and response.
(d) Dissemination of contingency plan developed to general public and relevant stakeholders, and conducting regular simulation exercises to assess effectiveness of mechanisms put in place.

(e) Generating lessons and recommendations to support the development of a national-level natural disaster risk management plan.

Part 3. Community Participation

(a) Support to the creation of a network of community disaster risk management focal points who will collaborate with civil protection authorities, OVG, and other stakeholders to ensure dissemination of information, contingency planning, and facilitation of response.

(b) Training to disaster risk management focal points on risk management, contingency planning, and response.

(c) Carrying out of community-based awareness campaigns targeting the general public on risks associated with volcanoes and other natural hazards, contingency planning and appropriate response.

Part 4. Project Technical Oversight, Quality Assurance, and Management

Provision of support to the Recipient for: (i) the overall technical oversight of the Project, development of international partnerships, and relationships with academia; and (ii) the Project implementation, management, auditing, and monitoring and evaluation.

2.02. Project Execution Generally. The Recipient, through MOT, declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through CEPTM in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.03. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall:

1. designate MOT, throughout the period of Project implementation, to be responsible for prompt and efficient oversight, coordination and management of the implementation of activities under the Project, and take all actions, including, the provision of funding, personnel and other resources necessary to enable said MOT to perform said functions, as further described in the Project Administrative, Financial, Accounting and Procurement Manual; and
2. maintain throughout the period of Project implementation the CEPTM to run the day-to-day implementation of the Project, with staffing, terms of reference, composition and powers acceptable to the World Bank as further described in the Project Administrative, Financial, Accounting and Procurement Manual.

B. Annual Work Programs

1. The Recipient shall, not later than November 30 in each calendar year during Project implementation, prepare and furnish to the World Bank, a program of Project activities proposed for implementation in the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of said activities; and (b) the types of expenditures required for such activities, a proposed financing plan and a budget ("Annual Work Program").

2. The Recipient shall exchange views with and seek approval of the World Bank 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 World Bank.

3. Only those activities which are included in an Annual Work Program shall be implemented. 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 World Bank.

C. Project Administrative, Financial, Accounting and Procurement Manual

1. The Recipient shall cause the Project to be carried out in accordance with the provisions of the Project Administrative, Financial, Accounting and Procurement Manual.

2. Except as the World Bank shall otherwise agree, the Recipient shall not amend or waive the Project Administrative, Financial, Accounting and Procurement Manual, 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 Administrative, Financial, Accounting and Procurement Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

2.04. Donor Visibility and Visit. (a) The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor’s support for the Project.

(b) For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, take all measures required on its part to enable the representatives of the Donor to visit any part of the Recipient’s territory for purposes related to the Project.

2.05. Project Monitoring, Reporting and Evaluation. (a) The Recipient shall 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 indicators set forth below in the Project Administrative, Financial, Accounting and Procurement Manual and found acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than forty five days after the end of the period covered by such
(b) The Recipient shall 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.

2.06. **Financial Management.** (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

(b) The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty five days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

(c) The Recipient shall 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 months after the end of such period.

2.07. **Procurement**

(a) **General.** All goods and consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:


(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 and revised July 2014 (“Consultant Guidelines”) in the case of consultants’ services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

(b) **Definitions.** The capitalized terms used in the following paragraphs of this Section to describe particular procurement methods or methods of review by the World Bank 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.

(c) **Particular Methods of Procurement of Goods**

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods for those contracts which are specified in the Procurement Plan: (A) Limited International Bidding; (B) National Competitive Bidding, subject to the additional provisions below; (C) Shopping; (D) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the World Bank; (E) Direct Contracting; (F) Force Account; (G) Procurement from UN agencies; (H) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (I) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the World Bank; and (J) Community Participation procedures which have been found acceptable to the World Bank.

(d) Additional Provisions for National Competitive Bidding

National Competitive Bidding may be used subject to using the open procedure ("appel d'offres ouvert") set forth in the Recipient's Public Procurement Law No 10/010 dated April 27, 2010 (the "PPL") and the Manual of Procedures of the PPL as per Recipient's Decree No 10/22 dated June 2, 2010 (the "Manual of Procedures"); provided however that such procedure shall be subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of Section III of the Procurement Guidelines and the additional following modifications:

1. **Standard Bidding Documents**: All standard bidding documents to be used for the Project under NCB shall be found acceptable to the World Bank before their use during the implementation of Project;

2. **Eligibility**: Eligibility of bidders and acceptability of their goods and services shall not be based on their nationality and/or their origin; and World Bank with a national firm shall not be a condition for participation in a bidding process. Therefore, except for the ineligibility situations referred to in paragraphs 1.10(a)(i) and 1.10(a)(ii) of the Procurement Guidelines, the eligibility of bidders must be based solely on their qualification, experience and capacity to carry out the contract related to the specific bidding process;

3. **Advertising and Bid Preparation Time**: Bidding opportunities shall be advertised at least in a national newspaper of wide circulation and on the website of the Recipient’s Procurement Regulator (Autorité de Régulation des Marchés Publics) and bidders should be given at least 30 days from the date of invitation to bid or the date of availability of the bidding documents, whichever is later;

4. **Criteria for Qualification of Bidders**: Qualification criteria shall only concern the bidder’s capability and resources to perform the contract taking into account objective and measurable factors. Such criteria for qualification of bidders shall be clearly specified in the bidding documents;

5. **Bid Evaluation and Contract Award**: A contract shall be awarded to the substantially responsive and lowest evaluated bidder provided that such bidder meets the qualification criteria specified in the bidding documents. No scoring system shall be allowed for the evaluation of bids, and no "blanket" limitation to the number of lots which can be awarded to a bidder shall apply. The criteria for
bid evaluation and the contract award conditions shall be clearly specified in the bidding documents;

(6) **Preferences:** No preference shall be given to domestic/regional bidders; to domestically/regionally manufactured goods; and to bidders forming a joint venture with a national firm or proposing national sub-contractors or carrying out economic activities in the territory of the Recipient;

(7) **Publication of Contract Award:** Information on all contract awards shall be published in at least a national newspaper of wide circulation or in the Recipient’s Procurement Regulator (*Autorité de Régulation des Marchés Publics*) web-site;

(8) **Fraud and Corruption:** In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the World Bank’s policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the Procurement Guidelines;

(9) **Inspection and Audit Rights:** In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the World Bank’s policy with respect to inspection and audit of accounts, records and other documents relating to the bid submission and contract performance;

(10) **Requirement for administrative documents and/or tax clearance certificate:** The bidding documents shall not require foreign bidders to produce any administrative or tax related certificates prior to confirmation of awarding a contract; and

(11) **Modifications of a Signed Contract:** Any change in the contract amount which, singly or combined with all previous changes, increases the original contract amount by 15% (fifteen percent) or more must be done through an amendment to the signed contract instead of signing a new contract.

(e) **Particular Methods of Procurement of Consultants’ Services**

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods, other than Quality- and Cost-based Selection, may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Quality-based Selection; (B) Selection under a Fixed Budget; (C) Least Cost Selection; (D) Selection based on Consultants’ Qualifications; (E) Single-source Selection of consulting firms; (F) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (G) Selection of UN Agencies; (H) Selection of consultants under Indefinite Delivery Contract or Price Agreement; (I) Selection of Individual Consultants; and (J) Single-source procedures for the Selection of Individual Consultants.
(e) **Review by the World Bank of Procurement Decisions.** The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

### Article III
**Withdrawal of Grant Proceeds**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) 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 following table. The 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>Goods, consultants’ services, Operational Costs, Training and Workshops for the Project</td>
<td>1,800,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>1,800,000</td>
<td></td>
</tr>
</tbody>
</table>

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of this Agreement.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 6, 2020.

### Article IV
**Recipient’s Representative; Addresses**

4.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its minister in charge of finance.

4.02. **Recipient’s Address.** The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:
4.03. World Bank’s Address. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

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

Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391