Program Agreement
(Priority Skills For Growth Program)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

DEVELOPMENT BANK OF RWANDA

Dated July 17, 2017
CREDIT NUMBER 6119-RW

PROGRAM AGREEMENT

AGREEMENT dated , 2017, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and DEVELOPMENT BANK OF RWANDA ("BRD") ("Program Agreement") in connection with the Financing Agreement ("Financing Agreement") of same date between Republic of Rwanda ("Recipient") and the Association. The Association and the BRD hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Financing 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 Financing Agreement or the General Conditions.

ARTICLE II — PROGRAM

2.01. The BRD declares its commitment to the objectives of the Program. To this end, the BRD shall carry out Part 3(b)(i) of the Program in accordance with the provisions of Article IV of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Program.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Association and the BRD shall otherwise agree, the BRD shall carry out its Respective Part of the Program in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The BRD’s Representative is its Chief Executive Officer.

3.02. The Association’s Address is:

International Development Association
1818 H Street, N W.
Washington, D C. 20433
United States of America
The BRD's Address is:
Development Bank of Rwanda
KN 3 (former Boulevard de la Revolution)
P.O Box 1341
Kigali, Rwanda

AGREED at Kigali, Rwanda, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION
By

NAME: [Signature]
Title: Country Manager

DEVELOPMENT BANK OF RWANDA
By

NAME: [Signature]
Title: C.E. BRD

Telex: 248423 (MCI) Facsimile: 1-202-477-6391
SCHEDULE

Program Execution

Section I. Implementation Arrangements

A. Program Fiduciary, Environmental and Social Systems

Without limitation on the provisions of Article IV of the General Conditions, the BRD shall carry out its Respective Part of the Program in accordance with financial management, procurement and environmental and social management systems acceptable to the Association ("Program Fiduciary, Environmental and Social Systems") which are designed to ensure that:

1. the Financing proceeds for the BRD's Respective Part of the Program are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and

2. the actual and potential adverse environmental and social impacts of the BRD's Respective Part of the Program are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.

B. Anti-Corruption

Without limitation upon the provisions of Part A of this Section, the BRD shall carry out its Respective Part of the Program in accordance with the provisions of the Anti-Corruption Guidelines.

C. Other Program Institutional and Implementation Arrangements

1. Program Institutions

Without limitation on the generality of Part A of this Section I, the BRD shall assign, throughout the implementation of the Program, resources and staffing, acceptable to the Association and adequate to fulfill its Respective Part of the Program, as further detailed in the Program Operational Manual.

2. Program Operational Manual

Without limitation on the generality of Part A of this Section I, BRD shall carry out its Respective Part of the Program, in accordance with the Program Operational Manual.
3. **Program Action Plan**

(a) Without limitation on the generality of Part A of this Section I, BRD shall carry out the Program Action Plan, in accordance with the schedule set out in the said Program Action Plan in a manner satisfactory to the Association, and shall not amend, abrogate or suspend any provision of the Program Action Plan without the prior written agreement of the Association.

(b) Notwithstanding the foregoing, if any provision of any of said Program Action Plan is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail.

**Section II. Excluded Activities**

The BRD shall ensure that its Respective Part of the Program shall exclude any activities which:

A. in the opinion of the Association, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or

B. involve the procurement of: (1) works, estimated to cost US$115 million equivalent or more per contract; (2) goods, estimated to cost US$75 million equivalent or more per contract; (3) non-consulting services, estimated to cost US$75 million equivalent or more per contract; (4) consulting services, estimated to cost US$30 million equivalent or more per contract; or (5) information technology system estimated to cost US$60 million equivalent or more per contract.

**Section III. Program Monitoring, Reporting and Evaluation; Audits**

A. **Program Reports**

The BRD shall monitor and evaluate the progress of its Respective Part of the Program and prepare Program Reports for its Respective Part of the Program in accordance with the provisions of Section 4.08 of the General Conditions. Unless otherwise agreed by the Association, each Program Report shall cover the period of one (1) calendar semester, and shall be furnished to the Recipient not later than forty (40) days after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Program Report.

B. **Program Financial Audits**

1. Without limitation on the generality of Section I.A of this Schedule and Section 5.09 of the General Conditions, the BRD shall have the 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 BRD. The audited Financial Statements for each such period shall be furnished to the Association not later than ten (10) months after the end of such period.

2. The BRD shall provide to the Recipient not later than forty (40) days after the end of each calendar semester, for incorporation in the report referred to in Section 4.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of that Section.