FINANCING AGREEMENT

(Data for Decision-making Project)

between

CENTRAL AFRICAN REPUBLIC

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated May 24, 2017
GRANT NUMBER D1710-CF

FINANCING AGREEMENT

AGREEMENT dated 24 July, 2017, entered into between the CENTRAL AFRICAN REPUBLIC ("Recipient") and the 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 seven million four hundred thousand Special Drawing Rights (SDR 7,400,000) ("Financing"), 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 15 April and 15 October in each year.

2.05. The Payment Currency is Euro.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall implement the Project through ICASEES 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 — EFFECTIVENESS; TERMINATION

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

(a) The Recipient has adopted the PIM in form and substance acceptable to the Association.

(b) The Cofinancing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.

4.03 For purposes of Section 8.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.
ARTICLE V—REPRESENTATIVE; ADDRESSES

5.01 The Recipient's Representative is its Minister responsible for economy.

5.02. The Recipient's Address is:

Ministry of Economy, Planning and Cooperation
Rue Martin Luther King
BP 696, Bangui
Central African Republic

Facsimile: +236-21-619689

5.03. The Association's Address is:

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

Telex: 248423 (MCI) Facsimile: 1-202-477-6391
AGREED at Bangui, Central African Republic, as of the day and year first above written.

CENTRAL AFRICAN REPUBLIC

By

Authorized Representative

Name: HOLLAND FEATRANE

Title: Ministre des Mines, de l'Énergie et de l'Hydraulique

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: CARNE

Title: Représentant Résident
SCHEDULE 1

Project Description

The objective of the Project is to increase the capacity of ICASEES to produce and publicly disseminate statistics through data recovery, institutional development and support to data production.

The Project consists of the following parts:

Part 1. Statistical Recovery; Rehabilitation, Professionalization and Modernization of ICASEES

1.1 Data recovery
Support for: (i) the archiving of databases; and (ii) the recovery of lost databases, ensuring public accessibility of databases online, and digital archiving of statistical publications.

1.2 Rehabilitation of ICASEES physical and data infrastructure
Support for the rehabilitation and renovation of ICASEES physical infrastructure, within ICASEES existing perimeter and infrastructure footprint, based on a needs assessment.

1.3 Professionalization and modernization of ICASEES management
Support for professionalization and modernization of ICASEES capacity and improved effectiveness of management practices through: (i) the adoption of clear administrative rules and the hiring of Specialists; (ii) the introduction of PBF through reliance on the guidelines and verification mechanisms contained in the PBF Manual; (iii) strengthening the capacity for management autonomy through studies, legal consultants, the instituting of biannual ICASEES Board meetings and training of ICASEES Board members and ICASEES staff; and (iv) improved short and medium term coordination and planning of data production through adoption of the national statistical strategy, coordination of statistical activities cross different sectors and donor coordination and donor coordination.

1.4 Technical Assistance in support of urgent data access, recovery and renewal
Support for urgent technical assistance in support of: (i) restoring digital connectivity, including the launch of the ICASEES website; (ii) the restoration of crisis-affected physical and digital data bases; and (iii) a Revised CPI excluding a budget survey.
Part. 2. Data Collection, Production and Dissemination

2.1 Data collection using a PBF approach

Support for data collection through an Enhanced Census Cartography, a Living Conditions Survey, Annual Agricultural Surveys, a Communal Monographies Survey, a Revised CPI and Revised National Accounts.

2.2 Technical Assistance

Support for technical assistance to improve and modernize data protection and dissemination including modernizing data production and the introduction of CAPI systems, the hiring of specialists to facilitate methodological innovations and operational improvements, peer-to-peer learning and the preparation of interactive data dissemination, preparation of an annual statistical yearbook; introduction of PBF to align incentives with the timely and cost-effective production of quality data; Training of the ICASEES Board; and Third Party Evaluations.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall vest responsibility for overall Project supervision in the Ministry of Economy, Planning and Cooperation.

2. ICASEES Board of Directors

   (a) The Recipient shall, at all times during Project implementation, maintain the ICASEES Board of Directors.

   (b) The ICASEES Board of Directors shall be responsible for administrative oversight, overseeing the professionalization of ICASEES, approval of Annual Work Plans and Budgets, evaluation of progress and results, and holding ICASEES management accountable for results.

3. ICASEES Committee of Directors

   (a) The Recipient shall, at all times during Project implementation, maintain the ICASEES Committee of Directors.

   (b) The ICASEES Committee of Directors shall be responsible for providing strategic oversight and coordination of Project activities, elaborating Annual Work Plans and Budgets and overseeing the implementation of Project activities.

4. ICASEES

   (a) The Recipient shall vest responsibility for Project implementation in ICASEES, including all technical aspects, reporting the information technology.

   (b) The Recipient shall, not later than three (3) months after the Effective Date, cause ICASEES to recruit a procurement specialist, a financial management specialist, an assistant accountant and a Project assistant, each with terms of reference, qualifications and experience acceptable to the Association.

   (c) The Recipient shall, not later than five (5) months after the Effective Date, cause ICASEES to recruit an external auditor, with terms of reference, qualifications and experience acceptable to the Association.
3. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive or permit to be assigned, amended, abrogated or waived, the PBF Manual, or any provision thereof, without the prior written consent of the Association.

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

D. Annual Work Plans

1. Each year the Recipient shall prepare a draft annual work plan and budget for the Project (including Training and Operating Costs) for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested;

2. The Recipient shall furnish to the Association, not later than November 30 of each year, the annual work plans and budgets prepared by the Committee of Directors, and approved by the Board of ICASEES, for the Association's review and approval; except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished no later than one (1) month after the Effective Date. Only the activities included in an annual work plan and budget expressly approved by the Association (each an "Annual Work Plan and Budget") are eligible to a financing from the proceeds of the Financing.

3. Training shall be carried out on the basis of Annual Work Plans and Budgets, which shall, inter alia, identify: (a) particulars of the training envisaged; (b) the personnel to be trained; (c) the selection methods and criteria of the institution or individuals conducting such training; (d) the institution conducting such training if identified; (e) the purpose and justification for such training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such training.

4. The Recipient shall ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets.

5. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association's prior approval.

E. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.
5. **CS-REF**
   
   (a) The Recipient shall vest responsibility for all fiduciary matters connected with Project implementation in CS-REF, housed within the Ministry of Finance and Budget.

   (b) The Recipient shall, at all times during Project implementation, ensure that the CS-REF is maintained with mandate, composition and resources acceptable to the Association.

**B. PIM**

1. The Recipient shall ensure that the Project is carried out in accordance with the PIM.

2. The PIM shall contain detailed arrangements, procedures and mechanisms for:
   (i) institutional coordination and Project implementation; (ii) the roles and responsibilities of all involvement stakeholders; (iii) Project budgeting, accounting, disbursement and financial management; (iv) procurement; (v) monitoring, evaluation, reporting and communication; and (vi) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for purposes of implementing the Project.

3. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive or permit to be assigned, amended, abrogated or waived, the PIM, or any provision thereof, without the prior written consent of the Association.

4. In the event of any conflict between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.

**C. PBF Manual**

1. The Recipient shall ensure that the Project is carried out in accordance with the PBF Manual.

2. The PBF Manual shall contain detailed arrangements and procedures for:
   (i) PBF arrangements for the implementation of the Annual Work Plan for Parts 1.1 and 2.1; (ii) identification of specific activities subject to PBF, and the deliverables for each such activity, including unit of measure; (iii) eligibility criteria and mechanisms for calculating PBF payments for each such deliverable, including procurement assessments; (iv) verification mechanisms for said deliverables and PBF payments; (v) periodicity of calculating PBF payments; (vi) reporting mechanisms related to PBF payments; and (vii) terms and conditions of PBF payments, including modes of payment.
Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. 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 indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than one month after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. The Recipient shall prepare and furnish to the Association as part of the Project Report not later than forty five (45) days after the end of each calendar quarter, interim unaudited 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 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 was made under the Preparation Advance for the Project. 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.

4. The Recipient shall, not later than five (5) months after the Effective Date, install a computerized accounting system.

Section III. Procurement

All goods, works, non-consulting services and consulting 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 the Procurement Regulations and the provisions of the Procurement Plan.
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 Article II of the General Conditions, this Section, and such additional instructions as the Association shall 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 Association and as made applicable to this Agreement pursuant to such instructions), 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 (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, and consulting services, Operating Costs and Training for the Project other than Parts 1.4 and 2.1 of the Project</td>
<td>1,100,000</td>
<td>100 %</td>
</tr>
<tr>
<td>(2) PBF payments under Part 2.1 of the Project</td>
<td>5,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Refund of Preparation Advance</td>
<td>400,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>7,400,000</td>
<td></td>
</tr>
</tbody>
</table>


B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
   
   (a) for payments made prior to the date of this Agreement; or
   
   (b) under Category 2 until the Recipient has adopted the PBF Manual.

2. The Closing Date is 31 May, 2022.
APPENDIX

Section I. Definitions

1. “Annual Agricultural Surveys” means surveys implemented annually on agricultural production and prices.


5. “Cofinancing” means, for the purposes of paragraph 11 of the Appendix to the General Conditions, a total amount of Four Hundred and Ninety Four Thousand United States Dollars ($494,000).

6. “Cofinancing Agreement” means the agreement between the Recipient and the Cofinancier providing for the Cofinancing.

7. “Communal Monographies Survey” means the census of communes assessing commune capacity for service delivery and perceptions of developmental progress and the associated household survey focusing on living conditions and perceptions of welfare.

8. “CS-REF” means Cellule de Chargé du Suivi des Réformes Economiques et Financières, the PFM reform unit established pursuant to décret No. 11.273, dated 21 October 2011, with a mandate to manage economic and PFM reforms in the territory of the Recipient.

9. “Enhanced Census Cartography” means cartography in preparation for the population census, which in addition to establishing enumeration area boundaries also collects core information for each enumeration area.


11. “ICASEES” means Institut Centrafricain des Statistiques, des Études Economiques et Sociales the Recipient’s national statistical body, established pursuant to décret no.160127 portant approbation des statuts de l’Institut Centrafricain des Statistiques et des Études Economiques et Sociales (ICASEES) dated March 9, 2016, referred to in Section I.A.4 of Schedule 2 to this Agreement.
12. "ICASEES Board" means the board of directors established pursuant to décret no.160127 portant approubation des statuts de l'Institut Centrafricain des Statistiques et des Etudes Economiques et Sociales (ICASEES) dated March 9, 2016, referred to in Section I.A.2 of Schedule 2 to this Agreement.

13. "ICASEES Committee of Directors" means the committee of directors of ICASEES operating under the ICASEES Board, referred to in Section I.A.3 of Schedule 2 to this Agreement.


15. "Operating Costs" means the cost of operating ICASEES such as electricity, water, internet access, office supplies and excluding salaries.

16. "Ministry of Economy, Planning and Cooperation" means the Recipient’s ministry responsible for economy, planning and cooperation, or any successor ministry thereto.

17. "Ministry of Finance and Budget" means the Recipient’s ministry responsible for finance and budget, or any successor ministry thereto.

18. "PBF" means Performance Based Financing.

19. "PBF payment" means Performance Based Financing payment under Parts 1.1 and 1.2 of the Project.

20. "PBF Manual" means Performance Based Financing Manual referred to in Section I.C of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written approval of the Association.

21. "PIM" means Project Implementation Manual referred to in Section I.B of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written approval of the Association.

22. "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 December 28, 2016 and on behalf of the Recipient on January 18, 2017.

23. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated January 30, 2017 and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Association.

25. "Revised CPI" means revised consumer price index.


27. "Specialists" means a procurement specialist, an assistant accountant, a financial management specialist, and a project assistant.

28. "Third Party Evaluations" means evaluations carried out by third party evaluators for major data production tasks to assess data quality and make proposals for improvements.

29. "Training" means established learning programs or courses, in institutes/schools in the territory of the Recipient and abroad, workshops, lectures, and coursework and study tours, provided in the Annual Work Plan and Budget.