

GRANT NUMBER D0460-BI

Financing Agreement

(Infrastructure Resilience Emergency Project)

between

REPUBLIC OF BURUNDI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *April 07*, 2016



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A small, handwritten mark or signature in black ink, resembling a cursive 'e' or a similar flourish.

GRANT NUMBER D0460-BI

FINANCING AGREEMENT

AGREEMENT dated _____, 2016, entered into between REPUBLIC OF BURUNDI (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to seventeen million eight hundred thousand Special Drawing Rights (SDR 17,800,000) (“Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Payment Dates are October 1 and April 1 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 carry out the Project through the MTPWE 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 Project Management Contract referred to in Section I.B of Schedule 2 to this Agreement has been executed between the Recipient and BAPW in form and substance satisfactory to the Association.
 - (b) The Recipient has established the Project Inter-ministerial Technical Steering Committee in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.
 - (c) The Recipient has: (i) recruited to the PMU, a project director, a procurement specialist, a financial management specialist and a chief accountant with qualifications, experience, and terms of reference satisfactory to the Association, in accordance with Section I.A.2(b)(i) of Schedule 2 to this Agreement; and (ii) set up, within the PMU, a computerized financial and accounting system satisfactory to the Association and trained the relevant staff in the use thereof, in accordance with Section II.B.5(a) of Schedule 2 to this Agreement.
 - (d) The Recipient has adopted the Project Implementation Manual in accordance with Section I.D of Schedule 2 to this Agreement.
- 4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.
- 4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty 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 finance.
- 5.02. The Recipient's Address is:

Ministry of Finance and Economic Development Planning
P. O. Box 1830
Bujumbura



Burundi

Telex:	Telephone:
5135 MINIFINBDI	257-22-22-27-75

5.03. The Association's Address is:

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

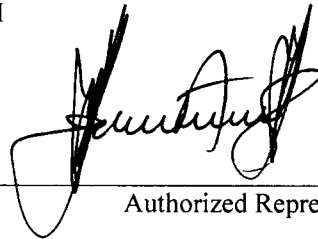
Cable:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI)	1-202-477-6391



AGREED at Bujumbura, Burundi, as of the day and year first above written.

REPUBLIC OF BURUNDI

By



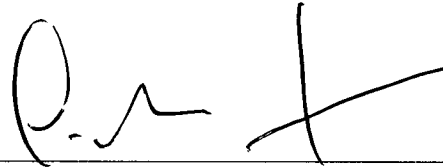
Authorized Representative

Name: TABU ABDALLAH
MANIRAKIZA

Title: MINISTER

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: NESTOR COFFI

Title: COUNTRY MANAGER

SCHEDULE 1

Project Description

The objective of the Project is to enhance the climate resilience of key transport and drainage infrastructure in the Target Area while strengthening the Recipient's capacity to manage and prevent natural disasters.

The Project consists of the following parts:

Part A. Rehabilitation of Roads and Urban Infrastructure

Implementation of a program of activities to rehabilitate the Recipient's deteriorated and flood-affected roads and urban infrastructure in the Target Area, including, *inter alia*:

1. Reconstruction or rehabilitation of structures on the Recipient's NR-1 route, including, *inter alia*, installation of slope protection mechanisms, stabilization of embankments, rehabilitation of drainage systems, redirection of groundwater and rehabilitation and stabilization of related road pavements.
2. Construction or rehabilitation of urban infrastructure in the Target Area including, *inter alia*: (a) reinforcement of channels of approximately 7.5km along the Recipient's Nyabagere and Kinyankonge rivers; (b) construction of a channel on the Recipient's Gasenyi river; (c) resizing of water outlets underneath the Recipient's RN-9 route; (d) construction of a lined canal in the Recipient's district of Carama; and (e) dredging of the canal, upstream of the Recipient's Buterere waste water treatment plant to improve downstream flow and fortification of the retention walls of said treatment plant.

Part B. Capacity Strengthening in Disaster Risk Management

Implementation of a program of activities to enhance the Recipient's capacity in natural disaster response and risk management, consisting of, *inter alia*:

1. Capacity strengthening in disaster risk management, including *inter alia*, (a) carrying out of an evaluation and mapping of natural disaster risks in the Target Area including potential impact on infrastructure; (b) establishment of a system of prevention, early warning and response in areas at risk of landslides to avoid the formation of water reservoirs and enable evacuation procedures; (c) establishment of a strategic information system to prioritize structural and non-structural risk mitigation activities; and (d) carrying out of advocacy activities, communication campaigns,



and training for Target Area residents on risk-monitoring and water and soil conservation.

2. Establishment of capacity to respond promptly and efficiently to an Eligible Crisis or Emergency, consisting of providing immediate response to an Eligible Crisis or Emergency, as needed, including mitigation, recovery and reconstruction.

Part C. Institutional Support, Project Management and Coordination

1. Provision of institutional support to relevant agencies of the Recipient in the management and maintenance of its road networks.
2. Project coordination, management and monitoring, preparation of financial and technical audits and periodic evaluations, and provision of goods, Training, Operating Costs and consultants' services required therefor.



SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Project Steering Committee

- (a) The Recipient shall establish and maintain, at all times during the implementation of the Project, a Project inter-ministerial technical steering committee with a mandate, composition and resources satisfactory to the Association (“Project Inter-Ministerial Technical Steering Committee”).
- (b) Without limitation upon the provisions of paragraph (a) of Section I.A.1 of this Schedule 2, the Project Inter-Ministerial Technical Steering Committee shall be chaired by a representative of the MTPWE and shall be comprised of, *inter alia*, representatives of the Recipient’s ministries responsible for water, environment, urban and regional planning, sanitation, and public security and representatives of relevant public institutions.
- (c) The Project Inter-Ministerial Technical Steering Committee shall meet at least semi-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 strategic guidance; (iii) facilitating adequate coordination with relevant stakeholders and alignment with sector strategies; and (iv) identifying necessary Project adjustments based on monitoring and evaluation reports.

2. PMU

- (a) The OdR shall be responsible for overall coordination of the Project. To facilitate the carrying out of Part A.1 of the Project, the Recipient shall maintain at all times during the implementation of the Project, the PMU within OdR with composition, terms of reference and resources satisfactory to the Association.
- (b) Without limitation upon the provisions of Paragraph (a) of Section I.A.3 of this Schedule 2, the PMU shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers, and to this end, *inter alia*, recruit a project director, a procurement specialist, a financial management specialist, a chief accountant, an assistant accountant, an administrative assistant, and a monitoring and evaluations specialist, all in accordance with Section III of this Schedule 2, with qualifications and terms of



reference acceptable to the Association; and (ii) be responsible for the day-to-day Project coordination and implementation of Part A.1 of the Project, including: (A) preparing proposed Annual Work Plan and Budget for Part A.1 of the Project, updating the Procurement Plan and preparing the Project reports for Part A.1 of the Project for the Project Inter-Ministerial Technical Steering Committee; (B) carrying out the relevant Project procurement activities including developing and maintaining a comprehensive procurement filing system for Part A.1 of the Project; and (C) coordinating the monitoring and evaluation activities for said part of the Project.

B. Project Management Contract

1. To facilitate the carrying out of Parts A.2 and B of the Project, the Recipient shall execute a management contract with BAPW, under terms and conditions approved by the Association in accordance with Section III of this Schedule 2 ("Project Management Contract").
2. The Recipient shall obtain, under the Project Management Contract, rights adequate to protect the interests of the Recipient and the Association, including the right to require BAPW to:
 - (a) carry out its activities under the Parts A.2 and B of the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including, without limitation to the generality of the foregoing, in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient, the Project Implementation Manual, the provisions of Section III of this Schedule 2, and the Safeguards Instruments;
 - (b) maintain policies and procedures, adequate to enable BAPW to monitor and evaluate, in accordance with indicators acceptable to the Association, the progress of the activities carried out under Parts A.2 and B of the Project and the achievement of the objectives thereof;
 - (c) (i) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the activities carried out under Parts A.2 and B of the Project; and (ii) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and



furnish promptly to the Recipient and the Association the financial statements as so audited;

- (d) enable the Recipient and the Association to inspect the activities carried out under Parts A.2 and B of the Project, their operation and any relevant records and documents; and prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing; and
 - (e) refund any amount of the Financing then withdrawn, upon the Recipient's or the Association's determination that BAPW has failed to perform any of BAPW's obligations under the Project Management Contract.
3. The Recipient shall ensure the payment of appropriate fees to BAPW for its services under the Project Management Contract, in accordance with the provisions of the Project Implementation Manual.
 4. The Recipient shall exercise its rights and carry out its obligations under the Project Management Contract in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.
 5. 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 Project Management Contract or any provisions therein.

C. Anti-Corruption

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

D. Project Implementation Manual

1. The Recipient shall prepare or cause to be prepared, in accordance with terms of reference acceptable to the Association, a Project implementation manual, containing detailed 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; (e) environmental and safeguard management; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.
2. The Recipient shall afford the Association a reasonable opportunity to review and approve such manual, and shall thereafter adopt such manual as shall have been approved by the Association ("Project Implementation Manual").



3. The Recipient shall carry out the Project in accordance with the Project Implementation Manual and shall, not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written consent of the Association.
4. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

E. Annual Work Plans and Budgets

1. Not later than November 30 in each calendar year or one month before the end of the Recipient's fiscal year (or three months after the Effective Date for the first year of Project implementation), the Recipient shall prepare or cause to be prepared for the purpose of forwarding 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 (or cause to be carried 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. Any Training proposed to be included in an Annual Work Plan and Budget, shall include, *inter alia*: (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.

F. Safeguards

1. The Recipient shall, prior to commencing any activities under Part A of the Project:
 - (a) prepare, or cause to be prepared, the relevant Safeguards Instruments under terms of reference satisfactory to the Association;

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- (b) furnish to the Association the Safeguards Instruments mentioned in paragraph (a) above and afford the Association a reasonable opportunity to review and approve said instruments; and
 - (c) thereafter, adopt such Safeguards Instruments, as shall have been approved by the Association, and disclose them in country and in the association's InfoShop.
2. The Recipient shall: (a) take such measures, or cause such measures to be taken, as shall be necessary or appropriate to ensure full compliance with the requirements of such Safeguards Instruments; and (b) if any activity under the Project would involve Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before resettlement measures under the RAP, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, have been taken.
3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall (and shall cause BAPW to), for each Safeguards Instrument, regularly collect, compile and furnish to the Association reports in form and substance satisfactory to the Association, on the status of compliance with each Safeguards Instrument, as part of the Project Reports, giving details of:
- (a) measures taken in furtherance of such Safeguards Instrument;
 - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguards Instrument; and
 - (c) remedial measures taken or required to be taken to address such conditions.
4. The Recipient shall not amend, waive or otherwise modify any provision of the Safeguards Instruments without the prior written consent of the Association (or permit them to be so amended, waived or otherwise modified).
5. In the event that any provision of the Safeguards Instruments shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.
6. The Recipient shall ensure that all terms of reference for any technical assistance and studies to be carried out under the Project are consistent with the Association's environmental and social safeguard policies.

G. Immediate Response Mechanism

In order to ensure the proper implementation of Part B.2 of the Project, the Recipient shall:



1. (a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for Part B.2 of the Project, including:
 - (i) confirmation of designation of, terms of reference for, and resources to be allocated to, the entity to be responsible for coordinating and implementing Part B.2 of the Project (“Coordinating Authority”);
 - (ii) specific activities which may be included in Part B.2 of the Project, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion;
 - (iii) financial management arrangements for Part B.2 of the Project;
 - (iv) procurement methods and procedures for Emergency Expenditures to be financed under Part B.2 of the Project;
 - (v) documentation required for withdrawals of Emergency Expenditures;
 - (vi) environmental and social safeguard management frameworks, including any Environmental and Social Screening and Assessment Framework for Part B.2 of the Project, consistent with the Association’s policies on the matter; and
 - (vii) any other arrangements necessary to ensure proper coordination and implementation of Part B.2 of the Project;
- (b) afford the Association a reasonable opportunity to review said proposed operations manual;
- (c) promptly adopt such operations manual for said Part B.2 of the Project as shall have been approved by the Association (“IRM Operations Manual”);
- (d) ensure that Part B.2 of the Project is carried out in accordance with the IRM Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the IRM Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
- (e) refrain from amending, suspending, abrogating, repealing or waiving any provision of the IRM Operations Manual without prior approval by the Association.



2. The Recipient shall, throughout the implementation of Part B.2 of the Project, maintain the Coordinating Authority, with qualified staff and financial resources satisfactory to the Association.
3. The Recipient shall undertake no activities under Part B.2 of the Project (and no activities shall be included in said Part of the Project) unless and until the following conditions have been met in respect of said activities:
 - (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in Part B.2 of the Project in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (b) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the IRM Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.

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 the 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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish (or cause to be prepared and furnished) to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the



Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

4. No later than three (3) months after the Effective Date, the Recipient shall recruit, in accordance with the provisions of Section III of this Schedule 2, external financial auditors, with qualifications, experience, and terms of reference satisfactory to the Association, for purposes of the audit referred to in Section II.B.3 of this Schedule.
5. In furtherance of the provisions of this Section II.B of this Schedule 2, the Recipient shall: (a) establish, within the PMU, a computerized financial and accounting system satisfactory to the Association, and successfully train relevant staff in the use thereof; and (b) no later than three (3) months after the Effective Date, train all fiduciary staff of the PMU and BAPW on the Association's fiduciary procedures.

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:

Procurement Method
(a) National Competitive Bidding
(b) Shopping
(c) 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:

Procurement Method
(a) Quality-Based Selection
(b) Selection under a Fixed Budget
(c) Least Cost Selection
(d) Selection Based on the Consultants' Qualifications
(e) Single-Source Selection
(f) Individual Consultants

D. **Procurement of Emergency Expenditures under Part B.2 of the Project**

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for Part B.2 of the Project shall be procured in accordance with the procurement methods and procedures set forth in the IRM Operations Manual.

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E. 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:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consultants' services for Part A of the Project	15,300,000	100%
(2) Goods, consultants' services, Training and Operating Costs for Parts B.1 and C of the Project	1,400,000	100%
(3) Emergency Expenditures under Part B.2 of the Project	1,100,000	100%
TOTAL AMOUNT	17,800,000	



B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 400,000 equivalent may be made for payments made prior to this date but on or after January 31, 2015 for Eligible Expenditures under Categories 1 and 2; or
 - (b) under Category (1) unless the Recipient has disclosed in country and in the Association's InfoShop all Safeguards Instruments required under the Project in accordance with the provisions of Section I.F.1 of this Schedule 2; or
 - (c) under Category (3), unless the Association is satisfied, and so indicates by written notification to the Recipient, that all of the following conditions have been met with respect to activities under Part B.2 of the Project:
 - (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities under Part B.2 of the Project in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;
 - (ii) the Recipient has prepared and disclosed in country and in the Association's InfoShop all Safeguards Instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said safeguards Instruments, all in accordance with the provisions of Section I.G.3(b) of this Schedule 2;
 - (iii) the Recipient's Coordinating Authority is adequately staffed and resourced as provided for under the provisions of Section I.G.2 of this Schedule 2, for the purposes of said activities; and
 - (iv) the Recipient has adopted an IRM Operations Manual in form, substance and manner acceptable to the Association and the provisions of the IRM Operations Manual remain - or have been updated in accordance with the provisions of Section I.G.1(c) of this Schedule 2 so as to be appropriate for the inclusion and implementation of said activities under the Part B.2 of the Project.



2. The Closing Date is June 30, 2019.

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 PWUMP Financing and RSDP Additional Financing.



APPENDIX

Definitions

1. "Affected Person" means a person who as a result of: (a) the involuntary taking of land under the Project is affected in any of the following ways: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood; and "Affected Person" means any of the Affected Persons.
2. "Annual Work Plan and Budget" means the annual work plan and budget as prepared by the Recipient and approved by the Association in accordance with the provisions of Section I.E of Schedule 2 to this Agreement.
3. "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.
4. "BAPW" means *agence burundaise pour la réalisation des travaux d'intérêt public*, the Recipient's enterprise responsible for public interest works, established and operating pursuant to the Recipient's Ministerial Ordinance No. 530/897 of June 27, 2003.
5. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
6. "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).
7. "Coordinating Authority" means the entity or entities designated by the Recipient in the IRM Operations Manual and approved by the Association pursuant to Section I.G.1 of Schedule 2 to this Agreement, to be responsible for coordinating Part B.2 of the Project.
8. "Eligible Crisis or Emergency" means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
9. "Emergency Expenditure" means any of the Eligible Expenditures for goods, works and/or services, as detailed in the IRM Operations Manual, required to carry out one or more of the activities provided for under Part B.2 of the Project.



10. “Environmental and Social Impact Assessment” and “ESIA” mean an assessment, approved by the Association for the project, to be carried out by the Recipient to evaluate the Project’s potential environmental and social risks and impacts in its area of influence, examine alternatives and identify ways of mitigating and managing adverse environmental and social impact throughout Project implementation, as the same may be amended from time to time with the agreement of the Association.
11. “Environmental and Social Management Plan” and “ESMP” mean a plan, approved by the Association for the Project, to be prepared by the Recipient, proposing appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental and resettlement impacts, offset them, reduce them to acceptable levels or enhance positive impacts, as the same may be amended from time to time with the agreement of the Association.
12. “Environmental and Social Screening and Assessment Framework” and “ESSAF” mean the environmental and social screening and assessment framework or action plan included in the IRM Operations Manual, if any.
13. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
14. “IRM Operations Manual” means the operations manual referred to in Section I.G.1(c) of this Agreement, to be adopted by the Recipient for purposes of Part B.2 of the Project in accordance with the provisions of said Section.
15. “MTPWE” means the Recipient’s ministry responsible of transport and public works, and any successor thereto.
16. “OdR” means the Recipient’s national road agency responsible for road planning and supervision, and any successor thereto.
17. “Operating Costs” means the incremental operating expenses, based on annual budgets approved by the Association, on account of the Project, consisting of operation and maintenance costs of office, vehicles and office equipment; water and electricity utilities, telephone, office supplies, bank charges, salaries of contractual staff, travel and supervision costs including *per diem*, but excluding the salaries and indemnities of officials and public servants of the Recipient’s civil service.
18. “PMU” means the project management unit established within OdR and to be maintained in accordance with the provisions of Section I.A.2 of Schedule 2 to this Agreement.



19. "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).
20. "Procurement Plan" means the Recipient's procurement plan for the Project, dated February 23, 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.
21. "Project Implementation Manual" or "PIM" means the implementation manual to be prepared and adopted by the Recipient in accordance with the provisions of Section I.D of Schedule 2 to this Agreement, containing detailed 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, 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.
22. "Project Management Contract" means the contract between the Recipient and BAPW pursuant to which BAPW shall undertake to carry out Parts A.2 and B of the Project.
23. "Project Inter-Ministerial Technical Steering Committee" means the Recipient's steering committee for the Project to be established and maintained by the Recipient in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.
24. "PWUMP Financing" means the grant extended by the Association to the Recipient under the PWUMP Financing Agreement.
25. "PWUMP Financing Agreement" means the agreement for the Public Works and Urban Management Project between the Recipient and Association, as amended and restated as of June 28, 2012 (Grant number H485-BI & H781-BI).
26. "Resettlement Action Plan" and "RAP" mean a plan prepared by the Recipient and approved by the Association for the Project, that outlines the mitigation measures for addressing any resettlement risks associated with the Project, as the said document may be amended and/or supplemented from time to time with the prior written concurrence of the Association, and subject to the initial consultation and disclosure requirements carried out with respect therewith.
27. "RSDP Additional Financing" means the grant extended by the Association to the Recipient under the RSDP Additional Financing Agreement.



28. "RSDP Additional Financing Agreement" means the agreement for the Road Sector Development Project between the Recipient and Association, dated May 17, 2011 (Grant number H684-BI).
29. "Safeguards Instruments" means, collectively, the ESIA, ESSAF, ESMP and RAP or any Supplemental Social and Environmental Safeguards Instruments.
30. "Supplemental Social and Environmental Safeguards Instruments" mean any ESMP, RAP or other supplemental social and environmental safeguards instruments as required under the terms of the ESIA or the ESSAF referred to under Section I.G.1(a)(vi) of Schedule 2 to this Agreement.
31. "Target Area" means the Recipient's city of Bujumbura and its surrounding neighborhoods commonly referred to as greater Bujumbura.
32. "Training" means the training of persons under the Project, including through seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.

