

**OFFICIAL
DOCUMENTS**

CREDIT NUMBER 5859-BF

Financing Agreement

(Transport and Urban Infrastructure Development Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *July 07*, 2016

CREDIT NUMBER 5859-BF

FINANCING AGREEMENT

AGREEMENT dated July 07, 2016, entered into between BURKINA FASO (“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 credit in the amount of eighty seven million eight hundred thousand Euros (EUR 87,800,000) (variously “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment; and (b) three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are April 1 and October 1 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through the *Ministère des Infrastructures* (MI) 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 Condition of Effectiveness consists of the following: namely, that the Recipient has adopted the Project Implementation Manual, in accordance with Section I.B of Schedule 2 to this Agreement.
- 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.
- 5.02. The Recipient's Address is:

Ministry of Economy, Finance and Development
03 BP 7050
Ouagadougou 03
Burkina Faso

Telex:	Facsimile:
5555	226-25-31-27-15

5.03. The Association's Address is:

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

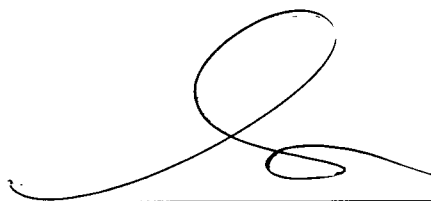
Telex: Facsimile:

248423 (MCI) 1-202-477-6391

AGREED at Ouagadougou, Burkina Faso as of the day and year first above written.

BURKINA FASO

By



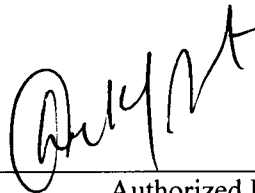
Authorized Representative

Name: Hadizatou Rosine Coulibaly/Sou

Title: Minister of Economy, Finance and Development

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Cheik F. Kante

Title: Country Manager for Burkina Faso

SCHEDULE 1

Project Description

The objective of the Project is to improve mobility and access to infrastructure in targeted urban and rural areas and, in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency.

The Project consists of the following parts:

Part A: Inter-urban Infrastructure

1. Carrying out works, including supervision and technical oversight, for, *inter alia*:
(a) paving of selected portions of the road between Manga and Zabré;
(b) rehabilitation of selected portions of the road from Dindeógo to Zonsé;
(c) strengthening internet connectivity in the agglomerations between Manga and Zabré; and (d) construction of two (2) toll stations and an axle load control station on the road between Manga and Zabré.
2. Carrying out of feasibility studies and preparation of engineering designs for, *inter alia*: (a) the upgrading of selected roads in the rural hinterlands of Selected Municipalities; (b) the construction and/or rehabilitation of targeted culverts in Selected Municipalities; (c) the construction of roads to support agriculture production areas within the hinterland of Selected Municipalities; and (d) the facilitation of the implementation of Part A.1(c) above.
3. Carrying out of studies in connection with the preparation of the ESIA's and RAPs for the Project.

Part B: Urban Infrastructure in Targeted Regional Capitals

Identifying, selecting and carrying out of Local Government Activities in Selected Municipalities.

Part C: Institutional Support and Sector Governance

Provision of support to Participating Ministries and Selected Municipalities for the implementation of Selected Reforms, at national and local levels, including, *inter alia*:

1. The provision of technical assistance for reforms in the infrastructure sector including:
(a) improving the implementation of road maintenance activities; and
(b) strengthening infrastructure sector statistical and management capacity;
2. The provision of technical assistance for reforms in the transport sector, including:
(a) strengthening the Recipient's urban transport institutional framework; and
(b) strengthening transport sector statistical and management capacity;

3. The provision of technical assistance for reforms in the urban sector, including:
(a) supporting the implementation of urban master plans, urban information systems and other planning tools; (b) capacity building for, *inter alia*, the demarcation of zoning designations, revenue generation, management of investments and infrastructure assets, and urban planning and management processes; (c) community engagement activities; (d) updating urban sector regulatory frameworks; (e) implementation of sector monitoring mechanisms; (f) supporting urban mobility studies and reforms in Ouagadougou, including operationalizing and strengthening the AOTUO; (g) supporting urban environment reforms, including the carrying out of storm water drainage management plans; and (h) carrying out of feasibility studies for economic activity zones;
4. Capacity building for selected staff within Participating Ministries and Selected Municipalities to improve institutional and operational capacity for Project implementation; and
5. The provision of support to Participating Ministries and Selected Municipalities for the monitoring of the implementation of said Selected Reforms.

Part D: Project Management

Provision of support for the implementation, monitoring and evaluation of the Project, including, *inter alia*, communication, safeguards management and supervision, the financing of Operating Costs, and fiduciary management, including the carrying out of the Project's technical and financial audits.

Part E: Contingent Emergency Response

Provision of immediate response to an Eligible Crisis or Emergency, as needed.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. *Project Coordination Unit*

(a) The Recipient, through MI, shall: (i) designate, and thereafter maintain throughout the implementation of the Project, the SP/PST as Project Coordination Unit (PCU), with qualified staff in sufficient numbers, as well as adequate funds, facilities, and other resources acceptable to the Association, to be responsible for Project implementation and coordination including, *inter alia*, procurement, financial management, safeguards management, reporting, and monitoring and evaluation; and (ii) ensure that any additional staff of the PCU financed out of the proceeds of the Financing are selected and recruited in accordance with Section III of Schedule 2 to this Agreement.

(b) Without limitation on the provisions of paragraph (a) immediately above, the Recipient shall: (i) by no later than six (6) months after the Effective Date, or any other later date agreed to between the Association and the Recipient, recruit a safeguard specialist and a communication specialist to the PCU, in accordance with Section III of Schedule 2 to this Agreement; and (ii) by no later than three (3) months after the Effective Date, or any other later date agreed to between the Association and the Recipient, complete the training of relevant staff within the Participating Ministries on the procurement aspects related to the Project, in a manner acceptable to the Association.

2. *Project Steering Committee*

The Recipient shall, by no later than three (3) months after the Effective Date, or any other later date agreed to between the Association and the Recipient, establish, and thereafter maintain throughout the implementation of the Project, a Project Steering Committee, with a composition, mandate, terms of reference, and resources acceptable to the Association, to be responsible for, *inter alia*: (a) providing strategic and policy guidance for the Project; (b) approving Annual Work Plans and Budgets; and (c) reviewing and endorsing Project progress and financial reports.

3. *Project Technical Committee*

The Recipient shall, by no later than three (3) months after the Effective Date, or any other later date agreed to between the Association and the Recipient, establish, and thereafter maintain throughout the implementation of the Project, a Project Technical Committee, with a composition, mandate, terms of reference, and resources

acceptable to the Association, to be responsible for, *inter alia*: (a) reviewing Project implementation progress; (b) ensuring coordination among Participating Ministries; and (c) approving Project progress reports.

B. Project Implementation Manual

1. The Recipient shall prepare, in a manner acceptable to the Association, a Project Implementation Manual, which shall include the rules, methods, guidelines, standard documents and procedures for the carrying out of the Project, including, *inter alia*, the following: (a) the detailed description of Project implementation activities and the detailed institutional arrangements for the Project; (b) the Project administrative, accounting, auditing, reporting, financial (including funds flow), procurement and disbursement procedures; (c) the monitoring indicators for the Project; (d) the eligibility criteria, guidelines and detailed procedures for the identification, selection and implementation (as applicable) of: (i) Local Government Activities under Part B of the Project; (ii) Participating Ministries and Selected Municipalities and their respective staff eligible for participation in Project activities; and (iii) Selected Reforms under Part C of the Project; (e) the plan for capacity building and training activities under the Project; (f) the role and responsibilities of the Participating Ministries and Selected Municipalities in the implementation of the Project; (g) a grievance mechanism for the Project; (h) the procedures and arrangements for safeguards implementation and management; and (i) 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 the PIM, and shall thereafter adopt such manual as shall have been approved by the Association.
3. The Recipient shall carry out the Project in accordance with the PIM and shall not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written agreement of the Association.
4. In the event of any conflict between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.

C. Local Government Activity

Each Local Government Activity shall be eligible for financing upon the Recipient's determination, on the basis of an appraisal conducted in accordance with the criteria, guidelines and detailed procedures set forth in the PIM and acceptable to the Association, that the Local Government Activity satisfies the eligibility criteria specified in the PIM, which criteria shall, *inter alia*, include the following:

1. the Local Government Activity shall be appraised on the basis of an environmental and social assessment and other guidelines acceptable to the Association (and be accompanied by appropriate Safeguard Instruments, if required pursuant to the ESMF, RPF and/or PCRMF);
2. the Local Government Activity and the associated Safeguard Instruments, if any, shall be approved by the Recipient and the Association, unless with respect to the Association's approval, the Association has notified the Recipient in writing that its prior approval is not required;
3. the Local Government Activity shall be included in the Annual Work Plan and Budget; and
4. the Recipient shall have entered into an agreement with the relevant Selected Municipality in which the Local Government Activity will be implemented, in form and substance satisfactory to the Association, which shall include, *inter alia*, the obligation of the Selected Municipality to operate and maintain the investments supported under said Local Government Activity in a manner acceptable to the Recipient and the Association, and in accordance with the applicable provisions of this Agreement and the PIM.

D. Annual Work Plans and Budgets

1. No later than November 30 of each calendar year, the Recipient shall prepare a draft annual work plan and budget for the Project (including Training and Operating Costs, and counterpart funds to be provided by the Recipient for, *inter alia*, the implementation of the Safeguard Instruments, including compensation costs when and if required under a RAP, for the subsequent 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. The Recipient shall ensure that 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. Only those activities which are included in an Annual Work Plan and Budget shall be included in the Project.
5. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association's prior written agreement.
6. The Recipient shall:
 - (a) without limitation upon the provisions of Section 4.03 of the General Conditions, deposit into a designated account within the Recipient's treasury, no later than April 30 of each year, the amount of counterpart funding agreed with the Association to be provided pursuant to the Annual Work Plan and Budget for the then current year of Project implementation; and
 - (b) ensure that all amounts deposited in the said designated account shall be used exclusively to pay for expenditures included in the Annual Work Plan and Budget (including implementation of the Safeguard Instruments, including compensation costs when and if required under a RAP).

E. Anti-Corruption

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

F. Environmental and Social Safeguards

1. The Recipient shall carry out the Project in accordance with the provisions of the Safeguard Instruments.
2. Without limitation on the provisions of paragraph 1 immediately above, the Recipient shall take the following measures:
 - (a) If any Project activity would, pursuant to the ESMF, require the carrying out of an ESIA, no such activity shall be implemented unless:
 - (i) an ESIA for such activity has been: (A) prepared, in accordance with the ESMF and furnished to the Association; (B) disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed;
 - (ii) if said ESIA would require the preparation of an ESMP, such ESMP has been: (A) prepared in accordance with such ESIA and furnished to the Association; (B) disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed.

- (b) If any Project activity would, pursuant to the RPF, require the preparation of a RAP, no such activity shall be implemented unless and until:
 - (i) a RAP for such activity has been: (A) prepared in accordance with the requirements of the RPF and furnished to the Association; (B) disclosed as required by the RPF; and (C) approved by the Association and publicly disclosed; and
 - (ii) (A) all measures required to be taken under said RAP prior to the initiation of said activity have been taken, including, without limitation to the above, providing funds for compensation costs when and if required under a RAP; (B) a report, in form and substance satisfactory to the Association, on the status of compliance with the requirements of said RAP has been prepared and furnished to the Association; and (C) the Association has confirmed that the implementation of said activity may be commenced.
- 3. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, any Safeguard Instrument or any provision thereof, unless the Association has provided its prior written agreement thereto.
- 4. The Recipient shall, ensure that:
 - (a) all terms of reference for any technical assistance or studies carried out under the Project are consistent with the Association's environmental and social safeguards applicable policies, as well as the Recipient's own laws relating to environment and social matters; and
 - (b) in drafting any regulations, guidelines or corporate procedures and carrying out capacity building activities under the Project, due attention is given to said policies and laws.
- 5. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall collect, compile and submit to the Association, as part of the Project Reports, consolidated reports on the status of compliance with the Safeguard Instruments, giving details of:
 - (a) measures taken in accordance with the said instruments;
 - (b) conditions, if any, which interfere or threaten to interfere with the implementation of the said measures; and
 - (c) remedial measures taken or required to be taken to address such conditions.
- 6. In the event of any conflict between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

G. Contingent Emergency Response Arrangements for Part E of the Project

1. In order to ensure the proper implementation of Part E of the Project (“CERC Part”), the Recipient shall:
 - (a) prepare and furnish to the Association for its review and approval, a CERC Operations Manual which shall set forth detailed implementation arrangements for the CERC Part, including: (i) designation of terms of reference for, and resources to be allocated to, SP/PST as the entity to be responsible for coordinating and implementing the CERC Part (“Coordinating Authority”); (ii) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the CERC Part; (iv) procurement methods and procedures for the CERC Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social safeguard management frameworks for the CERC Part, consistent with the Association’s policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CERC Part;
 - (b) afford the Association a reasonable opportunity to review said proposed CERC Operations Manual;
 - (c) promptly adopt such CERC Operations Manual for the CERC Part as shall have been approved by the Association;
 - (d) ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
 - (e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior agreement by the Association.
2. The Recipient shall, throughout the implementation of the CERC Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.
3. The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC Part) 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 the CERC Part 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 CERC 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 indicators acceptable to the Association and set forth in the PIM. Each Project Report shall cover the period of one (1) calendar quarter, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. The Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, 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 (1) fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) 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) Limited International Bidding; (b) 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; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Association; (e) Direct Contracting; (f) Force Account; (g) Procurement from UN Agencies; (h) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; (i) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the Association; and (j) Community Participation procedures which have been found acceptable to the Association.

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) Selection under a Fixed Budget; (c) Least-Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the

Association; (g) Selection of UN Agencies; (h) Selection of consultants under Indefinite Delivery Contract or Price Agreement; (i) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (j) 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.

E. Procurement of Emergency Response Expenditures under the CERC Part of the Project

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

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 EUR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consultants' services, Training and Operating Costs for Parts A, B, and D of the Project	76,200,000	100%
(2) Goods, works, non-consulting services, consultants' services, Training and Operating Costs for Part C of the Project	8,800,000	77%
(3) Emergency Expenditures under Part E of the Project	0	100%
(4) Refund of Preparation Advance	2,800,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	87,800,000	

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; or
 - (b) under Category (3), for Emergency Expenditures under Part E of the Project, unless and until the Association is satisfied, and has notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:
 - (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part 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 all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section I.G.3(b) of Schedule 2 to this Agreement, for the purposes of such activities;
- (iii) the Recipient's Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.G.2 of Schedule 2 to this Agreement, for the purposes of said activities; and
- (iv) the Recipient has adopted an CERC Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Operations Manual remain, or have been updated in accordance with the provisions of Section I.G.1 of Schedule 2 to this Agreement so as to be appropriate for the inclusion and implementation of said activities under the CERC Part.

2. The Closing Date is October 31, 2022.

Section V. Other Undertakings

- 1. By no later than three (3) months after the Effective Date, the Recipient shall:
 - (a) update the existing SP/PST Project accounting software and ensure that the training of selected SP/PST staff on the use of said updated software has been completed, pursuant to the criteria and procedures set forth in the PIM, and in a manner acceptable to the Association;
 - (b) appoint or designate a technical assistant to MUH, with qualifications and terms of reference acceptable to the Association, to support Project implementation within MUH and serve as a liaison between MUH and the Recipient for purposes of the Project;
 - (c) appoint an independent auditor in accordance with Section 4.09(b) of the General Conditions and Section III of Schedule 2 to this Agreement; and
 - (d) adopt an updated administrative and financial manual of procedures for SP/PST, in form and substance satisfactory to the Association.
- 2. The Recipient shall: (a) by no later than three (3) months after the Effective Date, enter into a collaboration agreement with BUNEE, in form and substance satisfactory to the Association, to clarify the roles and responsibilities of, and facilitate collaboration between, BUNEE and SP/PST with respect to safeguards supervision for the Project; and (b) ensure that the proceeds of the Financing shall not be used to finance any expenses related to any duties, fees or other charges payable to BUNEE under the Recipient's *Arrêté n°2012-218/MEDD/MEF du 28 décembre 2012. JO N° 09 du 28 février 2013*, as it may be amended from time to time.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 1 and October 1, commencing October 1, 2022 to and including April 1, 2054	1.5625%

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

APPENDIX

Section I. Definitions

1. “Annual Work Plan and Budget” means an annual work plan and budget referred to in Section I.D of Schedule 2 to this Agreement.
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. “AOTUO” means *Autorite Organistrice des Transports Urbains de Ouagadougou*, the Recipient’s urban transport authority under the municipality of Ouagadougou, or any successor thereto.
4. “Basis Adjustment” means the Association’s standard basis adjustment for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.
5. “BUNEE” means *le Bureau National des Evaluations Environnementales*, the Recipient’s entity established and operating pursuant to the Recipient’s *Arrêté n°2010-29/MECV du 15 mars 2010*, or any successor thereto.
6. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
7. “CERC Operations Manual” means the operations manual referred to in Section I.G.1 of Schedule 2 to this Agreement, to be adopted by the Recipient for the CERC Part of the Project in accordance with the provisions of said Section, as said manual may be revised from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.
8. “CERC Part of the Project” and “CERC Part” mean Part E of the Project.
9. “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).
10. “Coordinating Authority” means SP/PST, as designated by the Recipient in the CERC Operations Manual and approved by the Association pursuant to Section I.G.1(a)(i) of Schedule 2 to this Agreement, to be responsible for coordinating the CERC Part of the Project.
11. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by:

- (a) the involuntary taking of land, resulting in (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 such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.
12. “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.
 13. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the CERC Operations Manual in accordance with the provisions of Section I.G.1(a)(ii) of Schedule 2 to this Agreement and required for the activities included in the CERC Part of the Project.
 14. “Environmental and Social Impact Assessment” and “ESIA” mean each specific environmental and social assessment to be prepared by the Recipient pursuant to the ESMF, in each case identifying and assessing the potential environmental and social impacts of a proposed Project activity, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such document; and “Environmental and Social Impact Assessments” and “ESIAs” mean more than one such assessment.
 15. “ESMF” means the Recipient’s document entitled “*Cadre de Gestion Environnementale et Sociale*”, being the Recipient’s environmental and social management framework for the Project, disclosed in the Recipient’s territory on March 22, 2016, and in the Association’s *InfoShop* on March 24, 2016, detailing: (a) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures, including monitoring and institution strengthening, as such Environmental and Social Management Framework may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to the Environmental and Social Management Framework.
 16. “Environmental and Social Management Plan” or “ESMP” mean each specific environmental and social management plan to be prepared by the Recipient in accordance with the ESMF, in each case detailing, *inter alia*: (a) the measures to be taken during the implementation of the Project to eliminate or offset adverse environmental or social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such document; and “Environmental and Social Management Plans” or “ESMPs” means more than one such plan.

17. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
18. “Local Government Activity” means any physical investment or related activity, to be carried out by a Selected Municipality under Part B of the Project, that meets the criteria set forth in the PIM and in Section I.C of Schedule 2 to this Agreement; and “Local Government Activities” means more than one such investment or activity.
19. “MATDSI” means *Ministère de l’Administration Territoriale, de la Décentralisation et de la Sécurité*, the Recipient’s Ministry of Territorial Administration, Decentralization and Homeland Security, or any successor thereto.
20. “MI” means *Ministère des Infrastructures*, the Recipient’s Ministry of Infrastructure, or any successor thereto.
21. “MTMUSR” means *Ministère des Transports, de la Mobilité Urbaine et de la Sécurité Routière*, the Recipient’s Ministry of Transport, Urban Mobility and Road Safety, or any successor thereto.
22. “MUH” means *Ministère de l’Urbanisme et de l’Habitat*, the Recipient’s Ministry of Urban Planning and Housing, or any successor thereto.
23. “Operating Costs” means reasonable cost of goods and non-consulting services required for the day-to-day implementation of the Project, incurred by the Recipient (which expenditures would not have been incurred absent the Project), including consumable materials and supplies, communications services (postage, telephone and internet), media and printing services, translation and interpretation services, office space rental and utilities, leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises, fuel costs, bank and insurance charges required for the Project, administrative support staff, and Project staff travel, lodging and per diems, but excluding salaries (including bonuses, fees and honoraria or equivalent payments) of officials of the Recipient’s civil service.
24. “Participating Ministries” means MI, MTMUSR, MUH, and/or MATDSI, or any other ministry of the Recipient selected in accordance with the criteria and procedures set forth in the PIM, and agreed to with the Association for the implementation of the Project activities.
25. “PCRMF” means the Recipient’s document entitled “*Cadre de Gestion des Ressources Culturelles Physiques*”, being the Recipient’s physical cultural resources management framework for the Project, and disclosed in the Recipient’s territory on March 22, 2016, and in the Association’s *InfoShop* on March 24, 2016, detailing the procedures for the management of chance finds of physical cultural resources, as such Physical Cultural Resources Management Framework may be amended from time to

time with the prior written agreement of the Association, and such term includes any schedules or annexes to the Physical Cultural Resources Management Framework.

26. "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 November 15, 2015, and on behalf of the Recipient on November 19, 2015.
27. "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).
28. "Procurement Plan" means the Recipient's procurement plan for the Project, dated April 30, 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.
29. "Project Coordinating Unit" and "PCU" mean the Recipient's Project coordination unit, referred to in Section I.A.1 of Schedule 2 to this Agreement.
30. "Project Implementation Manual" and "PIM" mean the Recipient's Project implementation manual referred to in Section I.B of Schedule 2 to this Agreement.
31. "Project Steering Committee" means the Recipient's Project steering committee, referred to in Section I.A.2 of Schedule 2 to this Agreement.
32. "Project Technical Committee" means the Recipient's Project technical committee, referred to in Section I.A.3 of Schedule 2 to this Agreement.
33. "Resettlement Action Plan" or "RAP" mean each specific resettlement action plan to be prepared by the Recipient in accordance with the Resettlement Policy Framework, which, *inter alia*: (a) contains a census survey of Displaced Persons and valuation of assets; (b) describes compensation and other resettlement assistance to be provided, consultation to be conducted with Displaced Persons about acceptable alternatives, institutional responsibilities for the implementation and procedures for grievance redress, and arrangements for monitoring and evaluation; and (c) contains a timetable and budget for the implementation of such measures, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such document; and "Resettlement Action Plans" and "RAPs" means more than one such plan.
34. "RPF" means the Recipient's document entitled "*Cadre de Politique de Réinstallation des Populations*", being the Recipient's resettlement policy framework for the Project, disclosed in the Recipient's territory on March 22, 2016, and in the Association's *InfoShop* on March 24, 2016, containing guidelines, procedures, timetables and other specifications for the provision of compensation, rehabilitation and resettlement assistance to Displaced Persons, as such Resettlement Policy Framework may be

amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to the Resettlement Policy Framework.

35. “Safeguard Instruments” means the ESMF, the ESIA, ESMPs, PCRMF, the RPF, and the RAPs, and “Safeguard Instrument” means any one such instrument.
36. “Selected Municipalities” means the municipalities of Ouagadougou, Dedougou, Tenkodogo, Koudougou, Manga, Ouahigouya, or any other municipality within the Recipient’s territory, selected in accordance with the criteria and procedures set forth in the PIM and agreed to with the Association for the implementation of the Project activities.
37. “Selected Reforms” means any of the Recipient’s existing or new infrastructure, transport and urban planning and management reform initiatives or programs, referred to under Part C of the Project and selected in accordance with the criteria and procedures set forth in the PIM and in a manner acceptable to the Association.
38. “SP/PST” means *Secrétariat Permanent du Programme Sectoriel des Transports*, the Recipient’s Permanent Secretariat for the Transport Sector Program under MI, or any successor thereto.
39. “Training” means training, workshops, conferences, study tours, fellowships and scholarships conducted in the territory of the Recipient and abroad, including the reasonable and necessary incremental expenditures incurred on account of organizing or attending learning and knowledge dissemination events, including, fees for educational institutions; fees and allowances for resource persons; travel, board and lodging for resource persons and trainees; logistics and materials associated with conferences, seminars, workshops, study tours, fellowships and scholarships; and other training costs directly associated with the Project but excluding: (a) those provided through consulting services; and (b) salaries (including bonuses, fees and honoraria or equivalent payments) of officials of the Recipient’s civil service.