H. E. Adji O. Ayassor  
Minister of Economy and Finance  
Ministry of Economy and Finance  
Immeuble CASEF  
B.P. 387  
Lomé  
Republic of Togo

Re: Republic of Togo: JSDF Grant for Cash Transfer Program for the Vulnerable Children in Northern Togo Project  
Grant No. TF014860

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Togo (the Recipient), I am pleased to inform you that the International Development Association (“World Bank”), as administrator of grant funds provided by Japan (“Donor”) under the Japan Social Development Fund, proposes to extend to the Recipient, a grant in an amount not to exceed two million five hundred fifty thousand United States Dollars (U.S.$2,550,000) (“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 with the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and return it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this
Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within ninety (90) days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

[Signature]

Herve Assah
Country Manager for Togo
Africa Region

AGREED:
REPUBLIC OF TOGO

By: [Signature]
Authorized Representative

Name: Adj. Oth. Ayassor
Title: Ministre
Date: 30 juillet 2013

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
(3) “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
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 additional terms have the following meanings:

(a) “IDA Financing” means the agreement between the Recipient and the Association dated April 12, 2012 (Grant H-767-TG).

(b) “Kara” means a region in the Recipient’s northern territory.

(b) “Ministry of Community Development, Handicraft, Youth and Employment” means the Recipient’s ministry responsible for community development, handicraft, youth and employment.

(c) “MOU” means the memorandum of understanding referred to in Section 2.03(b) of this Annex.

(d) “MSANS” means the Recipient’s ministry responsible for social action and national solidarity.

(e) “Project Implementation Manual” means the manual dated June 2012 adopted by the Recipient pursuant to the provisions of the Financing Agreement for the Community Development and Safety Net Project between the Recipient and the Association dated April 12, 2012, as the same may be revised from time to time with the prior written agreement of the World Bank, and such term includes any schedules to said Manual.

(f) “Savanes” means a region in the Recipient’s northern territory.

(g) “Target Children” means (i) poor children aged between 0-24 months or (ii) children who are severely malnourished aged between 25-59 months.

(h) “Technical Secretariat” means the Recipient’s Technical Secretariat within the Recipient’s ministry responsible for community development, handicraft, youth and youth employment, referred to in Section 2.03 (a) (1) of this Annex and established and operating pursuant to the Technical Secretariat’s Legislation.

(i) “UNICEF” means the United Nations Children Fund in the member country.
Article II
Project Execution

2.01. **Project Objectives and Description.** The objectives of the Project are to provide greater access to social safety nets to the rural population of the Recipient’s northern territory and in particular to protect the most vulnerable segment of the population affected by the consecutive crises that hit the Recipient’s territory over the past years by complementing a pilot cash transfer program. The Project consists of the following parts:

**Part 1. Cash Transfer Program**

Carrying out of a program designed to assist caregivers of Target Children and pregnant mothers in Kara and Savanes improve the health of said children, through: (a) the provision of cash transfers intended to support the costs associated with said improvement and (b) provision of, *inter alia*, health, hygiene and nutrition training to said caregivers and pregnant mothers.

**Part 2. Project Management and Administration**

(a) Financing the Project management and administration costs comprising: (i) the supervision costs of the national implementing agency; (ii) the costs for the regional supervision and quality control provided by staff of the MSANS based in the Recipient’s northern districts; and (iii) the cost of the Project annual audit.

(b) Financing the Project’s monitoring and evaluation process and a knowledge dissemination workshop.

2.02. **Project Execution Generally.** The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through the Ministry of Community Development, Handicraft, Youth and Employment in accordance with: (a) the provisions of 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.

2.03. **Institutional and Other Arrangements.** Without limitations upon the provisions of Section 2.02 above:

(a) The Recipient shall maintain, throughout Project implementation, the following entities with structure, mandate and resources satisfactory to the World Bank.

(1) the Technical Secretariat within the Ministry of Community Development, Handicraft, Youth and Employment to be responsible for the day-to-day Project coordination and implementation, including the carrying out of Project financial management and Project procurement activities; and

(2) the MSANS to be responsible for the implementation of cash transfers through the regional implementing agencies in Kara and Savanes.
The Recipient shall maintain, throughout Project implementation, the MOU dated December 17, 2012 outlining the terms of collaboration between the Technical Secretariat and UNICEF.

The Recipient shall carry out the Project in accordance with the Project Implementation Manual, and except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Project Implementation Manual, or any provision thereof.

In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

The Recipient shall ensure that the cash transfer programs provide monthly cash transfers of FCFA 5,000 in the targeted villages in Kara and Savanes to: (i) mothers/caretakers of all children aged 0-24 months; (ii) mothers/caretakers of severely malnourished children aged between 25-59 months; and (iii) pregnant women in the second and third trimesters of pregnancy.

The Recipient shall ensure that the caregivers of Target Children and pregnant mothers participate in the measures to be carried out under Part 1(b) of the Project.

The Recipient shall ensure that the Grant is used exclusively for the financing of activities detailed in Section 2.01 of this Annex and no portion of the Grant shall be used for any applicable expenditure under the Project if such expenditure was paid through the IDA Financing.

2.04. Financial Management

The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

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

The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each 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 (6) months after the end of such period.

2.05. Procurement

General. All goods, non-consulting services 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:

(i) Section I of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”), in the case of goods and non-consulting services; and
(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 (“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 and Non-consulting Services

(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 and non-consulting services for those contracts specified in the Procurement Plan: (A) National Competitive Bidding, subject to the following additional provisions of sub-paragraph (iii) below; (B) Shopping; (C) Direct Contracting; and (D) Community Participation procedures which have been found acceptable to the World Bank.

(iii) Requirements for the National Competitive Bidding. The following additional procedures shall apply to National Competitive Bidding:

1. Each bidding document and contract financed out of the proceeds of the Grant shall provide that the bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the World Bank, at its request, to inspect all accounts, records and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the World Bank; and the deliberate and material violation of such provision may amount to an obstructive practice as defined in the Procurement Guidelines;

2. The invitation to bid shall be advertised in national newspapers with wide circulation;

3. The bid evaluation, qualification of bidders and contract award criteria shall be clearly indicated in the bidding documents;

4. The bidders shall be given adequate response time (at least four weeks from the date of the invitation to bid or the date of
availability of a bidding documents, whichever is later) to prepare and submit their bids;

5. The contracts shall be awarded to the lowest evaluated bid, provided that it is qualified;

6. The eligible bidders, including foreign bidders, shall not be precluded from participating; and

7. No community preference margin shall be granted to contractors from other country than Recipient’s country.

(d) Particular Methods of Procurement of Consultants’ Services

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

(ii) The following methods may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Least Cost Selection; (B) Selection based on Consultants’ Qualifications; (C) Selection of Individual Consultants; and (D) 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: (i) Article III of the Standard Conditions; (ii) this Section; and (iii) 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 US $)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
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<tr>
<td>(1) Cash transfer under Part 1(a) of the Project</td>
<td>2,336,000</td>
<td>100% of amounts paid by the Recipient under the Cash Transfer</td>
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<tr>
<td>(2) Consultants’ services, under Part 1(b) and Part 2 of the Project</td>
<td>138,540</td>
<td>100%</td>
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<tr>
<td>(3) Training under Part 1(b) and Part 2 of the Project</td>
<td>10,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Operating Costs under Part 1(b) and Part 2 of the Project</td>
<td>65,460</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>2,550,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this Section: (i) the term “Training” means training conducted in the territory of the Recipient, including purchase and publication of materials, rental of facilities, course fees, and travel and subsistence of trainees; and (ii) the term “Operating Costs” means the reasonable incremental expenditures incurred by the Recipient in the implementation of the Project, consisting of consumable materials and supplies, communications, mass media and printing services, vehicle rental, operation and maintenance, charges for the opening and operation of bank accounts required for the Project, and travel, lodging and per diems, but excluding salaries of officials of the Recipient’s civil service.

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 countersignature of this Agreement by the Recipient.

3.03. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is four years after the date of countersignature of this Agreement by the Recipient.

**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 responsible for finance.
4.02. **Recipient’s Address.** The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

Ministry of Economy and Finance  
Immeuble CASEF  
B.P. 387  
Lomé - Togo

Facsimile:

(228) 22 221 09 05

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

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

<table>
<thead>
<tr>
<th>Cable:</th>
<th>Telex:</th>
<th>Facsimile:</th>
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<td>INDEVAS</td>
<td>248423 (MCI)</td>
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