May 22, 2013

Mr. Henri Eyebe Ayissi
President
Conseil Régional de Formation des Institutions Supérieures de Contrôle des Finances Publiques de l’Afrique Francophone Subsaharienne
P.O. Box 376
Yaoundé
Republic of Cameroon

Re: Africa: IDF Grant for the Regional Support to French and Portuguese Speaking Supreme Audit Institutions Project
IDF Grant No. TF014825

Dear Sir:

In response to the request for financial assistance made on behalf of Conseil Régional de Formation des Institutions Supérieures de Contrôle des Finances Publiques de l’Afrique Francophone Subsaharienne ("CREFIAF") ("Recipient"), I am pleased to inform you that the International Bank for Reconstruction and Development ("World Bank") proposes to extend to the Recipient, for the benefit of state members ("Member Country"), a grant from the World Bank’s Institutional Development Fund ("IDF") in an amount not to exceed nine hundred ninety nine thousand nine hundred thirty United States Dollars (U.S.$999,930) ("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").

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

Please confirm the Recipient's agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and 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effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received the countersigned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 BANK FOR RECONSTRUCTION AND DEVELOPMENT

By ________________________________
Elizabeth Lu
Acting Director, Strategy and Operations
Africa Region

AGREED:

CONSEIL REGIONAL DE FORMATION DES INSTITUTIONS SUPERIEURES DE CONTROLE DES FINANCES PUBLIQUES DE L’AFRIQUE FRANCOPHONE SUBSAHARIENNE (CRIAF)

By: ________________________________
Authorized Representative

Name: Henri Eyebe Ayissi
Title: PRESIDENT DU CRIAF
Date: ________________________________

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) “CRRI Secretariat” and “Conseil Régional de Renforcement Institutionnel” each means the Recipient’s organ responsible for institutional strengthening.

(b) “Economy and Finance Commission of the Parliaments” means the commission within the Parliament, responsible for overseeing budget preparation, execution and reporting.


(d) “SAI” means the Supreme Audit Institution.

(e) “Technical Working Group” means a commission established under the Project to review and further analyze specific topics.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to improve professionalism and quality of audit work of the Recipient’s member institutions on financial audits with issuance of audit opinions. The Project consists of the following parts:


Strengthening the capacity of the SAI's through: (i) the distribution of the translated and printed audit guidelines, quality assurance and code of professional ethics to the SAI's and the Economy and Finance Commission members of the Parliaments; (ii) posting of the guidelines in the Recipient’s website; (iii) training of champions on use of financial audit guidelines, comprising workshops and the development of e-learning modules; (iv) the carrying out of 20 pilot missions on financial audits in accordance with international standards in Member Countries; and (v) disclosure of the missions reports through the Recipient’s website as well as the SAI’s website, if applicable.
Part 2. Strengthening the Member Countries' SAI’s Relationships with Stakeholders

Strengthening the relationship between SAI and external stakeholders through: (i) the development of a communication strategy to be carried out by the Recipient’s Technical Working Group; (ii) the organization of validation workshops aimed at training the Recipient’s auditors on best practices in communicating with external stakeholders; and (iii) the carrying out of an international seminar amongst SAI members, parliamentarians, the media and the civil society.

Part 3. Institutional Development of CRRI Secretariat

Carrying out the restructuring of CRRI Secretariat to better respond to the Recipient’s needs during Project implementation through the recruitment of a consultant to: (i) review the Recipient’s actual organizational and management structure and funding model; and (ii) make recommendations for sustainable funding sources for the new structure.

Part 4. Audit

Carrying out of activities relevant to the completion of the Project’s audit.

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 CRRI Secretariat in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 (“Anti-Corruption Guidelines”); and (c) this Article II.

2.04. Project Monitoring, Reporting and Evaluation. (a) The Recipient shall monitor and evaluate the progress of the Project and, upon the World Bank’s request, prepare Project Reports, in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover such period as shall be indicated in the World Bank’s request and shall be furnished to the World Bank not later than one month after the date of such request.

(b) The Recipient shall, upon the World Bank’s request, prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than five months after the Closing Date.

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

(b) The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each 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.

2.06. **Procurement**

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

(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;

(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.** Goods shall be procured under contracts awarded on the basis of Shopping.

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

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

(ii) The following methods may be used for the procurement of consultants' services for those assignments which are specified in the Procurement Plan: (A) Quality-based Selection; (B) Selection under a Fixed Budget; (C) Least Cost Selection; (D) Selection based on Consultants’ Qualifications; (E) Single-source Selection of consulting firms; (F) Selection of Individual Consultants; and (G) 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 USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods</td>
<td>76,280</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Consultants’ Services (including audit)</td>
<td>718,350</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Training</td>
<td>205,300</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>999,930</td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this Section, the term “Training” means the reasonable costs associated with training and workshop participation under the Project, consisting of travel and subsistence costs for training participants, costs (other than consulting services) associated with securing the services of trainers and presenters, rental of training facilities, translation and interpretation services, preparation and reproduction of training materials.

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 three years after the date of countersignature of this Agreement by the Recipient.

Article IV
Additional Remedies

4.01. Additional Event of Suspension. The Additional Events of Suspension consist of the following, namely that the Recipient’s Legislation has been amended, abrogated, repealed, or
waived so as, in the opinion of the World Bank, to materially or adversely affect the ability of the Recipient to perform any of its obligations in the pursuit of the objective of the Project.

**Article V**

**Recipient's Representative; Addresses**

5.01. *Recipient's Representative.* The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its President.

5.02. *Recipient’s Address.* The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

PO Box376  
Yaoundé  
Republic of Cameroun  
Facsimile: 
(00237) 22 23 44 03

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

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America  
Cable: INTBAFRAD  
Telex: 248423 (MCI) or 64145 (MCI)  
Facsimile: 1-202-477-6391
APPENDIX
Modifications to the Standard Conditions

Paragraphs 17 and 18 of the Appendix to the Standard Conditions are modified to read as follows:

“17. “Member Country” means the member of the World Bank in whose territory the Project is carried out or any of such member’s political or administrative subdivisions. If the Grant is extended by the World Bank to such member as a party to the Grant Agreement, the term “Member Country” and “Recipient” refer to the same entity. If the Project is carried out in the territory of more than one member of the World Bank, “Member Country” refers separately to each such member.

18. “Project” means the Project for which the Grant is made. If the Project is carried out in the territory of more than one Member Country, “Project” refers separately to the Project of each such Member.”