Financing Agreement

(Poverty Reduction Support Development Policy Financing)

Between

REPUBLIC OF CÔTE d'IVOIRE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated October 10, 2013
CREDIT NUMBER 5300-CI

FINANCING AGREEMENT

AGREEMENT dated October 10, 2013, entered into between REPUBLIC OF CÔTE D’IVOIRE ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing financing in support of the Program (as defined in the Appendix to this Agreement). The Association has decided to provide this financing on the basis, inter alia, of: (a) the actions which the Recipient has already taken under the Program and which are described in Section I of Schedule I to this Agreement; and (b) the Recipient’s maintenance of an adequate macroeconomic policy framework. The Recipient and the Association therefore hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to thirty-three million three hundred thousand Special Drawing Rights (SDR 33,300,000) ("Financing").

2.02. The Recipient may withdraw the proceeds of the Financing in support of the Program in accordance with Section II of Schedule I 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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 March 15 and September 15 in each year.
2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.07. The Payment Currency is Euro.

ARTICLE III — PROGRAM

3.01. The Recipient declares its commitment to the Program and its implementation. To this end:

(a) the Recipient and the Association shall from time to time, at the request of either party, exchange views on the Recipient’s macroeconomic policy framework and the progress achieved in carrying out the Program;

(b) prior to each such exchange of views, the Recipient shall furnish to the Association for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the Association shall reasonably request; and

(c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, the Recipient shall promptly inform the Association of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program including any action specified in Section 1 of Schedule 1 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Events of Suspension consist of the following:

(a) A situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

(b) An action has been taken or a policy has been adopted to reverse any action or policy under the Program, including any action listed under Section I of Schedule 1 to this Agreement, in a manner that would, in the opinion of the Bank, adversely affect the achievement of the objectives of the Program.
ARTICLE V—EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Association is satisfied with the progress achieved by the Recipient in carrying out the Program and with the adequacy of the Recipient’s macroeconomic policy framework.

5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE VI—REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is Minister of Economy and Finance.

6.02. The Recipient’s Address is:

Ministère de l’Economie et des Finances
B.P. V. 163
Abidjan
République de Côte d’Ivoire

Cable: Telex: Facsimile:

MINFIN 225-20-30-25-25
Abidjan 225-20-30-25-28

6.03. The Association’s Address is:

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

Cable address: Telex: Facsimile:

INDEVAS 248423(MCI) 1-202-477-6391
Washington, D.C.
AGREED at District of Columbia, United States of America as of the
day and year first above written.

REPUBLIC OF CÔTE D'IVOIRE

By

Authorized Representative

Name: N'iale Kaba
Title: Minister of Economy & Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Madani M. Tall
Title: Country Director
SCHEDULE 1

Program Actions; Availability of Financing Proceeds

Section I. Actions under the Program

A. Actions Taken Under the Program

1. The actions taken by the Recipient under the Program to promote governance, transparency and sound public financial management include the following:

   (a) the adoption, by the Recipient's cabinet on May 21, 2013, and the subsequent submission to the Recipient's Parliament on June 20, 2013, of a draft law on anti-corruption setting forth the institutional framework for the fight against corruption by public officials and the related strengthening of institutional governance, as per copy of internal communications No.5000/09/CZ No.374 dated May 21, 2013, and No.35/PR/SGG-CDM addressed respectively by said cabinet to the Recipient's office of the President and by the latter office to the Recipient's parliament on June 20, 2013; and

   (b) the approval by the Recipient's cabinet, pursuant to the Recipient's new procurement code adopted in August 2009, of new standardized bidding documents for public procurement through, respectively, Decrees No.2013-404; 2013-405 and 2013-406, all dated June 6, 2013.

2. The actions taken by the Recipient under the Program to improve the business climate and generate higher private investment include the following:

   (a) the issuance of Ordinance No. N/001/PR dated November 01, 2012, concerning the creation of a commercial court in the judiciary system of the Recipient, and pursuant thereto, the issuance of Decrees No 2012-628 dated July 6, 2012, and No 2012-629, 2013-57 dated February 2, 2013, and corresponding Ministerial Edicts No. 491/MDCJ/DS; 491/MDCG/DSG dated 11/07/2012, 2012/ nominating respectively the president, commercial judges and other pertinent judicial personnel of the first established Commercial Court of Abidjan and mandating as well the online publication of said court's rulings on its website;

   (b) the issuance of Decree No.2012-867 dated September 6, 2012, creating a business processing facilitating center and, pursuant thereto, the issuance of a corresponding inter-Ministerial Edict setting out procedural timeframes for the completion of business formalities; and
3. The actions taken by the Recipient under the Program to strengthen potential economic growth sectors in order to catalyze employment and productivity in rural areas include the following:

(a) The publication by the Recipient’s Conseil du Café Cacao on its website of the results of cocoa forward sales auctions of the 2012/2013 harvest year and the prices received by producers;

(b) The approval by MINAGRI’s technical secretariat, through electronic communication sent to the Association on June 6, 2013, to support and clarify the minutes of a meeting dated May 25, 2013, convened for the review of the implementation strategy paper for the operationalization of the Recipient’s National Rice Strategy; and

(c) The adoption by MINAGRI, through Ministerial Edict No 002/MINAGRI/CAB dated May 31, 2013, of the institutional framework for the coordination and monitoring of the implementation of the National Agricultural Investment Plan.

4. The actions taken by the Recipient under the Program to increase the rate of investment in the energy sector include the implementation of measures to reclassify consumers using more than 200KWh in a two month billing cycle to regular tariff user group in order to ensure better targeting of the subsidy to the lowest consumption category, as attested to by letter dated May 14, 2013, received from authorized staff of the Recipient’s ministry of energy.

Section II. Availability of Financing Proceeds

A. General. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of this Section and such additional instructions as the Association may specify by notice to the Recipient.

B. Allocation of Financing Amounts. The Financing is allocated in a single withdrawal tranche, from which the Recipient may make withdrawals of the Financing. The allocation of the amounts of the Financing to this end is set out in the table below:
### Amount of the Financing Allocated

<table>
<thead>
<tr>
<th>Allocations</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Single Withdrawal Tranche</td>
<td>33,300,000</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>33,300,000</strong></td>
</tr>
</tbody>
</table>

#### C. Withdrawal Tranche Release Conditions

No withdrawal shall be made of the Single Withdrawal Tranche unless the Association is satisfied (a) with the Program being carried out by the Recipient, and (b) with the adequacy of the Recipient's macroeconomic policy framework.

#### D. Deposits of Financing Amounts

Except as the Association may otherwise agree:

1. all withdrawals from the Financing Account shall be deposited by the Association into an account designated by the Recipient and acceptable to the Association; and

2. the Recipient shall ensure that upon each deposit of an amount of the Financing into this account, an equivalent amount is accounted for in the Recipient's budget management system, in a manner acceptable to the Association.

#### E. Excluded Expenditures

The Recipient undertakes that the proceeds of the Financing shall not be used to finance Excluded Expenditures. If the Association determines at any time that an amount of the Financing was used to make a payment for an Excluded Expenditure, the Recipient shall, promptly upon notice from the Association, refund an amount equal to the amount of such payment to the Association. Amounts refunded to the Association upon such request shall be cancelled.

#### F. Closing Date

The Closing Date is December 31, 2013.
## 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 March 15 and September 15:</td>
<td></td>
</tr>
<tr>
<td>commencing September 15, 2023 to and including March 15, 2033</td>
<td>1%</td>
</tr>
<tr>
<td>commencing September 15, 2033 to and including March 15, 2053</td>
<td>2%</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

Section I. Definitions

1. "Conseil du Café Cacao" means the Recipient’s Organe de Gestion, de Développement, de Regulation de la Filiere Café Cacao, et de Stabilisation des Prix du Café et du Cacao, a special purpose entity established through Ordinance No 2011-481 of the Recipient dated December 28, 2011, for the management, development, and regulation of the coffee and coca subsectors and the stabilization of coffee and cocoa prices.

2. “Decree, Ministerial Edict and Ordinance” refer to selected legal instruments set forth in the Recipient’s constitution, namely décret (présidentiel ou gouvernemental), arrêté ministériel ou interministériel et ordonnance, issued respectively, inter alia, by the Cabinet, including as presided over by the Head of State, individual ministers, or several ministers acting jointly, each in their own capacity.

3. “Excluded Expenditure” means any expenditure:

   (a) for goods or services supplied under a contract which any national or international financing institution or agency other than the Association or the Bank has financed or agreed to finance, or which the Association or the Bank has financed or agreed to finance under another credit, grant or loan;

   (b) for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the Association by notice to the Recipient:

      | Group | Sub-group | Description of Item |
      |-------|-----------|---------------------|
      | 112   |           | Alcoholic beverages |
      | 121   |           | Tobacco, un-       |
      |       |           | manufactured, tobacco |
      |       |           | refuse              |
      | 122   |           | Tobacco, manufactured |
      |       |           | (whether or not containing |
      |       |           | tobacco substitutes)   |
      | 525   |           | Radioactive and     |
      |       |           | associated materials |


<table>
<thead>
<tr>
<th>Group</th>
<th>Sub-group</th>
<th>Description of Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>667</td>
<td></td>
<td>Pearls, precious and semiprecious stones, unworked or worked</td>
</tr>
<tr>
<td>718</td>
<td>718.7</td>
<td>Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors</td>
</tr>
<tr>
<td>728</td>
<td>728.43</td>
<td>Tobacco processing machinery</td>
</tr>
<tr>
<td>897</td>
<td>897.3</td>
<td>Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths’ or silversmiths’ wares (including set gems)</td>
</tr>
<tr>
<td>971</td>
<td></td>
<td>Gold, non-monetary (excluding gold ores and concentrates)</td>
</tr>
</tbody>
</table>

(c) for goods intended for a military or paramilitary purpose or for luxury consumption;

(d) for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws of the Recipient or international agreements to which the Recipient is a party;

(e) on account of any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and

(f) with respect to which the Association determines that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient or other recipient of the Financing proceeds, without the Recipient (or other such recipient) having taken timely and appropriate action satisfactory to the Association to address such practices when they occur.

4. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
5. "KWh" means Kilowatt/hour.


7. "MEF" means the Recipient Ministry of Economy and Finance.


9. "National Rice Strategy" means the Recipient strategy for increased rice productivity in its territory, as adopted in May 2012.

10. "Program" means the program of actions, objectives and policies designed to promote growth and achieve sustainable reductions in poverty and set forth or referred to in a letter dated May 29, 2013, from the Recipient to the Association and declaring therein the Recipient's commitment to the execution of the Program, and requesting assistance from the Association in support of the Program during its execution.

11. "Single Withdrawal Tranche" means the amount of the Financing allocated to the category entitled "Single Withdrawal Tranche" in the table set forth in Section II.B of Schedule 1 to this Agreement.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. The last sentence of paragraph (a) of Section 2.03 (relating to Applications for Withdrawal) is deleted in its entirety.

2. Sections 2.04 (Designated Accounts) and 2.05 (Eligible Expenditures) are deleted in their entirety, and the remaining Sections in Article II are renumbered accordingly.

3. Sections 4.01 (Project Execution Generally), and 4.09 (Financial Management; Financial Statements; Audits) are deleted in their entirety, and the remaining Sections in Article IV are renumbered accordingly.

4. Paragraph (a) of Section 4.05 (renumbered as such pursuant to paragraph 3 above and relating to Use of Goods, Works and Services) is deleted in its entirety.

5. Paragraph (e) of Section 4.06 (renumbered as such pursuant to paragraph 3 above) is modified to read as follows:
“Section 4.06. Plans; Documents; Records

... (c) The Recipient shall retain all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures under the Financing until two years after the Closing Date. The Recipient shall enable the Association’s representatives to examine such records.”

6. Section 4.07 (renumbered as such pursuant to paragraph 3 above) is modified to read as follows:

“Section 4.07. Program Monitoring and Evaluation

... (c) The Recipient shall prepare, or cause to be prepared, and furnish to the Association not later than six months after the Closing Date, a report of such scope and in such detail as the Association shall reasonably request, on the execution of the Program, the performance by the Recipient and the Association of their respective obligations under the Legal Agreements and the accomplishment of the purposes of the Financing.”

7. The following terms and definitions set forth in the Appendix are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:

(a) The definition of the term “Eligible Expenditure” is modified to read as follows:

“‘Eligible Expenditure’ means any use to which the Financing is put in support of the Program, other than to finance expenditures excluded pursuant to the Financing Agreement.”

(b) The term “Financial Statements” and its definition as set forth in the Appendix are deleted in their entirety.

(c) The term “Project” is modified to read “Program” and its definition is modified to read as follows:

“‘Program’ means the program referred to in the Financing Agreement in support of which the Financing is made.” All references to “Project” throughout these General Conditions are deemed to be references to “Program”.