Financing Agreement

(Additional Financing for Health Sector Support Investment Project)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 26 SEP 2014, 2014
AGREEMENT dated September 26, 2014, entered into between REPUBLIC OF CAMEROON ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). 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 credit in an amount equivalent to thirteen million Special Drawing Rights (SDR 13,000,000) (variously, "Credit" and "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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are February 15 and August 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

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

3.01. 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 Public Health 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 Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

4.02. 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 ten years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its minister at the time responsible for economy, planning and regional development.

5.02. The Recipient’s Address is:

Ministry of Economy, Planning and Regional Development
Yaoundé
Republic of Cameroon

Facsimile:

(237) 22 22 15 09

5.03. 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) 1-202-477-6391
AGREED at Yaoundé, 26 Sept 2014, as of the day, month and year first above written.

REPUBLIC OF CAMEROON

By

Authorized Representative

Name: _____________________________

Title: _____________________________

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: GREGOR BINKERT

Title: COUNTRY DIRECTOR
SCHEDULE 1

Project Description

The objective of the Project is to increase utilization and improve the quality of health services with a particular focus on child and maternal health and communicable diseases.

The Project consists of the following parts:

Part 1: District Service Delivery

A. Support for the provision of the Health-Services Package related to childhood illnesses, maternal, reproductive and obstetrical health care, family planning, child and maternal nutrition, and communicable diseases, through the financing of goods and services through, inter alia, Performance-Based Payments to Health Authorities, Health Facilities and selected community health worker groups or nongovernmental organizations: (i) in the Original Project Area; and (ii) in the Additional Project Area.

B. Support for the financing at the national level of procurement of goods, including drugs and medical equipment.

C. Establishment of external controls in relation to the provision of the Health Services Package, including the carrying out of third-party verifications thereof.

Part 2: Institutional Strengthening

Scaling up of component 2 of the Original Project to strengthen the Ministry of Public Health at the national, regional and district levels in specific areas including, inter alia: (i) performance contracting, including setting up of institutional framework and systems and capacity building to prepare and negotiate contracts, develop core indicators and set payment levels; (ii) strengthening project supervision, including validating results through technical and financial audits, making payments based on results attained, and overall scheme evaluation; and (iii) establishment of a unified information system to generate up-to-date, reliable, financial and programmatic data to measure performance.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee
   (a) The Recipient shall maintain, at all times during the implementation of the Project, the Project Steering Committee with a mandate, composition and resources satisfactory to the Association.

   (b) The Project Steering Committee shall meet at least once annually and shall be responsible for Project oversight, including, inter alia: (i) reviewing the proposed Annual Work Plans and Budgets for the Project, (ii) providing overall Project oversight and guidance; and (iii) identifying necessary Project adjustments based on monitoring and evaluation reports.

2. Project Operational Unit
   (a) The Recipient shall maintain at all times until the completion of the Project, the Project Operational Unit within the Recipient's Ministry of Public Health a mandate, composition and resources satisfactory to the Association.

   (b) Without limitation upon the provisions of Paragraph (a) of Section 1.A.2 of this Schedule 2, the Project Operational Unit shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers; and (ii) be responsible for coordinating the day-to-day implementation of the Project, including, preparing the proposed overall Annual Work Plan and Budget for the Project, updating the Procurement Plan and consolidating the Project reports for the Project Steering Committee.

B. Performance-Based Financing Implementing Agents

1. In order to assist the Recipient in carrying out of the performance-based financing activities under Part 1.A of the Project, the Recipient shall engage each of the Implementing Agents under an implementation agreement ("Implementation Agreement") between the Recipient and the Implementing Agent, under terms and conditions approved by the Association, pursuant to which the Implementing Agent shall, on behalf of and as agent for the Recipient undertake to:
(a) carry out those activities under said Part of the Project which are located within its assigned region or jurisdiction and specified in the Implementation Agreement ("PBF Activities"), in accordance with the provisions of the Financing Agreement, (including the Revised Operational Manual and the Revised PBF Manual); and

(b) without limitation on the foregoing, ensure that: (i) the performance of the PBF Activities are implemented in accordance with the provisions of Section I.D of this Schedule; (ii) all goods, services, Training and Operating Costs required for the PBF Activities and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of this Schedule 2; (iii) the PBF Activities shall be carried out in accordance with the Anti-Corruption Guidelines; and (iv) the PBF Activities shall be monitored and evaluated in accordance with the provisions of Section II of this Schedule 2.

2. The Recipient shall exercise its rights and carry out its objectives under each Implementation 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 any Implementation Agreement or any of its provisions.

C. Revised Operation Manual

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

D. Revised PBF Manual

1. The Recipient shall: (a) revise the PB Manual in form and substance satisfactory to the Association setting forth, inter alia, the detailed arrangements, including payment methods, verification mechanisms, contract management and quality assessment procedures, for the implementation of performance-based financing, in consideration of the Financing, as well as a detailed assessment of the estimated unit costs of the Health Services Package to be provided by each Participating Health Authority; and (b) thereafter adopt the revised PB Manual as shall have been approved by the Association ("Revised PBF Manual").

2. The Recipient shall ensure that the Project is carried out in accordance with the Revised PBF Manual, and except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Revised PBF Manual, or any of its provisions.
E. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

F. Annual Work Plans and Budgets

1. Not later than October 30 in each calendar year (or one (1) month after the Effective Date for the first year of Project implementation), the Recipient shall prepare and furnish to the Association a draft annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of Project implementation, of such scope and detail as the Association shall have reasonably requested.

2. The Recipient shall afford the Association a reasonable opportunity to review such draft annual work plan and budget, and thereafter shall carry out such annual work plan and budget during such subsequent calendar year as shall have been approved by the Association ("Annual Work Plan and Budget"). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the Financing.

3. For any training proposed to be included in an Annual Work Plan and Budget, the Recipient shall, inter alia, identify: (a) particulars of the training envisaged; (b) the criteria for selection of the personnel to be trained, and such personnel if known; (c) the selection method 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. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior written approval.

G. Performance-Based Payments

1. General

Without prejudice to the provisions of Section I.A of this Schedule, the Implementing Agents shall review and approve, on behalf of the Recipient, applications for Performance-Based Payments, in accordance with the provisions of this Section I.G and the Revised PBF Manual.

2. Terms and Conditions of Performance-Based Contracts

(a) The Health Services Package shall be carried out pursuant to a Performance-Based Contract, to be concluded between the relevant Implementing Agent on behalf of the Recipient and the respective
Participating Health Authority, under terms and conditions, satisfactory to the Association, as further described in the Revised PBF Manual, which shall include the following:

(i) a description of the Health Services Package, the applicable rates, and applicable performance indicators;

(ii) the obligation of the Participating Health Authority to: (A) carry out the Health Services Package with due diligence and efficiency and in accordance with sound technical, financial, administrative, and environmental practices; (B) ensure that the resources required for the activities are provided promptly as needed; (C) maintain adequate records to reflect, in accordance with sound accounting practices, the resources, operations, and expenditures relating to the Health Services Package; and (D) at the request of the Association or the Recipient, have such records audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the records as so audited to the Recipient and the Association;

(iii) the obligation of the Participating Health Authority to carry out the Health Services Package in accordance with the provisions of the Anti-Corruption Guidelines;

(iv) the obligation of the Participating Health Authority to carry out the Health Services Package in accordance with the provisions of the Revised Operational Manual and the Revised PBF Manual;

(v) the obligation of the Participating Health Authority to carry out the Health Services Package in accordance with the provisions of: (A) the IPPF; and (B) the Medical Waste Management Plan;

(vi) the requirement that the goods and consultants' services to be financed from the proceeds of the Performance-Based Payment shall be procured in accordance with procedures ensuring efficiency and economy as further detailed in Section III of this Schedule, and shall be used exclusively in the carrying out of the Health Services Package; and

(vii) the right of the Implementing Agents, on behalf of the Recipient, and of the Recipient in its own right, to: (A) inspect by itself, or jointly with the Association, if the Association shall so request, the goods and sites included in the Health Services Package, the operations thereof, and any relevant records and documents;
(B) obtain all information as it, or the Association, shall reasonably request regarding the administration, operation, and financial condition of the Health Services Package; and (C) suspend or terminate the right of the Participating Health Authority to use the proceeds of the Performance-Based Payment, or obtain a refund of all or any part of the amount of the Performance-Based Payment then withdrawn, as the case may be, upon failure by the Beneficiary to perform any of its obligations under the Performance-Based Contract.

(b) The Recipient, or the relevant Implementing Agent, as the case may be, shall exercise its rights and carry out its obligations under the Performance-Based Contract in such manner as to protect its interests and those of the Association and to accomplish the purposes of the Performance-Based Payment, and, except as the Association shall otherwise agree, neither the Recipient nor any of the Implementing Agents, shall assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

3. Performance-Based Payments Eligibility and Health Services Package Implementation Guidelines and Procedures

No proposed Participating Health Authority shall be eligible for financing under Part 1.A of the Project unless, on the basis of a review conducted in accordance with this Section I.G and the Revised PBF Manual, the proposed Participating Health Authority is deemed to satisfy the eligibility criteria specified below and in further detail in the Revised PBF Manual, which shall include the following:

(a) the proposed Participating Health Authority is a public or private health service provider carrying out the Health Services Package;

(b) the proposed Health Services Package satisfies the requirements of Part 1.A of the Project as described in further detail in the Revised PBF Manual;

(c) the proposed Health Services Package complies with the IPPF and the Medical Waste Management Plan;

(d) the proposed Health Services Package is consistent with the relevant sectoral, environmental, and social standards and policies; and

(e) the Participating Health Authority has put in place all necessary arrangements, including financial and human resources, for the management of the proposed Health Services Package.
4. External Controls

(a) The Recipient shall, in accordance with Section III of this Schedule 2, recruit, not later than nine (9) months after the Effective Date and thereafter maintain, throughout Project implementation, external auditors, with qualifications, experience, and terms of reference satisfactory to the Association, for purposes of the third-party verification of the Health Services Package to be carried out under Part 1.C of the Project.

(b) The Recipient shall cause said auditors to carry out, once every semester, throughout Project implementation, verification exercises of Health Services Package, including community and focus group surveys, beneficiary spot checks, verification of data provided and records kept by the relevant Participating Health Authority in relation to the Health Services Package, and assessments of the quality of health services provided under such Health Services Package, in accordance with the provisions of the Revised PBF Manual.

H. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the IPPF and the Medical Waste Management Plan, and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

2. In the event of any conflict between the provisions of IPPF, or the Medical Waste Management Plan, and those of this Agreement, the latter shall prevail.

3. Without limitation upon its other reporting obligations under Section II.A.1 of this Schedule, the Recipient shall take all measures necessary on its part to regularly collect, compile, and submit to the Association, as part of the Project Report, information on the status of compliance with the IPP and the Medical Waste Management Plan, giving details of:

(a) measures taken in furtherance of said plans;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of said plans; and

(c) remedial measures taken or required to be taken to address such conditions.
4. The Ministry of Public Health in close collaboration with the Ministry of Environment, Nature Protection and Sustainable Development shall be responsible for the implementation and monitoring and evaluation of said plans, and to this end, the Recipient shall maintain, throughout Project implementation, in said Ministry of Public Health, an environmental and social safeguards unit, with a mandate, composition and resources satisfactory to the Association.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08(b) 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 45 days 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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than 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. 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. All goods 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 Section.

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 Section.

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 Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods**

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

2. **Other Methods of Procurement of Goods.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and non-consulting 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) Limited International Bidding</td>
</tr>
<tr>
<td>(b) National Competitive Bidding subject to the additional procedures set forth in paragraph 3 below</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Procurement from United Nations Agencies</td>
</tr>
<tr>
<td>(e) Procurement Agents</td>
</tr>
</tbody>
</table>

3. **Requirements for the National Competitive Bidding.** The procedures to be followed for National Competitive Bidding shall be those set forth in the Recipient’s Procurement Code of September 24, 2004, as revised from time to time in a manner deemed acceptable to the Association, subject, however, to the modifications described in the following paragraphs required for compliance with the Procurement Guidelines.

   (i) In accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (a) the bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Association, at its request, to inspect all accounts, records and other documents relating to the submission of bids and contract performance, and to have said accounts and records audited by auditors appointed by the Association; and (b) the deliberate and
material violation of such provision may amount to an obstructive practice as defined in paragraph 1.16 (a)(v) of the Procurement Guidelines;

(ii) The invitation to bid shall be advertised in, at least, one national newspapers with wide circulation;

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

(iv) 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;

(v) Eligible bidders, including foreign bidders, shall be allowed to participate;

(vi) No domestic preference shall be given to domestic contractors and to domestically manufactured goods and association with national firm shall not be a condition for participation in a bidding process;

(vii) Bids are awarded to the lowest evaluated bidder provided that such bidder is qualified;

(viii) No scoring system shall be allowed for the evaluation of bids, and no “blanket” limitation to the number of lots which can be awarded to a bidder shall apply;

(ix) Qualification criteria shall only concern the bidder’s capability and resources to perform the contract taking into account objective and measurable factors; and

(x) Fees charged for bidding documents shall be reasonable and reflect only the cost of printing and delivery to the prospective bidders.

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:
D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. 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 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>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-Based Selection</td>
</tr>
<tr>
<td>(b) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c) Least-Cost Selection</td>
</tr>
<tr>
<td>(d) Selection based on Consultants' Qualifications</td>
</tr>
<tr>
<td>(e) Single-Source Selection</td>
</tr>
<tr>
<td>(f) Individual Consultants</td>
</tr>
<tr>
<td>(g) Selection of UN Agencies</td>
</tr>
</tbody>
</table>

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### Category

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) (a) Performance-Based Payments under Part 1.A(ii) of the Project</td>
<td>7,300,000</td>
<td>100% of Performance-Based Payments</td>
</tr>
<tr>
<td>(b) Consultants’ services, Training and Operating Costs under Part 1.A(ii) of the Project</td>
<td>3,100,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods and consultants’ services under Parts 1.B and 1.C of the Project</td>
<td>2,600,000</td>
<td>100% (excluding value added taxes and custom duties)</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>13,000,000</strong></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 for:

   (a) payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 2,600,000 equivalent may be made for payments made prior to this date but on or after May 1, 2014, for Eligible Expenditures under Category (1); or

   (b) Under Category 1(a) unless: (i) such a withdrawal is made on the basis of a Performance-Based Contract executed between an Implementing Agent, on behalf of the Recipient and a Participating Health Authority in accordance with the provisions of Section I.G.2 of Schedule 2 to this Agreement; and (ii) unless the Recipient has adopted the Revised PBF Manual, in accordance with Section I.D.1(b) of Schedule 2 to this Agreement; or

   (c) Under Category 1(b) unless an Implementation Agreement has been executed on behalf of the Recipient and each Implementing Agent in
accordance with the provisions of Section 1.B of Schedule 2 to this Agreement.

2. The Closing Date is December 31, 2017.

Section V. Other Undertakings

A. The Recipient shall ensure that the Financing shall be used exclusively for the financing of activities detailed in Schedule 1 of this Agreement and no portion of the Financing shall be used for any applicable expenditure under the Project if such expenditure was reimbursed by the Original Financing.
<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each August 15 and February 15:</td>
<td></td>
</tr>
<tr>
<td>commencing August 15, 2024 to and including February 15, 2034</td>
<td>1%</td>
</tr>
<tr>
<td>commencing August 15, 2034 to and including February 15, 2054</td>
<td>2%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
Section I. Definitions

1. “Additional Project Area” means the Recipient’s north, far north and Adamawa regions.

2. “Annual Work Plan and Budget” means each annual work plan, together with the related budget, for the Project approved by the Association pursuant to the provisions of Section I.F of Schedule 2 to this Agreement.


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

5. “Co-financier” means the World Bank acting as an administrator of the HRITF.

6. “Co-financing” means, for purposes of paragraph 11 of the Appendix to the General Conditions, an amount of twenty million dollars ($20,000,000), to be provided by the Co-financier to assist in financing the Project.


8. “FRPS” (Fonds Regionale pour la Promotion de la Santé) means the funds established or to be established in select regions of the Recipient pursuant to the Recipient’s laws to perform all public service activities in the health domain within the relevant jurisdiction.


10. “Health Authority” means a public or private health authority set up within the Recipient’s district, regional or national levels, satisfying the criteria set forth in the Revised PBF Manual. “Health Authorities” means collectively all such health authorities.

11. “Health Facility” means any health facility located within the territory of the Recipient satisfying the criteria set forth in the Revised Operational Manual. “Health Facilities” means collectively all such facilities.
12. "Health Services Package" means a combination of health services and related regulatory activities provided in the Recipient’s territory and detailed in the Revised PBF Manual as approved by the Association.

13. "HRITF" or "Health Results Innovation Trust Fund" means the trust fund established in December 2007 by various donors to support results-based financing approaches in the health sector for the achievement of the health-related millennium development goals.

14. "Implementation Agreement" means each agreement referred to in Section I.B of Schedule 2 to this Agreement between the Recipient and an Implementing Agent.

15. "Implementing Agent" means an FRPS or a nongovernmental organization with whom the Recipient shall enter into an agreement pursuant to Section I.B of Schedule 2 to this Agreement for the purpose of implementing the PBF Activities under Part 1 of the Project in accordance with the terms of the Revised Operational Manual and the Revised PBF Manual. "Implementing Agents" means collectively all such entities.

16. "IPPF" means the Recipient’s framework published under the Original Financing in the Recipient’s territory and at the Association’s Infoshop on April 3, 2008, and to be applied to the purposes of the Financing, outlining measures to ensure culturally appropriate social and economic benefits for the pigmies under the Project and avoidance, minimization, or mitigation of, or compensation for, any potential adverse effects on the pigmies associated with activities to be implemented under the Project, as shall have been agreed with the Association for purposes of Project implementation and shall be applied in accordance with the provisions of Section I.H of Schedule 2 to this Agreement, as the same may be updated from time to time with the prior written consent of the Association, and such term includes any schedules to said framework.

17. "Medical Waste Management Plan" means the Recipient’s plan published under the Original Financing in the Recipient’s territory and at the Association’s Infoshop on April 3, 2008, and to be applied to the purposes of the Financing, setting out the measures to be taken for the development and implementation of biomedical waste management and safe handling of said waste, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to said plan.


20. "Operating Costs" means incremental recurrent expenditures incurred on account of Project implementation, including: local contractual support staff salaries; travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications' expenses, but excluding the salaries of officials and public servants of the Recipient’s civil service.

21. "Operational Manual" means the manual adopted by the Recipient pursuant to Section 4.01(a) of the Original Financing Agreement, outlining implementation, institutional, administrative, financial management, accounting, procurement, disbursement, environmental, social, and monitoring and evaluation arrangements for purposes of the Original Project implementation, and such term includes any schedules or annexes to the Operational Manual, including: (i) an annex on financial and accounting procedures; and (ii) an annex on procurement procedures.

22. "Original Financing" means the financing provided under the Original Financing Agreement.


24. "Original Project" means the Project described in the Original Financing Agreement.

25. "Original Project Area" means the Recipient's northwest, southwest, east and Littoral regions.

26. "Participating Health Authority" means a Health Authority, Health Facility, non-governmental organization or community health worker groups determined to be eligible to carry out the Health Services Package pursuant to the procedures and criteria referenced in Section I.G.3 of Schedule 2 to this Agreement as further detailed in the Revised PBF Manual.

27. "PBF Activities" means the performance-based financing activities outlined in Part 1 of the Project as further detailed in the Revised PBF Manual.

28. "PB Manual" means the performance-based manual referred to in Section I.D.1 of Schedule 2 to the Original Financing Agreement.

29. "Performance-Based Contract" means the performance-based contracts to be entered into between an Implementing Agent and a Participating Health
Authority, pursuant to Section I.G.2 of Schedule 2 to this Agreement, in the form annexed to the Revised Operational Manual.

30. "Performance-Based Payment" means a payment made or proposed to be made out of the proceeds of the Financing by an Implementing Agent to a Participating Health Authority under a Performance-Based Contract in accordance with Section I.G.3 of Schedule 2 to this Agreement to finance the provision of the Health Services Package.


32. "Procurement Plan" means the Recipient’s procurement plan for the Project dated April 23, 2014 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

33. “Project Operational Unit” means the unit established within the Ministry of Public Health pursuant to the Recipient’s Arrêté No. 0514, dated August 20, 2007.

34. “Project Steering Committee” means the committee established pursuant to the Recipient’s Arrêté N.132/PM, dated October 12, 2005.

35. “Revised Operational Manual” means the revised Operation Manual adopted by Recipient, detailing arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) monitoring and evaluation, reporting and communication; and (e) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project, as the same may be amended from time to time with the prior written consent of the Association.

36. “Revised PBF Manual” means the PB Manual to be revised and adopted by the Recipient pursuant to Section I.D.1(b) of Schedule 2 to this Agreement, as the same may be revised from time to time with the prior written consent of the Association.

37. “Taxes” means taxes as defined in the General Conditions with the exclusion of value added taxes and custom duties.

38. “Training” means the costs of training under the Project, based on the Annual Work Plans and Budgets approved by the Association, and attributable to seminars, workshops, and study tours, along with travel and subsistence.
allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.