Agreement Providing for the Amendment and Restatement of the Financing Agreement

(Eastern Recovery Project and Additional Financing for the Eastern Recovery Project)

between

DEMOCRATIC REPUBLIC OF CONGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated January 03, 2016
FINANCING AGREEMENT

AGREEMENT dated January 29, 2016 entered into between DEMOCRATIC REPUBLIC OF CONGO ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"), amending and restating the Agreement dated April 3, 2014 between the Recipient and the Association, for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). 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 grant and a credit (collectively, “Financing”) in the following amounts to assist in financing the project described in Schedule 1 to this Agreement (“Project”):

(a) an amount equivalent to fifty one million and four hundred thousand Special Drawing Rights (SDR 51,400,000) ("Original Grant" for the Original Project);

(b) an amount equivalent to eleven million and four hundred thousand Special Drawing Rights (SDR 11,400,000) ("Additional Grant" for the additional financing);

(c) an amount equivalent to twenty four million and three hundred thousand Special Drawing Rights (SDR 24,300,000) ("Additional Credit" for the additional financing).
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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 June 15 and December 15 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 Dollar

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.

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 Project Implementing Entity’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.
ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following, namely that the Subsidiary Agreement has been amended and executed on behalf of the Recipient and the Project Implementing Entity.

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

5.03. The Effectiveness Deadline is the date one hundred and eighty (180) days after the date of this Agreement.

5.04. 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 in charge of finance.

6.02. The Recipient’s Address is:

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

Email: cabfinances@minfinrdc.com
Tel.: +243 99 39 000 39

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 Kinshasa, Democratic Republic of Congo, as of the day and year first above written.

DEMOCRATIC REPUBLIC OF CONGO

By

[Signature]

Authorized Representative

Name: Kamu Yali MULANG
Title: Ministre de Finances

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Amadou Touré
Title: General Director

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SCHEDULE 1

Project Description

The objective of the Project is to improve access to livelihoods and socio-economic infrastructures in vulnerable communities in the Recipient’s eastern provinces.

The Project consists of the following parts:

Component 1: Community Support

Support the Recipient (with, *inter alia*, information, consultation, preparation, training, community infrastructure, conflict-sensitivity analysis, mediation, conflict-management training and support, technical assistance and supervision) to strengthen community resilience in the Recipient’s eastern provinces through participatory Community Subprojects aimed at:

(a) improving access to community social and economic infrastructure;
(b) facilitating and improving inclusive community participation processes; and
(c) strengthening local conflict prevention and resolution mechanisms.

Component 2: Livelihoods and Employment Generation

Support the Recipient to promote employment creation through:

(a) a labor-intensive public works program (including training and savings program) for road rehabilitation, reforestation, soil and water conservation works, solid waste management and maintenance/rehabilitation/construction of agricultural drainage, *inter alia*, and
(b) Agricultural Value Chain Subprojects to increase food security and incomes of agricultural households by addressing constraints all along the selected value chains (on-farm productivity, post-harvest handling, storage and processing), organizing and strengthening farmers groups and/or cooperatives, delivering training and agricultural extension, establishing and managing improved storage and agro-processing facilities as well as small hydro-electric plants to power irrigation and processing equipment, *inter alia*.

Component 3: Capacity Building

Support the Recipient to:

(a) provide capacity building on governance, infrastructure issues, support to employment creation, conflict resolution and gender issues, *inter alia*, in favor of all Project partners, including, *inter alia*, local authorities, public and
private actors at the regional, national, provincial and local levels, and micro-finance institutions;

(b) ensure efficient, effective, transparent and accountable Project delivery through the provision of goods, consultant services, auditing, and training; and

c) provide financing for operating costs for Project coordination, implementation, management, and monitoring and evaluation.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall maintain or cause to be maintained throughout the period of Project implementation the Project Provincial Consulting Committees in charge of examining proposals for funding for Community Subprojects and Agricultural Value Chain Subprojects and make recommendations on said proposals to ensure consistency with sectoral policies and other planned investments, and with staffing and powers acceptable to the Association as further described in the Project Implementation Manual.

2. The Recipient shall create or cause to be created and thereafter maintain or cause to be maintained throughout the period of Project implementation, the Community Management Committees in charge of the day-to-day management of the Community Subprojects and with staffing and powers acceptable to the Association as further described in the Project Implementation Manual.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Project Implementing Entity shall execute an amended subsidiary agreement with the Recipient under grant terms and conditions approved by the Association (“Subsidiary Agreement”).

2. The Project Implementing Entity shall exercise its rights under the Subsidiary Agreement 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 Project Implementing Entity shall not assign, amend, abrogate or waive the amended Subsidiary Agreement or any of its provisions.

C. Anti-Corruption

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

D. Community Subprojects

1. The Recipient shall cause the Project Implementing Entity to make Community Grants to Communities in accordance with eligibility criteria and procedures acceptable to the Association described in the Project Implementation Manual.

2. The Recipient shall cause the Project Implementing Entity to make each Community Grant under a Community Grant Agreement with the respective Community on terms...
and conditions approved by the Association, as further detailed in the Project Implementation Manual, said Community Grant Agreement to include the following:

(a) The Community Grant shall be made under grant terms with a contribution from the Community as further detailed in the Project Implementation Manual.

(b) The Recipient shall cause the Project Implementing Entity to obtain rights adequate to protect its interests, those of the Recipient and those of the Association, including the right to: (i) suspend or terminate the right of the Community to use the proceeds of the Community Grant or obtain a refund of all or any part of the amount of the Community Grant then withdrawn, upon the Community’s failure to perform any of its obligations under the Community Grant Agreement and inform the Recipient and the Association; and (ii) require each Community to: (A) carry out its Community Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient, the Project Implementation Manual, the Environmental and Social Management Framework, the Resettlement Policy Framework, the Indigenous Peoples Planning Framework and the Integrated Pest Management Plan; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Community Grant in accordance with the provisions of the Project Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Community Subproject and the achievement of its objectives; (E) (1) maintain a financial management system and prepare financial statements in accordance with simplified accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Community Subproject; and (2) at the Association’s, the Project Implementing Entity or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient, the Project Implementing Entity and the Association; (F) enable the Recipient, the Project Implementing Entity and the Association to inspect the Community Subproject, its operation and any relevant records and documents; and (G) prepare and furnish to the Recipient, the Project Implementing Entity and the Association all such information as the Recipient, the Project Implementing Entity or the Association shall reasonably request relating to the foregoing.
3. The Recipient shall cause the Project Implementing Entity to exercise its rights under each Community Grant Agreement in such manner as to protect the interests of the Recipient, the Project Implementing Entity and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall cause the Project Implementing Entity shall not assign, amend, abrogate or waive any Community Grant Agreement or any of its provisions.”

E. Agricultural Value Chain Subprojects

1. The Recipient shall cause the Project Implementing Entity to make Agricultural Grants to Beneficiaries in accordance with eligibility criteria and procedures acceptable to the Association described in the Project Implementation Manual.

2. The Recipient shall cause the Project Implementing Entity to make each Agricultural Grant under an Agricultural Grant Agreement with the respective Beneficiary on terms and conditions approved by the Association, as further detailed in the Project Implementation Manual, said Agricultural Grant Agreement to include the following:

(a) The Agricultural Grant shall be made under grant terms with a contribution from the Beneficiary as further detailed in the Project Implementation Manual.

(b) The Recipient shall cause the Project Implementing Entity to obtain rights adequate to protect its interests, those of the Recipient and those of the Association, including the right to: (i) suspend or terminate the right of the Beneficiary to use the proceeds of the Agricultural Grant or obtain a refund of all or any part of the amount of the Agricultural Grant then withdrawn, upon the Beneficiary’s failure to perform any of its obligations under the Agricultural Grant Agreement and inform the Recipient and the Association; and (ii) require each Beneficiary to: (A) carry out its Agricultural Value Chain Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient, the Project Implementation Manual, the Environmental and Social Management Framework, the Resettlement Policy Framework, the Indigenous Peoples Planning Framework and the Integrated Pest Management Plan; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Agricultural Grant in accordance with the provisions of the Project Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Agricultural Value Chain Subproject and the achievement of its objectives; (E)(1) maintain a financial management system and prepare financial statements in accordance with simplified accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources
and expenditures related to the Agricultural Value Chain Subproject; and
(2) at the Association’s, the Project Implementing Entity or the Recipient’s
request, have such financial statements audited by independent auditors
acceptable to the Association, in accordance with consistently applied
auditing standards acceptable to the Association, and promptly furnish the
statements as so audited to the Recipient, the Project Implementing Entity and
the Association; (F) enable the Recipient, the Project Implementing Entity
and the Association to inspect the Agricultural Value Chain Subproject, its
operation and any relevant records and documents; and (G) prepare and
furnish to the Recipient, the Project Implementing Entity and the Association
all such information as the Recipient, the Project Implementing Entity or the
Association shall reasonably request relating to the foregoing.

3. The Recipient shall cause the Project Implementing Entity to exercise its rights under
each Agricultural Grant Agreement in such manner as to protect the interests of the
Recipient, the Project Implementing Entity and the Association and to accomplish the
purposes of the Financing. Except as the Association shall otherwise agree, the
Recipient shall cause the Project Implementing Entity shall not assign, amend,
abrogate or waive any Agricultural Grant Agreement or any of its provisions.”

F. Project Implementation Manual and Safeguards

1. The Recipient shall cause the Project to be carried out in accordance with the
provisions of:

(a) the Project Implementation Manual;
(b) the Environmental and Social Management Framework (and any subsequent
plan);
(c) the Resettlement Policy Framework (and any subsequent plan);
(d) the Indigenous Peoples Planning Framework (and any subsequent plan); and
(e) the Integrated Pest Management Plan.

2. Except as the Association shall otherwise agree, the Recipient shall not amend or
waive the Project Implementation Manual, the Environmental and Social Management
Framework (and any subsequent plan), the Resettlement Policy Framework (and any
subsequent plan), the Indigenous Peoples Planning Framework (and any subsequent plan) or
the Integrated Pest Management Plan, or any provision thereof, or permit any such provision
to be amended or waived. In case of any conflict between the provisions of the Project
Implementation Manual, the Environmental and Social Management Framework (or any
subsequent plan), the Resettlement Policy Framework (or any subsequent plan), the
Indigenous Peoples Planning Framework (or any subsequent plan) or the Integrated Pest
Management Plan 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 cause the Project Implementing Entity to monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association and set forth in the Project Implementation Manual. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than four weeks 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 cause the Project Implementing Entity to 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 cause the Project Implementing Entity have the Financial Statements related to the Project audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements related to the Project 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 Preparation Advance for the Project. The audited Financial Statements for the Project for each such period shall be furnished to the Association not later than six months after the end of such period.

Section III.  Procurement

All goods, works and services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of the Schedule to the Project Agreement.
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 Financing 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 Original Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed by the Original Grant (inclusive of Taxes)</th>
<th>Amount of the Additional Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed by the Additional Grant (inclusive of Taxes)</th>
<th>Amount of the Additional Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed by the Additional Credit (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Works, Non-Consulting Services, Consultants’ Services, Community Grants for Community Subprojects under Component 1 of the Project, Agricultural Grants for Agricultural Value Chain Subprojects under Component 2(b) of the Project, Operating Costs,</td>
<td>47,500,000</td>
<td>100%</td>
<td>11,400,000</td>
<td>32%</td>
<td>24,300,000</td>
<td>68%</td>
</tr>
<tr>
<td>Workshops and Training for the Project</td>
<td></td>
<td></td>
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<td>--------------------------------------</td>
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</tr>
<tr>
<td>(2) Refund of Preparation Advance</td>
<td>3,900,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>51,400,000</td>
<td>11,400,000</td>
<td>24,300,000</td>
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<td></td>
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</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 June 30, 2020.

Section V. Other Undertakings

1. By July 1, 2017, or such other date as the Association shall agree upon, the Recipient shall: (i) carry out jointly with the Project Implementing Entity and 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.

2. The Recipient shall cause the Project Implementing Entity to carry out at the end of every year, but the last year of the Project, starting on the first fiscal year of the Project, a technical audit carried out by a technical auditor with terms of reference and qualifications satisfactory to the Association and selected in accordance with the provisions of Section III of the Attachment to the Project Agreement to ensure that the Project is carried out in compliance with this Agreement, the Project Agreement, the Project Implementation Manual, the Environmental and Social Management Framework (and any subsequent plan), the Resettlement Policy Framework (and any subsequent plan); the Indigenous Peoples Planning Framework (and any subsequent plan) and the Integrated Pest Management Plan. The technical audit of the Project for each such year shall be furnished to the Association and the Recipient not later than six months after the end of such period.
### 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 June 15 and December 15:</td>
<td></td>
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<tr>
<td>Commencing December 15, 2021 to and including June 15, 2053</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. "Additional Credit" means the credit extended through an additional financing to the Recipient by the Association on terms and conditions set forth or referred to in this Agreement.

2. "Additional Grant" means the grant extended through an additional financing to the Recipient by the Association on terms and conditions set forth or referred to in this Agreement.

3. "Agricultural Grant" means a grant made or proposed to be made out of the proceeds of the Grant to finance an Agricultural Value Chain Subproject.

4. "Agricultural Grant Agreement" means the agreement between the Project Implementing Entity and a Beneficiary, setting forth the terms and conditions under which proceeds of the Grant are to be made available to the Beneficiary for the purpose of financing an Agricultural Value Chain Subproject.

5. "Agricultural Value Chain Subprojects" means a small scale agricultural or related activity to be carried out by a Beneficiary under Component 2(b) of the Project.


7. "Beneficiary" or "Beneficiaries" means an eligible agricultural household, farmers group or agricultural cooperative to which the Project Implementing Entity proposes to make, or has made, an Agricultural Grant for an Agricultural Value Chain Subproject.

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

9. "Community" means an eligible community from the Recipient's rural or urban areas to which the Project Implementing Entity proposes to make, or has made, a Community Grant for a Community Subproject.

10. "Community Grant" means a grant made or proposed to be made out of the proceeds of the Grant to finance a Community Subproject.

11. "Community Grant Agreement" means the agreement between the Project Implementing Entity and a Community, setting forth the terms and conditions under which proceeds of the Grant are to be made available to the Community for the purpose of financing a Community Subproject.
12. "Community Management Committee" or "Community Management Committees" means the community committees in charge of monitoring the implementation of Community Subprojects, as further detailed in the Project Implementation Manual.

13. "Community Subprojects" means a small scale activity to be carried out by a Community under Component 1 of the Project.


15. "Coordination Team" means "Coordination Générale" within the administrative structure of the Project Implementing Entity in charge of the day-to-day management and implementation of the Project.

16. "Environmental and Social Management Framework" means the document dated November 28, 2014 adopted by the Project Implementing Entity, which: (i) sets out the modalities to be followed by the Project Implementing Entity in assessing the potential adverse environmental and social impacts of the Project, and the measures to be taken to offset, reduce or mitigate such adverse impacts; and (ii) consists, inter alia, of sections dealing with environmental and social screening processes for the Project as well as for the preparation of environmental and social management plans, as published and available to the public on the website www.fondsocial.cd, as the same may be amended from time to time with the Association prior written approval.


18. "Indigenous Peoples Planning Framework" means the document dated September 8, 2014 adopted by the Project Implementing Entity, which: (i) outlines measures to ensure culturally appropriate social and economic benefits under the Project and avoid, minimize, or mitigate or compensate for any potential adverse effects associated with activities to be implemented under the Grant, including the Community Subprojects and the Agricultural Value Chain Subprojects; and (ii) consists, inter alia, of sections dealing with social screening processes for the Project as well as for the preparation of Indigenous Peoples plans, as published and available to the public on the www.fondsocial.cd, as the same may be amended from time to time with the Association prior written approval.

19. "Integrated Pest Management Plan" means the Project Implementing Entity’s document dated January 24, 2014, which sets out the modalities to be followed by the Project Implementing Entity in assessing the potential adverse environmental impacts of pest management, and the measures to be taken to offset, reduce or mitigate such adverse impacts, as published and available to the public on the website www.fondsocial.cd, as the same may be amended from time to time with the Association prior written approval.
20. “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 training, supervisory and quality control activities; (viii) salaries of support staff for the Project Implementing Entity, but excluding salaries of the Recipient’s civil servants and the Project Implementing Entity’s consultants.


22. “Original Grant” means the grant extended to the Recipient by the Association on terms and conditions set forth or referred to in the Original Financing Agreement.

23. “Original Project” means the Project described in the Original Financing Agreement.

24. “Preparation Advance” means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on October 28, 2013 and on behalf of the Recipient on October 28, 2013.


26. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated December 27, 2013 for the Original Project and September 25, 2015 for this additional financing as 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.

27. “Project Implementation Manual” means a manual adopted by the Recipient on January 24, 2014 (as updated on October 8, 2015), and the Project Implementing Entity 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 Project Implementing Entity’s Coordination Team, Provincial Consulting Committee and the Community Management Committees; (ii) the criteria, detailed rules and procedures for the selection and the financing of the Community Subprojects and the Agricultural Value Chain Subprojects; (iii) the procedures for procurement of goods, works, non-consulting services, consultants’ services, Operational Costs, Training and Workshops, as well as for financial management and audits under the Project; (iv) the indicators to be used in the monitoring and evaluation of the Project; (v) flow and disbursement arrangements of Project funds; (vi) the model form for the Community Grant Agreements and the Agricultural Grant Agreements; (vii) the TORs
for the financial audit, the internal audit and other audits for the Project; (viii) specific mechanisms to allow Communities and Beneficiaries to designate representatives to sign respectively Community Grant Agreements and Agricultural Grant Agreements for Subprojects on their behalf; and (ix) the Environmental and Social Management Framework, the Indigenous Peoples Planning Framework, the Resettlement Policy Framework and the Integrated Pest Management Plan; as said manual may be amended from time to time with the Association’s prior approval.

28. “Project Implementing Entity” means “Fonds Social de la République Démocratique du Congo”, the Recipient’s Social Fund, a public entity established for the purpose of, inter alia, improving the conditions of living of the population and of access to social services as well as to support income generation and employment to alleviate poverty and promote social and economic development.


30. “Provincial Consulting Committee” means the committees comprising, inter alia, representatives of provincial ministries and civil society in charge of ensuring the consistency of Community Subprojects and Agricultural Value Chain Subprojects with sectoral policies and other planned or ongoing investments, as further detailed in the Project Implementation Manual.

31. “Resettlement Policy Framework” means the document to be adopted by the Project Implementing Entity, which: (i) sets out the modalities to be followed by the Project Implementing Entity in assessing the potential adverse social impacts related to involuntary resettlement of the Project, and the measures to be taken to offset, reduce or mitigate such adverse impacts; and (ii) consists, inter alia, of sections dealing with social screening processes for the Project as well as for the preparation of resettlement plans, as published and available to the public on the website www.fondsocial.cd, as the same may be amended from time to time with the Association prior written approval.

32. “Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement as updated, pursuant to which the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity.

33. “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.