Financing Agreement

(Education Sector Reconstruction Project)

between

REPUBLIC OF BURUNDI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated February 27, 2007
FINANCING AGREEMENT

AGREEMENT dated February 27, 2007, between REPUBLIC OF BURUNDI ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). 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 in an amount equivalent to thirteen million three hundred thousand Special Drawing Rights (SDR 13,300,000) ("Grant") to assist in financing the project described in Schedule 1 to this Agreement ("Project").

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 Payment Dates are April 15 and October 15 in each year.

2.05. The Payment Currency is the Dollar.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out Parts 2-3 of the Project through the Ministry of Education, and cause Part 1 of the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions.

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 Events of Suspension consist of the following:

The Project Implementing Entity’s Legislation has been amended, suspended, abrogated, repealed, or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project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.

4.02. The Additional Event of Acceleration consists of the following:

The event specified in Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consist of the following:

(a) The Subsidiary Agreement has been duly executed on behalf of the Recipient and the Project Implementing Entity.

(b) The Project Implementation Manual, in form and substance satisfactory to the Association, has been duly adopted by the Recipient and the Project Implementing Entity.

(c) Staff, including: (i) the Executive Secretary; (ii) a financial management specialist; (iii) an accountant; (iv) a procurement specialist; and (v) a monitoring and evaluation specialist, all with qualifications, experience, and terms of reference satisfactory to the Association, have been appointed to the Executive Operational Secretariat in accordance with the provisions of Section III of Schedule 2 to this Agreement.
5.02. The Additional Legal Matter consists of the following:

The 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 90 days after the date of this Agreement.

ARTICLE VI – REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its Minister at the time responsible for finance.

6.02. The Recipient’s Address is:

Ministry of Finance
P. O. Box 1830
Bujumbura
Burundi

Facsimile:

257-22-38-27

6.03. The Association’s Address is:

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

Cable:              Telex:              Facsimile:
INDEVAS            248423 (MCI) or    1-202-477-6391
Washington, D.C.   64145 (MCI)
AGREED at Bujumbura, Burundi, as of the day and year first above written.

REPUBLIC OF BURUNDI

By /s/ Denise Sinankwa
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Alassane Sow
Authorized Representative
SCHEDULE 1

Project Description

The objective of the Project is to improve the capacity of the Recipient’s schools to educate a rapidly increasing number of primary-level students and the capacity of the Recipient to carry out policy analysis, strategic planning, and program implementation in the education sector.

The Project consists of the following parts:

1. Expansion of School Infrastructure

   Three-year program of construction and rehabilitation of primary schools in Bururi, Cankuzo, Citiboke, Karsusi, Kirundo, Muyinga, Ngozi, Rural Bujumbura, and Rutana Provinces:

   (a) Construction of classrooms (approximately 220), school director’s and other administrative offices, a library, girls’ and boys’ restrooms, and water sources (approximately 40).

   (b) Rehabilitation of classrooms (approximately 200), girls’ and boys’ restrooms, and water sources.

   (c) Construction of teachers’ lodges (approximately 60) as appropriate, in schools targeted under above activities.

   (d) Provision of furniture and equipment, such as desks, library and administrative office furniture, blackboards, and maps, for schools targeted under above activities.

   (e) Carrying out of training and awareness activities relating to construction under the Project for Commune Development Committees and school communities, such as parent-teacher associations, involved in implementation of this Part 1 of the Project.

   (f) Establishment of Population Resettlement Fund, and financing of compensation, studies, and training in supervision and in monitoring and evaluation both generally and with specific regard to resettlement through said Fund.

   (g) Implementation of Environmental and Social Management Framework, including measures proposed in the Environmental and Social Management Plan.

All through the acquisition of goods, carrying out of works, provision of technical advisory services, and carrying out of training.
2. Support for Teaching and Learning

(a) Training of teachers, school directors, and inspectors:

(i) in-person and distance pedagogical in-service training of up to 2,950 primary-school teachers without pedagogical qualifications;

(ii) distance in-service training of all primary-school teachers (approximately 26,000) in pedagogical methodology, health, nutrition, hygiene, HIV/AIDS, human rights, education for peace, life competencies, and gender issues;

(iii) in-person in-service training of approximately 2,200 school directors and approximately 149 Commune inspectors in critical aspects of their functions, and follow-up on and evaluation of such training;

(iv) development and training, in Pedagogical Offices, of teams specializing in distance Training in areas of editing, production, operation, and evaluation of distance Training programs, and provision of equipment to School Radio; and

(v) development of training programs for teachers, school directors, and inspectors, pedagogical and administrative tools for school directors and inspectors, interactive distance-training radio programs, and training programs for trainers.

(b) Provision and management of textbooks and learning materials:

(i) provision of select textbooks to all primary-school students;

(ii) provision of one textbook each of biology, English, French, Kirundi, and mathematics for every three lower-secondary school students;

(iii) provision of said textbooks and corresponding teacher’s guides or books to all primary and lower-secondary school teachers; and

(iv) development of textbook and learning material management mechanisms, and capacity building in procurement.
(c) Measurement of learning outcomes:

Development and annual administration of rapid-reading competency tests, through provision of support to entities of the Ministry of National Education and Culture in the following areas:

(i) development and identification of sample to be tested;

(ii) management of test administration; and

(iii) evaluation of test results.

All through the acquisition of goods, provision of technical advisory services, and carrying out of training.

3. **Capacity Building in Ministry of National Education and Culture**

(a) Institutional and strategy development:

(i) development of policies and reforms for improvement of quality of education, institutional capacity building in management and planning, establishment of education information management system, and elaboration of policy notes and action plan relating to health and nutrition as well as each sub-sector in secondary, technical-vocational, and higher education;

(ii) provision of urgently required equipment such as servers, computers, printers, and photocopiers to the Directorate of the Office of Education Planning, General Directorate of Pedagogical Offices, and Provincial Education Department, four vehicles to the Executive Secretariat, and approximately 149 motorcycles to regional inspectors; and

(iii) carrying out of training, including workshops and study tours, for staff in policy development, management, and planning.

(b) Project management:

Provision of support to Executive Operational Secretariat in the following areas:

(i) coordination of Project implementation;

(ii) management of Grant proceeds;

(iii) procurement and financial management;
(iv) monitoring and evaluation of Project implementation in light of results framework; and

(v) capacity building of Ministry of National Education and Culture in fiduciary management.

All through the acquisition of goods, provision of technical advisory services, carrying out of training, and financing of Operating Costs.
SCHEDULE 2

Project Execution

Section I. Subsidiary Financing; Institutional and Other Arrangements

A. Subsidiary Agreement

1. To facilitate the carrying out of the Project Implementing Entity’s Respective Part of the Project, the Recipient shall make part of the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association, which shall include the following (“Subsidiary Agreement”):

(a) The Recipient shall provide part of the proceeds of the Financing to the Project Implementing Entity on terms and conditions satisfactory to the Association, including provision of said part on a grant basis.

(b) The Project Implementing Entity shall perform all of its obligations under the Project Agreement.

(c) Procurement of the goods, works, and services required for the Project Implementing Entity’s Respective Part of the Project shall be governed by the provisions of Section III of Schedule 2 to this Agreement, as said provisions may be further elaborated in the Procurement Plan.

(d) The Project Implementing Entity shall ensure that the Project is implemented in accordance with the provisions of the Project Implementation Manual, and, except as the Association shall otherwise agree, the Project Implementing Entity shall not amend, abrogate, or waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, in a manner which, in the opinion of the Association, may materially or adversely affect Project implementation or achievement of the objective thereof.

(e) The Project Implementing Entity shall receive management fees of five percent (5%) of the cost of goods, works, and technical advisory services required for implementation of its Respective Part of the Project.

(f) Said management fees shall be paid to the Project Implementing Entity by the Executive Operational Secretariat only upon submission by the former to the latter of invoices and corresponding details on a monthly basis and approval of said invoices by the latter.
(g) The Executive Operational Secretariat shall pay the Project Implementing Entity said management fees no later than 15 days after the submission of said invoices and corresponding details by the latter.

(h) The Executive Operational Secretariat shall make to the Project Implementing Entity, no later than 15 days after the approval by the former of the action plan of the latter referred to in Section V of this Schedule for the first year of Project implementation, an advance of said management fees for the first six months of implementation of the latter’s Respective Part of the Project in an amount equivalent to sixty three thousand dollars ($63,000).

2. The Recipient 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 Recipient shall not assign, amend, abrogate, or waive the Subsidiary Agreement of any of its provisions.

B. Institutional Arrangements

1. Recipient

Ministry of National Education and Culture

(a) The Ministry of National Education and Culture shall coordinate, monitor, and oversee Project implementation.

Committee for Coordination of Implementation of Education and Training Sector Policy

(b) The Recipient shall maintain in the Ministry of National Education and Culture, throughout Project implementation, the Committee for Coordination of Implementation of Education and Training Sector Policy (the Coordination Committee), in form and substance and with resources and functions satisfactory to the Association, and comprising at least: (i) the Minister of National Education and Culture or his duly appointed representative as Chair; (ii) a representative from the Second Vice Presidency; (iii) the Director of the Office of Education Planning; and (iv) the Executive Operational Secretary.

(c) Without limitation upon the provisions of subparagraph (b) of this Section, the Coordination Committee shall provide overall policy orientation for and oversight of Project implementation.
Executive Operational Secretariat

(d) The Recipient shall maintain, in the Ministry of National Education and Culture, throughout Project implementation, the Executive Operational Secretariat, in form and substance and with resources and functions satisfactory to the Association, including staff with qualifications, experience, and terms of reference satisfactory to the Association, including the staff referred to in Section 5.01 (c) of this Agreement, whose responsibilities shall be as follows: (i) the Executive Secretary shall coordinate, manage, and monitor Project implementation; (ii) the financial management specialist shall be responsible for financial and administrative management and accounting under the Project, timely production of financial reports, and ensuring continued adequacy of the Project financial management system; (iii) the accountant shall be responsible for provision of accounting assistance to said financial management specialist; (iv) the procurement specialist shall be responsible for the planning, implementation, and follow up of procurement under the Project, production of quarterly and annual procurement reports, and updating of the Procurement Plan and shall participate in bidding evaluation and consultant selection committees under the Project; and (v) the monitoring and evaluation specialist shall be responsible for overall monitoring and evaluation under the Project and relating to the potential environmental and social impact of the Project and preparation of quarterly and annual Project Reports.

(e) Without limitation upon the provisions of subparagraph (d) of this Section, the Executive Operational Secretariat shall coordinate and monitor Project implementation and carry out fiduciary management under the Project, and, as such, shall, inter alia: (i) organize and lead, in collaboration with the responsible Technical Directorate, planning of Project activities, consolidate the annual action plan for each part of the Project, and develop the global annual plan for activities under the Project; (ii) carry out, in collaboration with the responsible Technical Directorate, activities under Parts 2 and 3 of the Project; (iii) supervise and ensure, in collaboration with Component 1 of the Technical Execution Committee, compliance by the Project Implementation Entity with the provisions of the Subsidiary Agreement; (iv) maintain communication with the Association in relation to Project implementation in accordance with the provisions of this Agreement; (v) organize and lead the process of monitoring and evaluation and consolidate annual Project Reports; (vi) ensure financial management, including accounting, under the Project, production of quarterly and annual financial statements, planning and coordination of annual audit missions, and timely implementation of auditors’ recommendations; (vii) coordinate, in collaboration with the responsible Technical Directorate, procurement and launch and supervision of contract execution, and ensure compliance with applicable procedures; (viii) organize and make available to the relevant monitoring (audit, inspection, evaluation, supervision) body any support, information, and other resources necessary to the achievement of the concerned exercise; and (ix) ensure the carrying out of the training set out in the Environmental and Social Management Framework.
(f) Without limitation upon the provisions of subparagraphs (d) and (e) of this Section, the Executive Secretariat shall be responsible for implementation of Part 3 (b) of the Project, including monitoring and evaluation, and shall work in close collaboration with the Technical Execution Committee, the concerned Technical Directorate, and the Office of Education Planning with regard to monitoring and evaluation.

Technical Execution Committee

(g) The Recipient shall maintain under the Coordination Committee, throughout Project implementation, the Technical Execution Committee, in form and substance and with resources and functions satisfactory to the Association and comprising the following four (4) components: (i) Access and Equity (Component 1); (ii) Quality (Component 2); (iii) Institutional Capacity Building and Planning (Component 3); and (iv) Post-Primary Education (Component 4).

(h) Without limitation upon the provisions of subparagraph (g) of this Section, the Technical Execution Committee shall provide overall policy orientation for and oversight of implementation of specific parts of the Project, as follows: (i) Part 1 of the Project under Component 1; (ii) Part 2 of the Project under Component 2; and (iii) Part 3 of the Project under Components 3 and 4.

Technical Directorates

(i) The Recipient shall maintain in the Ministry of National Education and Culture, throughout Project implementation, Technical Directorates, in form and substance and with resources and functions satisfactory to the Association.

(j) Without limitation upon the provisions of subparagraph (i) of this Section, the General Directorate of Pedagogical Offices shall be responsible for implementation of Part 2 of the Project, under the oversight of Component 2 of the Technical Execution Committee and the overall coordination and monitoring of the Executive Operational Secretariat. The General Directorate of Pedagogical Offices shall work in close collaboration with the Office of National Evaluations and School Radio with regard to Part 2 (a) of the Project, the General Directorate of Basic Education and the General Directorate of Secondary Education with regard to Part 2 (b) of the Project, and the Office of National Evaluations with regard to Part 2 (c) of the Project.

(k) Without limitation upon the provisions of subparagraph (i) of this Section, the Office of Education Planning shall be responsible for implementation of Part 3 (a) of the Project, under the oversight of Components 3 and 4 of the Technical Execution Committee and the overall coordination and monitoring of the Executive Operational Secretariat, and shall work in close collaboration with the Technical Execution Committee and the concerned Technical Directorate.
(l) As such and without limitation upon the provisions of subparagraphs (i), (j), and (k) of this Section, the General Directorate of Pedagogical Offices and the Office of Education Planning shall be responsible for the following with regard to Parts 2 and 3 (a) of the Project, respectively: (i) preparation of annual action plans and budgets under the Project; (ii) production of quarterly progress reports, including follow-up of Project indicators; (iii) planning, implementation, and oversight of Project activities; and (iv) coordination of said activities with the Executive Operational Secretariat, and provision to the latter of any information needed, including for auditing and fiduciary purposes.

2. **Project Implementing Entity**

   (a) The Recipient shall cause the Project Implementing Entity to maintain, throughout Project implementation, an institutional framework, in form and substance satisfactory to the Association, including staff with qualifications, experience, and terms of reference satisfactory to the Association, for purposes of effective discharge of the responsibilities set out in subparagraph (b) below.

   (b) Without limitation upon the provisions of subparagraph (a) of this Section, the Recipient shall cause the Project Implementing Entity to coordinate and monitor implementation of and carry out financial management, accounting, and procurement under the latter’s Respective Part of the Project, under the oversight of Component 1 of the Technical Execution Committee and the coordination and monitoring of the Executive Operational Secretariat.

C. **Manual**

Except as the Association shall otherwise agree, the Recipient shall: (i) carry out, through the Ministry of National Education and Culture, its Respective Part of the Project, and cause the Project Implementing Entity to carry out its Respective Part of the Project, in accordance with the Project Implementation Manual referred to in Section 5.01 (b) of this Agreement; and (ii) except as the Association shall otherwise agree, not amend, abrogate, or waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, in a manner which, in the opinion of the Association, may materially or adversely affect Project implementation or achievement of the objective thereof.

D. **Environmental and Social Safeguards**

1. The Recipient shall ensure that its Respective Part of the Project, and cause the Project Implementing Entity to ensure that its Respective Part of the Project, is implemented in accordance with the provisions of the Environmental
and Social Management Framework, Resettlement Policy Framework, and any Resettlement Action Plan, and, except as the Association shall otherwise agree, the Recipient shall not amend or waive, or permit to be amended or waived, any provision of the aforementioned if such amendment or waiver may, in the opinion of the Association, materially or adversely affect Project implementation or achievement of the objective thereof.

2. The Environmental Focal Point of the Project Implementation Entity shall coordinate and oversee, in collaboration with the Environmental Focal Points of the Ministry of National Education and Culture and the Directorate of the Environment and Tourism, implementation of the Environmental and Social Management Framework, Resettlement Policy Framework, and any Resettlement Action Plan under Part 1 of the Project.

3. No construction activity under Part 1 of the Project requiring resettlement may be carried out without preparation and implementation, in form and substance satisfactory to the Association, of a Resettlement Action Plan by the respective Commune Development Committee.

Section II. Project Monitoring, Reporting, Evaluation

A. Project Reports

1. (a) The Recipient shall 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 the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one calendar year, and shall be furnished to the Association not later than 45 days after the end of the period covered by such report.

(b) The performance indicators referred to above in sub-paragraph (a) consist of the following:

(i) Project objective

(A) The primary-education completion rate has increased from 38% in the 2005-06 school year to at least 65% in the 2010-11 school year.

(B) Baseline results, in form and substance satisfactory to the Association, have been established for sample-based rapid-reading competency tests by the end of the first year of Project implementation, and said results have
been maintained or exceeded in each subsequent year of Project implementation.

(C) The Recipient has been endorsed by the Education for All – Fast Track Initiative by the Closing Date.

(ii) Part 1 of the Project

(A) Primary-school gross enrolment rates have increased from 80% in the 2005-06 school year to 100% in the 2010-11 school year in each of the nine Provinces targeted under Part 1 of the Project.

(B) The difference in the ratio of primary-school age population per class between the Province with the highest (Karusi with 171) and that with the lowest (Baruri with 44) has been reduced from 127 in the 2004-05 school year to 40 or less in the 2010-11 school year.

(C) The girl-boy ratio of primary-school enrolment has increased from 0.91 in the 2005-06 school year to 0.95 in the 2010-11 school year.

(iii) Part 2 of the Project

(A) A new system of in-service training for primary-school teachers, including new programs and distance learning through School Radio, has been established by the end of the first year of Project implementation.

(B) Student-teacher ratios in the nine Provinces targeted under Part 1 of the Project has decreased from an average of 57 in the 2004-05 school year to an average of 50 in the 2010-11 school year.

(C) The number of textbooks in French and Kirundi per primary-school student has increased from 0.3 in the 2005-06 school year to 1 in the 2010-11 school year.

(iv) Part 3 of the Project

(A) By the end of the second year of Project implementation, the Ministry of National Education and Culture has established targets, in form and substance
satisfactory to the Association, for reduction of the ratio of non-teaching to teaching staff, and monitors, in form and substance satisfactory to the Association and on an annual basis, progress toward said targets in each subsequent year of Project implementation (Baseline data: 26% non-teaching staff in 2004-05 school year).

(B) By the end of the second year of Project implementation, the Ministry of National Education and Culture has established targets, in form and substance satisfactory to the Association, for improvement in the equitable distribution of the teaching force between schools, and monitors, in form and substance satisfactory to the Association and on an annual basis, progress toward said targets in each subsequent year of Project implementation (Baseline data: Random allocation of 50% of teachers in 2004-05 school year).

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain, and cause the Project Implementing Entity to maintain, 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 prepare and furnish to the Association, no later than 45 days after the end of each quarter of the calendar year, interim un-audited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited, and ensure that the Project Implementing Entity has its Financial Statements audited, in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal under the Project Preparation Advance was made. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

Section III. Procurement

A. General

1. Goods and Works. All goods and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance
with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Schedule.

2. **Consultants’ Services.** All consultants’ services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Schedule.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

### B. Particular Methods of Procurement of Goods and Works

1. **Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of National or International Competitive Bidding.

2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Shopping</td>
</tr>
<tr>
<td>(b) Procurement from United Nations Agencies</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
</tbody>
</table>

### C. Particular Methods of Procurement of Consultants’ Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following table specifies methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-based Selection</td>
</tr>
</tbody>
</table>
D. **Review by the Bank of Procurement Decisions**

Except as the Association shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the Association: 
(1) each contract for goods or works in accordance with the provisions of the Procurement Plan; 
(2) each contract for consultants’ services with specific regard to the terms of reference for such contract; 
(3) the first contract for consultants’ services provided by a firm; 
(4) each contract for consultants’ services provided by a firm estimated to cost the equivalent of $100,000 or more; 
(5) the first contract for consultants’ services provided by an individual; 
(6) each contract for consultants’ services provided by an individual estimated to cost the equivalent of $50,000 or more; 
(7) each contract for consultants’ services procured on the basis of single source selection; and 
(8) each contract for training, workshops, and study tours in accordance with the provisions of the Project Implementation Manual. All other contracts shall be subject to Post Review by the Association.

**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 this Section and such additional instructions as the Bank may specify by notice to the Recipient, 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 Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (excluding taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>(a) Part 1 of Project</td>
<td>130,000</td>
<td></td>
</tr>
<tr>
<td>(b) Parts 2 and 3 of Project</td>
<td>3,300,000</td>
<td></td>
</tr>
<tr>
<td>(2) Works</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>(a) Part 1 of Project</td>
<td>4,600,000</td>
<td></td>
</tr>
<tr>
<td>(b) Parts 2 and 3 of Project</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(3) Consultants’ Services</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>(a) Part 1 of Project</td>
<td>370,000</td>
<td></td>
</tr>
<tr>
<td>(b) Parts 2 and 3 of Project</td>
<td>2,000,000</td>
<td></td>
</tr>
<tr>
<td>(4) Training, including study tours and workshops</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>(a) Part 1 of Project</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(b) Parts 2 and 3 of Project</td>
<td>1,700,000</td>
<td></td>
</tr>
</tbody>
</table>
(5) Population Resettlement Fund

(a) Part 1 of Project 70,000
(b) Parts 2 and 3 of Project 0

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<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (excluding taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(6) Project Implementing Entity Management Fees</td>
<td>260,000</td>
<td>100</td>
</tr>
<tr>
<td>(7) Operating Costs</td>
<td></td>
<td>100</td>
</tr>
<tr>
<td>(a) Part 1 of Project</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(b) Parts 2 and 3 of Project</td>
<td>270,000</td>
<td></td>
</tr>
<tr>
<td>(8) Project Preparation Advance</td>
<td>250,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(9) Unallocated</td>
<td>350,000</td>
<td></td>
</tr>
</tbody>
</table>

TOTAL AMOUNT 13,300,000

B. Withdrawal Conditions; Withdrawal Period

The Closing Date is June 30, 2011.

V. Other Undertakings

For each year of Project implementation, the Project Implementing Entity, the Directorate General of Pedagogical Offices, and the Office of Education Planning shall submit to the Executive Operational Secretariat for approval, in accordance with the
provisions of the Project Implementation Manual, an annual action plan, in form and substance satisfactory to the Association, for Parts 1, 2, and 3 (a) of the Project, respectively, setting out the activities to be implemented under the Project in the following year.
APPENDIX

Definitions

1. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

2. “Committee for Coordination and Monitoring of Implementation of Education Sector Policy and Training” or “Coordination Committee” means the Recipient’s entity established and operating pursuant to the Recipient’s Order No. 15 of December 18, 2006, responsible for coordination and monitoring of implementation of the Recipient’s education sector policy and training.

3. “Commune” means an administrative area of the Recipient, established pursuant to the Recipient’s Law No. 1/16 of April 20, 2005, representing a designated area and population within the territory of the Recipient.

4. “Commune Development Committee” (Comité de Développement Communal) means the Recipient’s entity established and operating pursuant to the Recipient’s Law No. 1/16 of 20 April 2005, and which is responsible for communal development.


6. “Directorate of Education Projects” means the Recipient’s entity, housed under the Ministry of National Education and Culture (as hereinafter defined), responsible for education projects.

7. “Directorate of the Environment and Tourism” means the Recipient’s entity, housed under the Ministry of Land Settlement, the Environment, and Tourism (as hereinafter defined), responsible for the environment and tourism.

8. “Directorate General of Basic Education” (Direction Générale de l’Education de Base) means the Recipient’s entity, housed under the Ministry of National Education and Culture (as hereinafter defined), responsible for basic education.

9. “Directorate General of Pedagogical Offices” (Direction Générale des Bureaux Pédagogiques) means the Recipient’s entity, housed under the Ministry of National Education and Culture (as hereinafter defined), responsible for Pedagogical Offices (as hereinafter defined).

10. “Directorate General of Secondary Education” (Direction Générale de l’Enseignement Secondaire) means the Recipient’s entity, housed under the
Ministry of National Education and Culture (as hereinafter defined), responsible for secondary education.

11. “Education for All – Fast Track Initiative” means the global partnership established between donor and developing countries in 2002 in order to ensure accelerated progress towards the achievement of the Millennium Development Goal of universal primary education by 2015.

12. “Environmental and Social Management Framework” means the Recipient’s framework, dated November 2006, agreed with the Association for the environmental and social screening process to be followed in identifying, assessing, and mitigating the potential adverse environmental and social impact associated with activities to be implemented under the Project, as the same may be updated from time to time with the concurrence of the Association, to be applied by the Recipient in accordance with the provisions of Section I.D.1 of Schedule 2 to this Agreement, and such term includes any schedules to the Environmental and Social Management Framework.

13. “Environmental and Social Management Plan” means the Recipient’s plan which is part of the Environmental and Social Management Framework and which is agreed with the Association for the environmental and social screening process to be followed in identifying, assessing, and mitigating the potential adverse environmental and social impact associated with activities to be implemented under the Project, as the same may be updated from time to time with the concurrence of the Association, to be applied by the Recipient in accordance with the provisions of Section I.D.1 of Schedule 2 to this Agreement, and such term includes any schedules to the Environmental and Social Management Plan.

14. “Environmental Focal Point” means an individual designated in an entity of the Recipient’s as being responsible for implementation of environmental and social safeguards under the Project activities involving said entity.

15. “Executive Operational Secretariat” means the Recipient’s entity established and operating pursuant to the Recipient’s Ministerial Ordinance No. 610/1215 of December 19, 2006.


17. “Ministry of Finance” means the Recipient’s Ministry at the time responsible for finance.

18. “Ministry of National Education and Culture” means the Recipient’s Ministry at the time responsible for national education and culture.
19. “Ministry of Planning, Development, and Reconstruction” means the Recipient’s Ministry at the time responsible for planning, development, and reconstruction.

20. “Ministry of Land Settlement, the Environment, and Tourism” means the Recipient’s Ministry at the time responsible for land settlement, the environment, and tourism.


23. “Operating Costs” means the incremental expenses incurred by the Recipient on account of Project implementation, management, and monitoring, including for office space rental, utilities, and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, building and equipment maintenance, advertising expenses, travel and supervision, salaries of contractual and temporary staff, but excluding salaries, fees, honoraria, and bonuses of members of the Recipient’s civil service.

24. “Pedagogical Office” means the Recipient’s entity, housed under the Ministry of Education, and which is responsible for curricula development, pedagogical supervision, and in-service teacher training.

25. “Population Resettlement Fund” refers to the fund established under Part 1 (f) of the Project for purposes of compensation of persons potentially resettled as a result of activities under Part 1 of the Project.


27. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated December 21, 2006 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

28. “Project Implementation Manual” means the manual, in form and substance satisfactory to the Association, adopted by the Recipient and the Project Implementing Entity, and outlining implementation, organizational, administrative, monitoring and evaluation, financial management, disbursement, procurement, and environmental and social monitoring and mitigation arrangements, as shall have been agreed with the Association for purposes of
Project implementation, as the same may be amended from time to time with the concurrence of the Association, and such term includes any schedules to the Project Implementation Manual.


31. “Project 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 April 25, 2006 and on behalf of the Recipient on April 26, 2006.

32. “Province” means an administrative area of the Recipient, established pursuant to the Recipient’s Law No. 1/010 of March 18, 2005, representing a designated area and population within the territory of the Recipient.

33. “Provincial Education Department” (* Département Provincial de l’Education*) means the Recipient’s entity, housed under the Ministry of Education, responsible for provincial education.

34. “Resettlement Policy Framework” means the Recipient’s framework, dated November 2006, agreed with the Association for the resettlement and compensation of persons affected by potential changes in land use associated with activities to be implemented under the Project, as the same may be updated from time to time with the concurrence of the Association, to be applied by the Recipient in accordance with the provisions of Section I.D.1 of Schedule 2 to this Agreement, and such term includes any schedules to the Resettlement Policy Framework.

35. “Resettlement Action Plan” means a plan that outlines the procedures, including related compensation measures, to be applied in the event of the physical displacement of persons and / or loss of livelihoods of persons affected by activities to be implemented under the Project, to be prepared and applied by the Recipient in accordance with the provisions of Sections I.D.1 and 3 of Schedule 2 to this Agreement.

36. “School Radio” means the Recipient’s entity responsible for the production of radio programs on educational issues and for in-service teacher training.
37. “Subsidiary Agreement” means the agreement referred to in Section IA of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the Project Implementing Entity.


40. “Training” means the training of persons involved in Project-supported activities, such term including seminars, workshops, and study tours, and costs associated with such activity include travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.