OFFICIAL DOCUMENTS

GRANT NUMBER H916-GM
ADDITIONAL GRANT NUMBER D137-GM

Agreement Providing for the Amendment and Restatement of the Financing Agreement

(Results for Education Achievement and Development Project)

between

REPUBLIC OF THE GAMBIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated October 8, 2016
FINANCING AGREEMENT

AGREEMENT dated April 9, 2014, as amended and restated on October 8, 2016, entered into between REPUBLIC OF THE GAMBIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS (A) under an agreement dated April 9, 2014, the Association agreed to extend to the Recipient the Original Grant to assist in financing the Original Project in accordance with the terms and conditions of the Original Financing Agreement;

(B) the Recipient has requested the Association to provide additional financial assistance in support of additional activities related to the Original Project, as described in Schedule 1 to this Agreement, by extending to the Recipient the Additional Grant; and

(C) The Recipient has requested the Association to amend activities and some Disbursement-linked Indicators related to the Original Financing Agreement.

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing to: (i) amend the Original Financing Agreement; and (ii) extend such additional assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the Association hereby agree to amend and restate the Original Financing Agreement with effect as of the Effective Date of this Agreement, to read 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, an original grant and an additional grant (collectively, "Financing") in the following amounts to assist in financing the project described in Schedule 1 to this Agreement ("Project");

(a) the Original Grant in an amount equivalent to seven million eight hundred twenty thousand Special Drawing Rights (SDR 7,820,000); and
(b) the Additional Grant in an amount equivalent to five million four hundred thousand Special Drawing Rights (SDR 5,400,000).

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: (a) March 15 and September 15 in each year in respect of the Original Grant; and (b) March 15 and September 15 in respect of the Additional Grant.

2.06. The Payment Currency is Dollar.

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 its ministry responsible for basic and secondary education 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 updated the Project Implementation Manual in form and substance satisfactory to the Association; and (b) the Cofinancing Agreements have been executed and delivered, and all conditions precedent to the effectiveness or to the right of the Recipient to make withdrawals under said Cofinancing Agreements have been fulfilled.

4.02. The Effectiveness Deadline is the date ninety (90) 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 finance and economic affairs.

5.02. The Recipient’s Address is:

Ministry of Finance and Economic Affairs  
The Quadrangle  
Banjul  
Republic of The Gambia

Facsimile: 220-4227-954  
220-4228-551

Email: info@mofea.gov.gm

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
Washington, D.C.
AGREED at Washington D.C., United States of America, as of the day and year first above written.

REPUBLIC OF THE GAMBIA

By

[Signature]

Authorized Representative

Name: Abdou Kolley
Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Louise S. Cord
Title: Country Director
SCHEDULE 1

Project Description

The objectives of the Project are to increase access to basic education, improve quality of teaching and learning in lower basic schools, and strengthen education systems.

The Project consists of the following parts:

Part 1: Increase Access to Basic Education

Carrying-out of a program aiming at increasing access to education, including:

(a) School Construction: (i) Construction of approximately 40 multi-grade schools and water points in remote areas; and (ii) completion of construction for two schools of 9 grades (including 18 urban classrooms in each school) in urban areas in the Recipient’s territory.

(b) Donkey Carts: Provision of approximately 100 redesigned donkey cart transportation for early grade children.

(c) Early Childhood Development: Improvement of ECD through: (i) construction of two multi-grade lower basic schools with two ECD classrooms with staff quarter and a toilet block; (ii) construction of ECD classrooms; (iii) provision of teaching and learning materials; (iv) supervision and monitoring of the ECD program; (v) ECD data-collection; and (vi) development of an ECD monitoring tool.

(d) School Sub-grants: Provision of School Sub-grants to support sub-projects, said sub-projects to include provision of school materials and/or stationary ("School Sub-projects").

Part 2: Improve Quality of Teaching and Learning

Carrying-out of a program aiming at improving quality of teaching and learning, including:

(a) Enhancing Teacher Training: Restructuring of PTC and HTC primary programs, through the provision of advisory services to the relevant education staff to strengthen teachers’ training, including assessment and redesign of the existing programs and developing a professional examination.

(b) Stipends for teacher students: Provision of in-service teacher support, through the provision of Student Teacher Stipends to approximately
1,600 HTC students per year and 700 PTC students in their third year during one year of Project implementation.

(c) **Hardship Allowances:** Provision of Hardship Allowances for eligible teachers in remote areas.

(d) **Extended Teacher Continuing Professional Development:** Design and implementation of a demand driven in-service teacher professional development courses and monitoring tools.

(e) **Teacher Supervision:** Provision of advisory services for the development, piloting and validation of standardized teacher observation tools.

(f) **Reading in Early Grades:** Improving early grades reading and foundational skills, including: (i) carrying-out of studies on reading programs; (ii) review of the reading curriculum and transition to full English proficiency; (iii) strengthening teacher’s capacity on teaching reading skills; (iv) development and distribution of reading materials and library books, assessment of early grade reading and math skills; and (v) support monitoring of student reading progress.

(g) **Evidence Base for Improved Reading Performance:** Support the CCT program for Majalis, through the provision of conditional cash transfers to benefit approximately 1,500 pupils in literacy and numeracy.

(h) **LEARNET:** Support the development of digital content to public schools; provision of training to teachers; and provision of solar panels to at least 24 schools.

(i) **Teachers’ Salaries and Allowances:** Provision of salaries for public LBS, UBS and SSS teachers, and of allowances for eligible teachers in public LBS, UBS and SSS.

**Part 3: Technical and Institutional Support**

(a) **Communications Strategy:** Development and implementation of a communications strategy, including dissemination of information, training, outreach campaigns and surveys.

(b) **Institutional support and Capacity Building,** through: (i) continuous implementation of assessments of learning outcomes; (ii) strengthening of the education data systems; (iii) strengthening the capacity of education staff on assessing learning outcomes, statistics, data collection; (iv) completing a national qualifications framework for higher
education; and (v) support Project implementation, monitoring, evaluation and supervision.

Part 4: Strengthening the Education System with a Focus on Governance and Management Results

Improving access to education, and teachers and students’ performance, through the achievement of DLIs.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Senior Management Team ("SMT")
   
   (a) The Recipient shall, at all times during Project implementation, maintain a senior management team ("SMT") with mandate, resources and composition satisfactory to the Association. Without limitation to the generality of the foregoing, the SMT shall comprise, among others, the MOBSE and the MOHERST, the permanent secretaries, the deputy permanent secretaries and the PCU manager.
   
   (b) The SMT shall be responsible for setting the policy direction for the education sector, reviewing Project implementation and providing overall strategic guidance.

2. Ministry of Basic and Secondary Education ("MOBSE")
   
   (a) MOBSE is responsible for overall Project implementation.
   
   (b) The Recipient shall, throughout Project implementation, maintain the PCU within MOBSE, with mandate and resources and composition acceptable to the Association.
   
   (c) The PCU shall be responsible for the day-to-day implementation of the Project and for overall Project coordination, including: (a) maintenance of accounting records and preparation of financial statements; (b) preparation of Annual Work Plans and Budgets and the interim unaudited financial reports; (c) processing payment requests; (d) facilitating the financial audits, pursuant to the provisions of paragraph B.3 of Section II of this Schedule 2; (e) procurement; and (f) construction supervision.
   
   (d) Without limitation to sub-paragraph (c) above, the construction program manager in the PCU shall supervise all construction activities of the Project in coordination with the procurement officer, financial controller, and the Project manager. The construction program manager shall be responsible, among other things, for: (a) the review of standard plans for school construction, taking into account special requirements of the multi-grade school, and incorporating necessary modifications to accommodate children with physical disabilities; (b) monitoring and
evaluation of construction activity; and (c) monthly reporting of the construction monitors' observations in the field.

3. **Accountant General Department ("AGD")**

The Recipient shall, at all times during Project implementation, maintain the AGD with mandate, resources and composition satisfactory to the Association, to be responsible for the financial management of Part 4 of the Project, with the oversight of MOFEA.

**B. Implementation Arrangements**

1. **School Sub-grants**

   (a) The MOBSE shall appraise, approve and monitor the implementation of School Sub-grants under Part 1(d) of the Project in accordance with the provisions of this paragraph 1 and the PIM.

   (b) No proposed Sub-project shall be eligible for financing unless it satisfies the eligibility criteria set forth in the PIM, including, but not limited to, the requirement that the School must have legal status and has entered into a Sub-grant Agreement with the MOBSE and has opened a bank account under appropriate terms and conditions for the deposit of funds to be utilized for the accomplishment of the purposes of the Sub-project. In turn, said Sub-grant Agreement shall indicate: (i) that the School Sub-grant be provided by MOBSE on a non-reimbursable grant basis; (ii) the obligation of the School to carry out the Sub-project in accordance with the PIM; (iii) the obligation of the School to maintain adequate records of resources and expenditures, in accordance with accounting practices acceptable to the Association; (iv) the requirement that goods, works and services to be financed from the proceeds of the School Sub-grant shall be procured by the School in accordance with the procedures set forth in Section III of this Schedule and as further specified in the PIM; (v) the right of the MOBSE to inspect by itself, or jointly with the Association, if the Association so requests, the goods, works and services financed by the School Sub-grant and any relevant related records and documents; (vi) the right of the MOBSE to suspend or terminate the right of the School to use the proceeds of the School Sub-grant upon the failure by such School to perform any of its obligations under the Sub-grant Agreement; and (vii) the obligation of the School to act in compliance with the Anti-Corruption Guidelines and the Safeguards Instruments.

   (c) The MOBSE shall exercise its rights under the Sub-grant Agreement in such a manner as to protect its interests and the interests of the Association and to achieve the Project objectives, and except as the
Association shall otherwise agree, the MOBSE shall not assign, amend, abrogate or waive the Sub-grant Agreement or any substantive provision thereof.

2. **Student Teacher Stipends, Hardship Allowances and Conditional Cash Transfer**

(a) The MOBSE shall appraise, approve and monitor the implementation of the Student Teacher Stipends, Hardship Allowances and CCT under the Project in accordance with the provisions of this paragraph B.2 and the PIM.

(b) No proposed Student Teacher Stipends, Hardship Allowances and CCT shall be eligible for financing under the Project unless the MOBSE has determined, on the basis of an appraisal conducted in accordance with this paragraph B.2, that the proposed Student Teacher Stipends, Hardship Allowances and CCT satisfy the eligibility criteria set forth in the relevant chapter of the PIM.

3. **Teachers’ Salaries and Allowances**

(a) The MoFEA shall appraise, approve and monitor the implementation of the Teachers’ Salaries and Allowances under the Project in accordance with the provisions of this paragraph B.3 and the PIM.

(b) No proposed Teachers’ Salaries and Allowances shall be eligible for financing under the Project unless the MoFEA has determined, on the basis of an appraisal conducted in accordance with this paragraph B.3 that the proposed Teachers’ Salaries and Allowances satisfy the eligibility criteria set forth in the relevant chapter of the PIM.

4. **Project Implementation Manual**

(a) The Recipient shall:

(i) update the PIM and furnish to the Association for its review, including: (A) administrative, (B) procurement, (C) financial management, (D) monitoring and evaluation procedures and arrangements for the Project; (E) a School Sub-Grant Chapter; (F) a CCT Chapter; (G) a Hardship Allowance Chapter; (H) a Student Teacher Stipend Chapter; (I) a Teachers’ Salaries Chapter; and (J) an Allowance Chapter (as defined below).

(ii) afford the Association a reasonable opportunity to exchange views with the Recipient on said manual; and
(iii) thereafter adopt such Project manual as shall have been approved by the Association ("PIM").

(b) A specific chapter of the PIM shall contain detailed implementation arrangements and responsibilities, for the School Sub-grants, as well as responsibilities and procedures to ensure proper coordination among the various departments of MOBSE involved in the Project, including *inter alia*: (a) the procedures for approving, carrying out, monitoring and evaluating the School Sub-projects and School Sub-grants; (b) the organizational structure for implementation of the School Sub-grants; (c) the eligibility criteria for identification, registration and selection of the Schools, the eligibility criteria for Sub-projects and School Sub-grants and terms and conditions of Sub-grants; and (d) detailed procedures for coordination and collaboration among the implementing agencies in carrying out the School Sub-grants ("School Sub-grant Chapter").

(c) Specific chapters of the PIM shall also contain detailed implementation arrangements and responsibilities of the Student Teacher Stipends, Hardship Allowances, Allowances, Teachers’ Salaries and CCT, including *inter alia*: (i) the procedures for carrying out, monitoring and evaluating each of Student Teacher Stipends, Hardship Allowances, Allowances, Teachers’ Salaries and CCT and financial requirements thereof; (ii) the organizational structure for implementation of each of the Student Teacher Stipends, Hardship Allowances, Allowances, Teachers’ Salaries and CCT programs; (iii) the criteria for identification, registration and selection of each of the Student Teacher Stipends Beneficiaries, Hardship Allowances Beneficiaries, Allowances Beneficiaries, Teachers’ Salaries Beneficiaries and CCT Beneficiaries; (iv) the requirement to be fulfilled by the relevant beneficiaries in order to receive Student Teacher Stipends, Hardship Allowances, Allowances, Teachers’ Salaries and CCT, respectively, and the mechanisms for verification of compliance with such requirements; and (v) detailed procedures for coordination and collaboration among the cooperating institutions and other stakeholders in carrying out each of the Student Teacher Stipends, Hardship Allowances, Allowances, Teachers’ Salaries and CCT programs ("CCT Chapter", "Student teacher Stipend Chapter", "Hardship Allowance Chapter"; "Allowance Chapter" and "Teachers’ Salaries Chapter").

(d) The Recipient shall ensure that the Project is carried out in accordance with the PIM, and shall not amend or waive any of its provisions without the prior written agreement of the Association.
(e) Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.

5. Annual Work Plan and Budget

(a) The Recipient shall, not later than December 15 in each year of Project implementation, prepare and furnish to the Association, a plan of activities proposed for inclusion in the Project during the following calendar year, including: (i) a detailed timetable for the sequencing and implementation of said activities; (ii) the types of expenditures required for such activities and a proposed financing plan for such expenditures, including counterpart financing; and (iii) all Safeguard Instruments required for said activities pursuant to Section 1.D of this Schedule and the measures proposed to be carried out under each of said Safeguard Instruments.

(b) The Recipient shall exchange views with the Association on each such proposed annual work plan and budget, and shall thereafter, provide the required financing for, and carry out such plan of activities for said following year as shall have been agreed between the Recipient and the Association (“Annual Work Plan and Budget”).

(c) Only those activities which are included in an Annual Work Plan and Budget shall be included in the Project and eligible for financing out of the Financing.

(d) The Recipient shall ensure that in preparing any Training proposed for inclusion in the Project under an Annual Work Plan and Budget, it shall include in the proposed Annual Work Plan and Budget: (i) the objective and content of the Training envisaged; (ii) the selection method of the institutions or individuals conducting such Training, and said institutions if already known; (iii) the expected duration and an estimate of the cost of said Training; and (iv) the selection method of the personnel who will attend the Training, and said personnel if already known.

C. Anti-Corruption

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

D. Safeguards

1. Except as otherwise agreed in writing by the Association, the Recipient shall implement the Project in accordance with the Safeguards Instruments. The
Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the ESMF or the RPF or any provision thereof without prior approval in writing by the Association, subject to the same approval requirements as applicable to the adoption of the said instruments.

2. In cases of any activity requiring the adoption of an EMP or RAP or ARAP, the Recipient shall proceed to have such EMP or RAP or ARAP, as the case may be: (a) prepared in accordance with the ESMF or RPF, as the case may be; (b) submitted to the Association for review and approval; (c) thereafter adopted, prior to implementation of the activity; and (d) thereafter, take such measures as shall be necessary or appropriate to comply with the requirements of such EMP or RAP or ARAP, as the case may be.

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the Association on a quarterly basis reports in form and substance satisfactory to the Association on the status of compliance with the ESMF, RPF, and EMPs, RAPs and ARAPs, if any, giving details of:

   (a) measures taken in furtherance of such ESMF, RPF, and EMPs and RAPs and ARAPs, if any;

   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such ESMF, RPF, and EMPs, RAPs and ARAPs, if any; and

   (c) remedial measures taken or required to be taken to address such conditions.

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 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 not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports ("IUFR") 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, 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.

Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-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 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, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive
Bidding; (b) Limited International Bidding; (c) Shopping; and (d) Direct Contracting.

3. The procurement procedure to be followed for National Competitive Bidding shall be the open tendering set forth in the Public Procurement Authority Act, 2014, provided, however, that such procedure shall be subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of the “Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers” January 2011 (revised July 2014) (the “Procurement Guidelines”) and the following additional provisions:

(i) Prospective bidders will be provided four weeks, from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later, for the preparation and submission of bids;

(ii) Bidding documents acceptable to the Association shall be used, and shall be prepared so as to ensure economy, efficiency, transparency, and broad consistency with the provisions of Section I of the Procurement Guidelines;

(iii) Invitation for bids will be advertised in a national newspaper of wide circulation, or in the official gazette provided that it is of wide circulation, or on widely used website or electronic portal with free national and international access;

(iv) Bids shall be submitted in a single envelope;

(v) Bid evaluation criteria, bidder’s qualifications criteria, and the contract award criteria shall be clearly specified in the bidding documents;

(vi) No margin of preference shall be granted to domestic bidders;

(vii) Eligible bidders, including foreign bidders, shall not be excluded from the competition;

(viii) The procedures will include the publication of the results of evaluation and of contract awards;

(ix) The bidding document and contract as deemed acceptable by the Association shall include provisions stating the Bank’s policy to sanction firms or individuals, found to have engaged in fraud and corruption as defined in the Procurement Guidelines; and
In accordance with the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that bidders, suppliers and contractors, and their subcontractors, agents, personnel, consultants, service providers, or suppliers, shall permit the Association to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Association. Acts intended to materially impede the exercise of the Association's inspection and audit rights provided for in the Procurement Guidelines constitute an obstructive practice as defined in the Guidelines.

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 methods, other than Quality and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Least Cost Selection; (c) Selection based on Consultants’ Qualifications; (d) Single-source Selection of consulting firms; and (e) Single-source procedures for the Selection of Individual Consultants.

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>Category</th>
<th>Original Grant</th>
<th>Additional Grant</th>
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<tbody>
<tr>
<td></td>
<td>Amount of the Original Grant</td>
<td>Amount of the Additional Grant</td>
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<tr>
<td></td>
<td>Allocated (expressed in SDR)</td>
<td>Allocated (expressed in SDR)</td>
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<tr>
<td></td>
<td>Percentage of Expenditures to</td>
<td>Percentage of Expenditures to</td>
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<tr>
<td></td>
<td>be Financed (inclusive of Taxes)</td>
<td>be Financed (inclusive of Taxes)</td>
</tr>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services,</td>
<td>4,926,000</td>
<td>0</td>
</tr>
<tr>
<td>Operating Costs and Training for Parts 1, 2 and 3 of the Project</td>
<td></td>
<td></td>
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<tr>
<td>(excluding Parts 1(d), 2(b), 2(c) and 2(g) of the Project)</td>
<td></td>
<td></td>
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<tr>
<td>(2) School Sub-grants in UBS in Regions 3 through 6, Student Teacher</td>
<td>1,314,000</td>
<td>0</td>
</tr>
<tr>
<td>Stipends, Hardship Allowances and CCTs</td>
<td></td>
<td></td>
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<tr>
<td>(3) Eligible Expenditure Program (&quot;EEP&quot;) under Part 4 of the Project,</td>
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<td>for the:</td>
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<tr>
<td>(a) First scheduled disbursement, for DLI 1 (on or about the Effective</td>
<td>170,000</td>
<td>0</td>
</tr>
<tr>
<td>Date)</td>
<td></td>
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</tr>
<tr>
<td>Description</td>
<td>Amount</td>
<td>Percentage</td>
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<td>-----------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>(b) Second scheduled disbursement, for DLI 2 (on or about the Effective Date)</td>
<td>170,000</td>
<td>Such percentage as shall be specified in the Annual Work Plan and Budget for the respective Fiscal Year</td>
</tr>
<tr>
<td>(c) Third scheduled disbursement, for DLI 3 (on or after December 15, 2014)</td>
<td>170,000</td>
<td>Such percentage as shall be specified in the Annual Work Plan and Budget for the respective Fiscal Year</td>
</tr>
<tr>
<td>(d) Fourth scheduled disbursement, for DLI 4 (on or after March 15, 2015)</td>
<td>0</td>
<td></td>
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<tr>
<td>(e) Fifth scheduled disbursement, for DLI 5 (on or after December 15, 2014)</td>
<td>0</td>
<td></td>
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<tr>
<td>(f) Sixth scheduled disbursement, for DLI 6 (on or after December 15, 2014)</td>
<td>170,000</td>
<td>Such percentage as shall be specified in the Annual Work Plan and Budget for the respective Fiscal Year</td>
</tr>
<tr>
<td>(g) Seventh scheduled disbursement, for DLI 7 (on or after March 15, 2016)</td>
<td>0</td>
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<tr>
<td>(h) Eight scheduled disbursement, for DLI 8 (on or after March 15, 2016)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>(i) Ninth scheduled disbursement, for DLI 9 (on or after March 15, 2017)</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Amount</td>
<td>Percentage</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------</td>
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<tr>
<td>(4) Refund of Preparation Advance</td>
<td>900,000</td>
<td></td>
</tr>
<tr>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Teachers’ Salaries, Allowances, and Hardship Allowances in UBS</td>
<td>0</td>
<td>3,800,000</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(6) School Sub-grants in UBS Regions 1 and 2; and School Sub-grants in LBS</td>
<td>0</td>
<td>1,600,000</td>
</tr>
<tr>
<td>and SSS in Regions 1 through 6</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>(7) Goods, works, non-consulting services, consultants’ services,</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Operating Costs and Training for Part 1(c) (ii) through 1(c) (vi) of the</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Project</td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>7,820,000</td>
<td>5,400,000</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 the Original Financing Agreement, with respect to the Original Grant, except that withdrawals of amounts of the Original Grant up to an aggregate amount not to exceed SDR 340,000 equivalent may be made for payments made prior to this date but on or after April 1, 2013, from the Category 3(a) and 3(b), subject to compliance with the provisions of subparagraph (b) below;
(b) Under Categories (3)(a) and 3(b) unless the Recipient shall have furnished to the Association by no later than March 31, 2014, or the Effective Date if said Effective Date is later than March 31, 2014, evidence, satisfactory to the Association, of the achievement of DLIs 1 and 2, as set out in the DLI Table; and

(c) Under Categories (3)(c) and 3(f), unless the Recipient shall have furnished to the Association:

(i) the IUFR for the period ending on September 30, 2014; and

(ii) by no later than December 15, 2014, evidence, satisfactory to the Association, of the achievement of DLIs 3 and 6 as set out in the DLI Table;

2. Notwithstanding the provisions of Part B.1 of this Section, if, in respect to Category 3, the Association is not satisfied that one (or more) of the DLIs referred to in said Part B.1 as a condition of withdrawal under said Category has been fully achieved by the date specified in said Part B.1, the Association may at any time, by notice to the Recipient, decide in its sole discretion to: (a) authorize the withdrawal of all or a portion of the unwithdrawn proceeds of the Financing then allocated to said Category, at such later date (prior to the Closing Date) as the Association shall be satisfied that such DLI (or DLIs) has (or have) been achieved; (b) reallocate all or a portion of the proceeds of the Financing then allocated to such Category to any other Category; and/or (c) cancel all or a portion of the proceeds of the Financing then allocated to such Category.

3. Notwithstanding the provisions of Part B.1 of this Section, if, in respect to DLIs 1, 2, 3 and 6, the Association determines that said DLI: (i) has been fully achieved within seven (7) days after the date specified in said Part B.1 for said DLI, for purposes of disbursement of Financing proceeds under Categories (3)(a), 3(b), (3)(c) or (3)(f), as the case may be, the Recipient shall be entitled to receive 50% of the amount originally allocated for said DLI and the remaining 50% shall be reallocated to any other Category, at the Association’s sole discretion; or (ii) was not achieved, the amount originally allocated for said DLI shall be cancelled.

4. Notwithstanding the foregoing provisions of this Section IV, if the Association determines:

(a) at any time prior to the Closing Date that the then Withdrawn Financing Balance exceeds the total amount of Eligible Expenditures then incurred by the Recipient, the Association may, by notice to the Recipient, decide in its sole discretion to deduct the excess amount from future withdrawals under Categories (3)(a) through (3)(c) or to require a refund
of the excess (in which case the amount so refunded shall be cancelled); or

(b) after the Closing Date that the Withdrawn Financing Balance exceeds the total amount of Eligible Expenditures incurred by the Recipient, exclusive of any such expenditures financed by any other financier or by the Association under the Financing or the Association under any other loan, credit or grant, the Recipient shall, promptly upon notice from the Association, refund to the Association such excess amount of the Withdrawn Financing Balance. The Association shall cancel the refunded amount of the Withdrawn Financing Balance.

5. The Closing Date is February 28, 2018.
## SCHEDULE 3
Disbursement Linked Indicators (DLIs)

<table>
<thead>
<tr>
<th>DISBURSEMENT-LINKED INDICATORS</th>
<th>ACTIONS TO BE COMPLETED IN YEAR 0 (FROM APRIL 1ST, 2013 THROUGH MARCH 31ST, 2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Timely Provision of Basic School Facilities</td>
<td>MOBSE shall publish, on or before March 17, 2014, in at least one of the Recipient’s local newspapers, the package of final bidding documents for the construction of 40 multigrade schools and 40 water points under the Project in form and substance acceptable to the Association</td>
</tr>
<tr>
<td>2. Timely Provision of School Sub-grants</td>
<td>MOBSE shall transfer the first tranche (equivalent to 40% of the entire annual allocation) of annual school sub-grants to all public lower basic schools on or before September 15, 2013</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DISBURSEMENT-LINKED INDICATORS</th>
<th>ACTIONS TO BE COMPLETED IN YEAR 1 (FROM APRIL 1ST, 2014 THROUGH MARCH 31ST, 2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Timely Provision of School Sub-grants</td>
<td>MOBSE shall transfer the first tranche (equivalent to 40% of the entire annual allocation) of annual school sub-grants to all public upper basic schools on or before September 15, 2014</td>
</tr>
<tr>
<td>4. No Charge of School Fees</td>
<td>N/A</td>
</tr>
<tr>
<td>Cancelled</td>
<td></td>
</tr>
<tr>
<td>5. Increase School Attendance in NATs</td>
<td>N/A</td>
</tr>
<tr>
<td>Cancelled</td>
<td></td>
</tr>
<tr>
<td>6. Improvement of Data Collection</td>
<td>MOBSE shall complete the annual school census, including Madrassas and with a minimum of 95% response rate and results and analytical report released by May 30, 2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DISBURSEMENT-LINKED INDICATORS</th>
<th>ACTIONS TO BE COMPLETED IN YEAR 2 (FROM APRIL 1ST, 2015 THROUGH MARCH 31ST, 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. No Charge of School Fees</td>
<td>N/A</td>
</tr>
<tr>
<td>Cancelled</td>
<td></td>
</tr>
<tr>
<td>8. Increase School Attendance in NATs</td>
<td>N/A</td>
</tr>
<tr>
<td>Cancelled</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DISBURSEMENT-LINKED INDICATORS</th>
<th>ACTIONS TO BE COMPLETED IN YEAR 3 (FROM APRIL 1ST, 2016 THROUGH MARCH 31ST, 2017)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. Improve school development plans</td>
<td>N/A</td>
</tr>
<tr>
<td>Cancelled</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX

Section I. Definitions

1. “Abbreviated Resettlement Action Plan” and “ARAP” each means, for a given Project activity (including Sub-project) for which an abbreviated resettlement action plan is required pursuant to the RPF, said plan to be prepared by the Recipient in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.

2. “Accountant General Department” or “AGD” means the department formerly known as Directorate of National Treasury (DNT), referred to in Section I.A.3 of Schedule 2 to this Agreement or any successor thereto.

3. “Additional Grant” means the grant extended to the Recipient pursuant to Section 2.01 (b) of this Agreement.

4. “Allowances” means the additional payments made by MOBSE to eligible teachers (excluding Hardship Allowances), as the criteria to identify said teachers is laid out in the Allowance Chapter of the PIM.

5. “Allowances Beneficiaries” means each of the teachers eligible to receive Allowances as defined in the Allowance Chapter of the PIM.

6. “Amended and Restated Financing Agreement” means this Agreement.

7. “Annual Work Plan and Budget” means the work plan and budget prepared for each year of implementation of the Project in accordance with Section I.B.5 of Schedule 2 to this Agreement.


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

10. “CCT” means the conditional cash transfer program supporting koranic teachers in Majalis, in the amount of approximately GMD100 per pupil per month.

11. “CCT Beneficiaries” means each of the koranic teachers eligible to receive CCT in accordance with the CCT Chapter of the PIM.

13. “Cofinancing” means, for purposes of paragraph 11 of the Appendix to the General Conditions, the amounts of six million nine hundred thousand dollars ($6,900,000) provided under the GPEF Grant Agreement and one million dollars, ($1,000,000), to be provided by the Association, acting as administrator of the Early Learning Partnership Fund, to assist in financing the Project.

14. “Cofinancing Agreements” means the GPEF Grant Agreement and the agreement to be entered into on the same date of this Agreement between the Recipient and the Association, acting as administrator of the Early Learning Partnership Fund, which agreements provide, together, for the Cofinancing.


16. “Disbursement Linked Indicators” or “DLIs” each means the disbursement-linked targets set forth in the columns entitled “Actions to be Completed for Disbursements in Year 0”, “Actions to be Completed for Disbursements in Year 1”, and “Actions to be Completed for Disbursements in Year 2”; “DLI” means any one of such DLIs, for the purpose of Section IV of Schedule 2 to this Agreement.

17. “DLI Table” means the table set forth in Schedule 3 to this Agreement.


19. “Environmental and Social Management Framework” and “ESMF” each means the Recipient’s environmental and social management framework for the Project, disclosed in country and at the Association’s InfoShop on September 3, 2013, as updated and re-disclosed in-country and at the Association’s InfoShop on July 8, 2016.

20. “Environmental Management Plan” and “EMP” each means, for a given Project activity (including Sub-project) for which an environmental management plan is required pursuant to the ESMF, said plan prepared by the Recipient in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.

21. “Eligible Expenditures Program” means a set of expenditures consisting of goods, consultants’ services, non-consulting services, Operating Costs, and Training incurred by the Recipient for the implementation of Part 4 of the Project and financed through the Budget/Account Codes: Basic education’s chart of accounts code - 200 2000 1300 10000, excluding Basic Salary “2002000130010000-000000-00-211101” respectively.

22. “Fiscal Year” means the Recipient’s fiscal year.

24. "GMD" means Gambian Dalasi, the Recipient's currency.


26. "Hardship Allowances" means: (i) in Category 2 the payments made by MOBSE to Hardship Allowance Beneficiaries in LBS; and (ii) in Category 6 the payments made by MOBSE to Hardship Allowance Beneficiaries in UBS, both in the amount as further elaborated in the Hardship Allowance Chapter of the PIM.

27. "Hardship Allowances Beneficiaries" means each of the teachers located in designated hardship areas eligible to receive Hardship Allowances as defined in the Hardship Allowance Chapter of the PIM.

28. "HTC" means higher teacher's certificate.

29. "ICT" means information and communication technology.

30. "IUFR" means any of the interim unaudited financial reports to be furnished to the Association by the Recipient pursuant to Section II.2 of Schedule 2 to this agreement. "IUFRs" means more than one IUFR.

31. "LBS" or Lower Basic Schools" means schools enrolling students from grades 1 to 6.

32. "LEARNET" means learning, education, activities and resources network.

33. "Majalis" are the Recipient's koranic schools.

34. "MOFES" means the Recipient's ministry responsible for finance and economic affairs, and any successors thereto.

35. "MOHERST" means the Recipient's ministry responsible at the time for higher education, research, science and technology and any successors thereto.

36. "MOBSE" means the Recipient's ministry responsible at the time for basic and secondary education, and any successors thereto.

37. "NAT" means national assessment test.

38. "Operating Costs" means the operating costs incurred for the purposes of the implementation of the Project, including office supplies, utilities,
consumables, rental charges, bank charges, advertising expenses, travel, per diems, accommodation, and salaries of selected support staff, but excluding salaries of consultants and salaries of officials of the Recipient’s civil service.

39. “Original Financing Agreement” means the agreement, dated April 9, 2014 (Grant No. H916-GM), pursuant to which the Association agreed to provide the Recipient with the Original Grant to assist in the financing the Original Project.

40. “Original Grant” means the grant in an amount equivalent to seven million eight hundred twenty thousand Special Drawing Rights (SDR 7,820,000) provided under the Original Financing Agreement to assist in financing the Original Project.

41. “Original Project” means the Project described in Schedule 1 to the Original Financing Agreement.

42. “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 September 3rd, 2013 and on behalf of the Recipient on September 18, 2013.

43. “PCU” means the Project Coordination Unit, established by the Recipient within MOBSE in accordance with Section I.A.2 of Schedule 2 to this Agreement.


45. “Project Implementation Manual” or “PIM” means the manual for the implementation of the Project to be adopted by the Recipient in accordance with the provisions of Section I.B.4 of Schedule 2 to this Agreement.

46. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated December 3rd, 2013, updated on July 26, 2016, 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.

47. “Public Procurement Authority Act, 2014” means the Recipient’s public procurement act entitled “the Gambia Public Procurement Authority Act, 2014”.

48. “PTC” means primary teacher’s certificate.

49. “Region” means each of the 6 geographical areas of the Recipient’s territory as defined by the Recipient.
50. "Resettlement Action Plan" and "RAP" each means, for a given Project activity (including Sub-project) for which an resettlement action plan is required pursuant to the RPF, said plan prepared by the Recipient in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.

51. "Resettlement Policy Framework" and "RPF" each means the Recipient’s policy framework for the Project, disclosed in country and at the Association’s Infoshop on September 3, 2013.

52. "Safeguards Instruments" means, collectively, the ESMF, RPF, EMP, RAP and/or ARAP.

53. "Senior Management Team" and "SMT" each means the team to be established by the Recipient in accordance with Section I.A.1 of Schedule 2 to this Agreement.

54. "SQAD" means standards and quality assurance directorate, and any successors thereto.

55. "School" means a public school selected in accordance with the provisions of the PIM, to which the Recipient has made or proposes to make a School Sub-grant for a School Sub-project.

56. "School Sub-grant" means a grant made or proposed to be made by the Recipient to a School out of the proceeds of the Financing to assist in financing a School Sub-project.

57. "School Sub-projects" a specific development project to be carried out by a School under Part 1(d) of the Project utilizing the proceeds of a School Sub-grant.

58. "SSS" or "Senior Secondary Schools" means schools enrolling students from grades 10 to 12.

59. "Student Teacher Beneficiary" means each of the student teachers enrolled at the PTC or HTC programs at the Gambia College and eligible for the Student Teacher Stipend in accordance with the Student Teacher Stipend Chapter of the PIM.

60. "Student Teacher Stipends" means the payments made by MOBSE to Student Teacher Beneficiaries, in the amount of approximately five Dollars (US$5) per student per month, with a supplemental twelve (US$12) for students enrolled in the mathematics program as further elaborated in the Student Teacher Stipend Chapter of the PIM.
61. "Teachers’ Salaries" means teachers’ net pay excluding Allowances, as further elaborated in the Teachers’ Salaries Chapter of the PIM.

62. "Teachers’ Salaries Beneficiaries" means the teachers eligible to receive Teachers’ Salaries as defined in the Teachers’ Salaries Chapter of the PIM.

63. "Training" means the reasonable cost associated with the participation of personnel involved in Project supported training activities, workshops and study tours, including travel and subsistence costs for training, workshops and study tour participants, costs associated with securing the services of trainers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course, workshop or study tour preparation and implementation.

64. "UBS" or "Upper Basic Schools" means schools enrolling students from grades 7 to 9.

65. "Year" means any of the time periods 0, 1, 2 and 3, as set forth in Schedule 3 to this Agreement, within which, at the latest, the respective DLIs in said Schedule have to be achieved.

Section II. Modifications to the General Conditions

Section 3.01 (b) of the General Conditions is modified to read as follows:

"(b) The Commitment Charge shall accrue from a date sixty days after: (i) the date of the Original Financing Agreement with respect to the unwithdrawn balance of the Original Grant; and (ii) the date of the Amended and Restated Financing Agreement with respect to the unwithdrawn balance of the Additional Grant, to the respective dates on which amounts are withdrawn by the Recipient from the Financing Account or cancelled. The Commitment Charge shall accrue at the rate set as of the June 30 immediately preceding the accrual date and at such other rate as may be set from time to time thereafter pursuant to this Section. The rate set as of June 30 in each year shall be applied from the next Payment Date in that year. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date. The Commitment Charge shall be computed on the basis of a 360-day year of twelve 30-day months."