

GRANT NUMBER D071-3A

Financing Agreement

(Sahel Malaria and Neglected Tropical Diseases Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

ECONOMIC COMMUNITY OF WEST AFRICAN STATES

Dated *December 2*, 2015

GRANT NUMBER D071-3A

FINANCING AGREEMENT

AGREEMENT dated December 2, 2015, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and ECONOMIC COMMUNITY OF WEST AFRICAN STATES (“Recipient”). The Association and the Recipient hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to seven million three hundred thousand Special Drawing Rights (SDR7,300,000) (variously, “Grant” 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 Payment Dates are January 15 and July 15 in each year.
- 2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall cause the Project to be carried out by the West Africa Health Organization (“WAHO” or “Project Implementing Entity”) in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.

- 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 — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following:
- (a) The Member Countries have taken or permitted to be taken any action which would prevent or interfere with the performance by the Recipient or by the Project Implementing Entity of their obligations under this Agreement or under the Project Agreement.
 - (b) The ECOWAS Treaty has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the World Bank, the ability of the Recipient to perform any of its obligations under this Agreement.
 - (c) The WAHO Protocol has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.
 - (d) the Conventions for Technical Assistance have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under this Agreement or under the Project Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01 The Additional Condition of Effectiveness consists of the following, namely that the Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.
- 5.02. The Additional Legal Matter consists of the following, namely that the Subsidiary Agreement has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.
- 5.03. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of this Agreement.

- 5.04. 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 fifteen years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Recipient's Representative is its President of the ECOWAS Commission.

- 6.02. The Recipient's Address is:

ECOWAS Commission
101 Yakubu Gowon Crescent
Asokoro District
PMB 401 Abuja
Nigeria

Facsimile:
(234) (9) 3143005 / (9) 3147646

- 6.03. The Association's Address is:

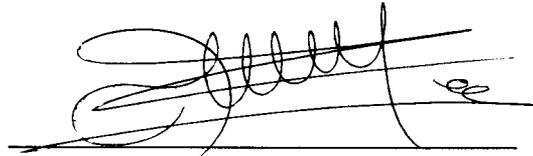
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI)	1-202-477-6391

AGREED at Abuja, Nigeria, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



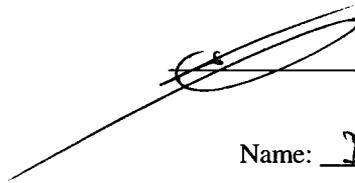
Authorized Representative

Name: RACHID BENMESSAOUD

Title: Country Director for Nigeria
Coordinating Director for West Africa
Regional Integration Program

ECONOMIC COMMUNITY OF WEST AFRICAN STATES

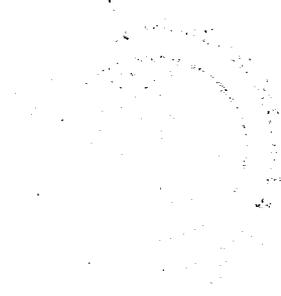
By



Authorized Representative

Name: Dr Xavier CRESPIN

Title: DG / WATTO / ECOWAS



SCHEDULE 1

Project Description

The objective of the Project is to increase access to and use of harmonized community-level services for the prevention and treatment of malaria and selected neglected tropical diseases in targeted cross-borders areas in Participating Countries in the Sahel region.

The Project consists of the following parts:

Component 1: Improve Regional Collaboration for Stronger Results Across Participating Countries

Support the Recipient to help Participating Countries to harmonize policies and procedures and engage in joint planning, implementation, knowledge exchange and evaluation of Project activities with the Participating Countries through:

- (a) the establishment, maintenance and coordination of: (i) a Regional Steering Committee to: (A) harmonize technical strategies, implementation and monitoring tools with Participating Countries; (B) facilitate joint planning of campaigns, cross-border activities and Project evaluations; (C) support operational research priorities and disseminate lessons learned in the context of Project implementation and evaluation; and (ii) Cross-border Committees to carry out: (A) local planning of interventions and monitoring and evaluation activities involving two or more districts in adjacent countries; (B) campaign style activities for SMC and MDA for integrated PC-NTD; and (C) the monitoring of the implementation of routine services, such as home or community based diagnosis and treatment of malaria, including iCCM.
- (b) the coordination of regional operational research, including: (i) capacity building, long-term training and technical assistance to improve skills and implementation know-how in national and regional research and teaching institutions; and (ii) regional communication networks, systems of computerized data management and sentinel sites for monitoring and evaluation, drug and insecticide resistance monitoring, in order to increase the usefulness, timeliness, simplicity and reliability of the information generated by country monitoring and surveillance systems.

Component 2: Strengthen Institutional Capacity to Coordinate and Monitor Implementation

Support the Recipient to perform core Project implementation functions and insure effective and efficient Project implementation, monitoring and evaluation through:

- (a) regional coordination and institutional strengthening, including improved coordination and project management capacities for the implementing agencies, as the recruitment and training of key personnel including financial management,

procurement, monitoring and evaluation as well as technical specialists when required, Operating Costs and Workshop and Training.

- (b) strengthened monitoring and evaluation as well as operational research with the Participating Countries, including regular evaluations activities of Project interventions in the targeted areas, surveillance as well as specific surveys.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall maintain throughout the period of Project implementation its representative in the Regional Steering Committee to provide overall regional guidance and oversight for the Project and to participate in regular meetings.
2. The Recipient shall, at all times during Project implementation: (a) cause the Project Implementing Entity to be responsible for the implementation, coordination and oversight of the Project; and (b) ensure that the Project Implementing Entity maintains functions, staffing and resources, satisfactory to the Association, for the proper implementation of the Project.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to the Project Implementing Entity under a subsidiary agreement (“Subsidiary Agreement”) between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association.
2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Grant. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Anti-Corruption

The Recipient shall, and shall cause the Project Implementing Entity to, ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

D. Annual Work Programs

The Recipient shall cause the Project Implementing Entity, through its Project Implementation Unit and the Regional Steering Committee, to prepare by not later than November 30 in each calendar year during Project implementation a draft program of activities proposed for the following year (“Annual Work Program”) all in form and substance satisfactory to the Association and as further detailed in the Project Agreement, the Subsidiary Agreement and the Project Operations Manual.

E. Project Operations Manual

- (a) The Recipient shall, and shall cause the Project Implementing Entity to, adopt not later than one month after the Effective Date the Project Operations Manual in form and substance satisfactory to the Association.
- (b) The Recipient shall, and shall cause the project Implementing Entity to ensure that the Project is carried out in accordance with said Project Operations Manual.
- (c) The Recipient shall not and shall not cause the Project Implementing Entity to, amend the Project Operations Manual without the prior written approval of the Association.
- (d) In the event of any conflict between the provisions of the Project Operations Manual and this Agreement, the provisions of this Agreement shall prevail.

F. Conventions for Technical Assistance

- 1. To facilitate the carrying out of the Project, the Recipient shall cause the Project Implementing Entity to enter into, not later than three months after the Effective Date, and thereafter maintain agreements between the Project Implementing Entity and the Participating Countries with terms and conditions approved by the Association, as further described in the Project Operations Manual (“Conventions for Technical Assistance”).
- 2. The Recipient shall cause the Project Implementing Entity to exercise its rights under the Conventions for Technical Assistance in such manner as to protect the interests of the Recipient, the Project Implementing Entity, the Participating Countries and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall cause the Project Implementing Entity not assign, amend, abrogate or waive the Conventions for Technical Assistance.
- 3. In the event of any conflict between the provisions of the Conventions for Technical Assistance and the provisions of this Agreement, the provisions of this Agreement shall prevail

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

- 1. The Recipient shall, and shall cause the Project Implementing Entity to, 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 set forth in the Project Operations Manual and found 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 forty five days after the end of the period covered by such report.

2. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six months after the Closing Date.

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, and shall cause the Project Implementing Entity to, prepare and furnish to the Association not later than forty five 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, and shall cause the Project Implementing Entity to, have its Financial Statements for the Project audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of said Financial Statements shall cover the period of one fiscal year of the Recipient and of the Project Implementing Entity. 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 and Non-consulting Services.** All goods 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 and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding subject to the following additional provisions: the Recipient shall use the Association's standard bidding documents or other bidding documents which shall have been found acceptable to the Association prior to their use; (b) Limited International Bidding; (c) Shopping; and (d) Direct Contracting.

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) Least Cost Selection; (b) Quality-based Selection; (c) Fixed Budget Selection; (d) Selection based on Consultants' Qualifications; (e) Selection of Individual Consultants; (f) Single-source Selection; and (g) Selection of United Nations Agencies.

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 Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, Non-Consulting Services, Consultants’ Services, Operating Costs, Workshops and Training for the Project	7,300,000	100%
TOTAL AMOUNT	7,300,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR730,000 may be made for payments made twelve months prior to this date, for Eligible Expenditures under Category (1).
2. The Closing Date is December 31, 2019.

Section V. Other Undertakings

A. By December 31, 2017, or such other date as the Association shall agree upon, the Recipient shall: (i) carry out jointly with the Project Implementing Entity and the Association, a mid-term review of the implementation of operations under the Project, which shall cover the progress achieved in the implementation of the Project; and (ii) following such mid-term review, act promptly and diligently to take any corrective action as shall be agreed by the Association.

B. On or before six months after the Effective Date, the Recipient shall cause the Project Implementing Entity to hire an external auditor, with terms of reference, experience and skills acceptable to the Association, as further detailed in the Project Operations Manual and in accordance with the provisions of Section III of this Schedule.

APPENDIX

Section I. Definitions

1. "Annual Work Program" means the draft annual work program to be prepared by the Project Implementing Entity through the Project Implementation Unit, in cooperation with the Regional Steering Committee not later than November 30 in each calendar year during Project implementation, as further detailed in the Project Agreement and the Project Operations Manual.
2. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.
3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).
5. "Conventions for Technical Assistance" means the agreements to be signed between the Project Implementing Entity and the Participating Countries for the provision of technical assistance under the Project.
6. "Cross-border Committees" means committees to be established in the border areas of the Participating Countries to provide local planning of interventions and monitoring of cross-border activities.
7. "ECOWAS Treaty" means the treaty establishing the Recipient as a regional organization dated July 24, 1993, including any amendments thereof.
8. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010.
9. "iCCM" means Integrated Community Case Management.
10. "MDA" means Mass Drug Administration.
11. "Member Countries" means the Federal Republic of Nigeria and Burkina Faso.
12. "Operating Costs" means the following recurrent costs of the Project: (i) operation and maintenance of vehicles, repairs, fuel and spare parts; (ii) computer maintenance, including hardware and software; (iii) communication costs and shipment costs (whenever these costs are not included in the cost of goods); (iv) office supplies; (v) rent and maintenance for office facilities; (vi) utilities and insurance payment, including

payments for health insurance and health-related services; (vii) travel and per diem costs for technical staff carrying out Training, and supervisory and quality control activities; and (viii) salaries of support staff for the Recipient, the Regional Steering Committee and the Project Implementation Unit, but excluding salaries of the Recipient's regular staff.

13. "Participating Countries" means Burkina Faso, the Republic of Mali, and the Republic of Niger.
14. "PC-NTD" means Preventive Chemotherapy for Neglected Tropical Diseases.
15. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 (revised July 2014).
16. "Procurement Plan" means the Recipient's procurement plan for the Project, dated April 27, 2015 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.
17. "Project Agreement" means the agreement, of same date as this Agreement, between the Association and the Project Implementing Entity relating to the implementation of the Project; as such agreement may be amended from time to time.
18. "Project Implementing Entity" means the West African Health Organization.
19. "Project Implementation Unit" means the unit within the administrative structure of the Project Implementing Entity in charge of the day-to day management and implementation of the Project.
20. "Project Operations Manual" means a manual to be adopted by the Recipient and the Project Implementing Entity and found satisfactory to the Association and which shall contain, *inter alia*: (i) the terms of reference, functions and responsibilities for the members or personnel of the Regional Steering Committee and Project Implementation Unit; (ii) the procedures for procurement of goods, non-consulting services, consultants' services, Operational Costs, Training and Workshops, as well as for financial management and audits under the Project; (iii) the indicators to be used in the monitoring and evaluation of the Project; (iv) flow and disbursement arrangements of Project funds; (v) model forms for the Conventions for Technical Assistance; and (vi) the communication strategy for the Project, the complaint handling mechanism and other necessary implementation arrangements, including the rules and procedures for the payments to community health workers; as said manual may be amended from time to time with the Association's prior approval.
21. "Regional Steering Committee" means a steering committee established and operating under WAHO authority to provide overall regional strategic direction for the Project, as further described in the Project Operations Manual.

22. "SMC" means Seasonal Malaria Chemoprevention.
23. "Subsidiary Agreement" means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity.
24. "WHO/AFRO" means the Regional Offices for Africa of the World Health Organization.
25. "WAHO Protocol" means the Protocol A/P.2/2/87 on the Establishment of a West African Health Organization, dated July 9, 1987 and entered in force and effect in accordance with Article XVIII thereof, as amended by Supplementary Protocol A/SP.1/01/06, dated January 12, 2006 and entered in force and effect in accordance with Article 2 thereof.
26. "Workshops and Training" means workshops and training, including purchase and publication of materials, rental of facilities, course fees, study tours and travel and subsistence for participants, trainees and trainers.

Section II. Modifications to the General Conditions

The modifications to the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010 are as follows (all references to Sections and the Appendix are to Sections of and the Appendix to said General Conditions):

- A. In Section 2.06 (*Financing Taxes*), the text "Taxes levied by, or in the territory of, the Recipient" is modified to read "Taxes levied by, or in the territory of, the Member Country".
- B. In Section 3.10 (*Manner of Payment*), the text "Taxes levied by, or in the territory of the Recipient" is modified to read "Taxes levied by, or in the territory of, the Member Country".
- C. Paragraph (a) of Section 4.09 (*Financial Management, Financial Statements, Audits*) is modified to read as follows:

"(a) The Recipient shall maintain or cause to be maintained a financial management system and prepare financial statements ("Financial Statements") in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations and financial condition of the Recipient, including the operations, resources and expenditures related to the Project."

- D. Paragraph (a) of Section 4.11 (*Visits*) is modified to read as follows:
- “(a) The Recipient shall take all measures required on its part to enable the representatives of the Association to visit any part of the Member Country’s territory for purposes related to the Financing or the Project.”
- E. Section 5.01 (*Financial and Economic Data*) is deleted in its entirety.
- F. In sub-paragraph (ii)(B) of Section 6.02(i) (*Assignment of Obligations; Disposition of Assets*), the expression “Project Implementing Entity” is modified to read “Recipient”.
- G. Section 6.02 (j) (*Membership*) is modified to read as follows:
- “(j) *Membership*. The Member Country or any member of the Recipient: (i) has been suspended from membership in or ceased to be a member of the Association; or (ii) has ceased to be a member of the International Monetary Fund.”
- H. In Sections 6.02(k) (*Condition of Project Implementing Entity*) and 6.02(l) (*Ineligibility*), all references to “Project Implementing Entity” are modified to read “Recipient”.