
CREDIT (A) NUMBER 7678-TG (PBA)
CREDIT (B) NUMBER 7677-TG (SUW/SML)

Financing Agreement

(Togo Digital Acceleration Project)

between

REPUBLIC OF TOGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF TOGO (“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) apply to and form 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. To assist in financing the project described in Schedule 1 to this Agreement (“Project”), the Association agrees to extend to the Recipient credits, which are deemed as Concessional Financing for purposes of the General Conditions (“Financing”), which include:
 - (a) a credit in an amount of twenty-five million eight hundred thousand Euros (€25,800,000) (“Credit A/PBA”), and
 - (b) a credit in an amount of sixty-six million three hundred thousand Euros (€66,300,000) (“Credit B/SUW/SML”), as such amount(s) may be converted from time to time through a Currency Conversion (“Credit”).
- 2.02. The Recipient may withdraw the proceeds of Credit (A) and Credit (B) in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance of Credit (A) and Credit (B).
- 2.04. The Payment Dates are March 15 and September 15 in each year.
- 2.05. The principal amount of the credits shall be repaid in accordance with Section 3.05 of the General Conditions and the repayment schedule set forth in Schedule 3 to this Agreement
- 2.06. The Payment Currency is Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article V of the General Conditions Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01 The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.02. For purposes of Section 10.05 (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 Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its minister responsible for economy and finance.

- 5.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient's address is:

Ministère de l'Economie et des Finances
Immeuble CASEF
B.P. 387
Lomé - Togo; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
(228) 2221-0905	secretariat.ministre@economie.gouv.tg

- 5.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association's address is:

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

(b) the Association's Electronic Address is:

Telex:	Facsimile:
248423 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF TOGO

By

Essowè Georges Barcola

Authorized Representative

Name: Essowè Georges Barcola

Title: Ministre de l'Economie et des Finances

Date: 24-Dec-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Marie-Chantal Uwanyiligira

Authorized Representative

Name: Marie-Chantal Uwanyiligira

Title: Country Director

Date: 19-Dec-2024

SCHEDULE 1

Project Description

The objectives of the Project are to expand access to affordable and climate-resilient broadband connectivity, enhance digital skills and digital entrepreneurship.

The Project consists of the following parts:

Part 1. Expanding Broadband Connectivity

1.1 Backhaul Network Deployment

Supporting the densification of the fiber optic backhaul network through the procurement of network construction, civil works and maintenance, crowding in operators for different parts of the network.

1.2 Last-Mile Connectivity Expansion

Procuring last-mile connectivity services for education, health facilities, and city halls with required bandwidth, leveraging private sector investment for the construction and maintenance of access network to connect those institutions to the backhaul.

Part 2. Boosting Digital Skills and Entrepreneurship Ecosystem

2.1 Tech Hub

(i) Providing technical assistance to develop a business case and master plans for a tech hub and its programs and to conduct a feasibility study and a governance model of a start-up fund; (ii) financing incubation and acceleration programs; (iii) providing Grants for digital entrepreneurs, startups, and MSMEs; (iv) developing climate-smart and green technologies to address regional or sector-specific needs; (v) establishing a hybrid digital academy offering both in-person and virtual digital skills courses; (vi) supporting renovation and operational costs for facilities hosting these programs; and (vii) designing, assembling, and deploying pilot education and innovation pods in selected localities to reach populations unable to access the tech hub programs in Lome.

2.2 Knowledge Network

Supporting the establishment of a national knowledge network by: (i) providing technical assistance for studies on the content of the said network and an assessment of digital skills and strategies to deploy an online learning platform; (ii) developing/acquiring and deploying: (a) an open-source and equitably accessible digital learning platform and (b) educational content, with a focus on English training, digitizing K-12 curriculum, promoting the use of ICT tools, and online, self-paced digital skills training modules; and

(iii) providing training, capacity building, and change management activities for course providers on content creation and utilization of the digital learning platform.

Part 3. Strengthening Legal, Regulatory, and Institutional Environment for Digital Economy

3.1 Strengthening Enabling Environment for Digital Economy

(i) Providing technical assistance to update the Recipient's digital strategy; (ii) supporting the elaboration and implementation of digital economy laws, regulatory acts and other legal instruments; (iii) supporting operationalization of the IPDCP and the ATD; (iv) conducting feasibility and strategic studies to establish a national innovation agency; (v) auditing government information systems and data registers to develop plans for integration and secure data exchange; (vi) assessing climate risks of broadband infrastructure and defining standards for resilience; (vii) developing a national strategy for climate-smart digital infrastructure to reduce the digital sector's carbon footprint; and (viii) providing capacity-building support for e-waste recycling or safe disposal.

3.2 Capacity-building of Public Officials

Providing capacity-building to develop, reinforce, and implement the legal and regulatory frameworks for the digital sector, including on telecom, innovation, entrepreneurship, data governance, data protection and cybersecurity, while integrating gender-informed measures and transparency and feedback mechanisms for a broader citizen engagement.

Part 4. Project Management

Supporting Project management by covering the cost of Training, Operating Costs, as well as monitoring and evaluation, environmental and social studies and their implementation and monitoring, independent audits, community engagement and communications, including a grievance redress mechanism.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Implementation Unit

- (a) The Recipient shall designate, at all times during the implementation of the Project, the Ministry of Digital Economy and Digital Transformation (MENTD) to be responsible for prompt and efficient oversight and coordination of the implementation of Project activities, and shall take all actions, including the provision of funding, personnel and other resources necessary to enable MENTD to perform said functions. MENTD shall coordinate with other ministries and relevant entities, as needed for the implementation of the Project activities.
- (b) To this end, the Recipient, through MENTD, shall maintain, at all times during the implementation of the Project, the Project implementation unit (“PIU”), with terms of reference, qualified staffing and resources satisfactory to the Association, including: a financial management specialist, a procurement specialist, an environmental specialist and a social development and gender specialist; to be responsible for overall coordination as well as day-to-day management, supervision and administration of the Project activities and results, fiduciary aspects (financial management and procurement), environmental and social standards aspects, reporting and communication of Project activities, and monitoring and evaluation of Project activities, all in accordance with the provisions of the PIM.

2. Project Steering Committee

- (a) The Recipient shall establish, no later than one (1) month after the Effective Date, or any later date agreed by the Association, and thereafter maintain, at all times during the implementation of the Project, a project steering committee with a composition, mandate, and resources satisfactory to the Association (“Project Steering Committee” or “PSC”).
- (b) The Recipient shall ensure that the PSC is chaired by a representative of the prime minister’s office, and shall include, *inter alia*, representatives of the following entities: ministries in charge of economy and finance, planning, higher education, primary and secondary education, health and territorial administration.

- (c) The Recipient shall ensure that the PSC is responsible for: (i) providing overall supervision of the Project, (ii) ensuring coherence of activities with the sector strategy, (iii) convening inter-sectoral coordination for the activities of other ministerial departments, and (iv) approving Annual Work Plans and Budgets.

B. Project Implementation Manual

1. The Recipient shall carry out the Project in accordance with an 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, evaluation, reporting and communication; (e) implementation of environmental and social mitigations measures monitoring; (f) operational modules outlining implementation, organizational, administrative, monitoring, financial management, disbursement procurement; and (g) such other arrangements and procedures as shall be required for the Project (“Project Implementation Manual” or “PIM”).
2. Except as the Association shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate, or waive the Project Implementation Manual, or any provision thereof.
3. 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.

C. Grants Manual

1. For the purposes of implementing Part 2.1(iii) of the Project, the Recipient shall prepare and adopt a manual (“Grants Manual”), in form and substance acceptable to the Association, setting forth governance model and procedures for selecting, appraising, and approving grants to digital entrepreneurs, startups, and MSMEs, which shall describe the guiding principles and acceptable procedures for the mechanism, including *inter alia*: (a) the selection, prioritization and eligibility criteria and terms and conditions and procedures for preparation, approval and monitoring and evaluation of grants; (b) procedures for the award of grants; (c) amounts to be paid on a non-reimbursable basis; and (d) conditions for release of grants.
2. The Recipient shall not assign, amend, abrogate, or waive or permit to be assigned, amended, abrogated or waived the Grants Manual or any provisions thereof without the prior written agreement of the Association. In case of any conflict between the terms of the Grants Manual and those in this Agreement, the terms of this Agreement shall prevail.

D. Annual Work Plan and Budgets

1. The Recipient shall:

- (a) prepare and furnish to the Association not later than November 30 of each Fiscal Year during the implementation of the Project, a draft work plan and budget containing all the activities proposed to be carried out during the following Fiscal Year, and a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing; except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished no later than one (1) month after the Effective Date;
- (b) afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed annual work plan and budget and thereafter, approve the annual work plan and budget in a manner which reflects the views provided by the Association no later than one (1) month after the date provided in paragraph (a) immediately above (once finalized in a manner which reflects the views of the Association, each an “Annual Work Plan and Budget”);
- (c) without limitation to the pertinent provisions of this Agreement, ensure that the Project is implemented in accordance with the Annual Work Plans and Budgets; and
- (d) subject any change which may be needed in an Annual Work Plan and Budget during the period to which it relates to the prior review of the Association and reflect the views of the Association in the revised version of the Annual Work Plan and Budget.

D. Environmental and Social Standards

- 1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
- 2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;

- (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all

as applicable to such civil works commissioned or carried out pursuant to said contracts.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than one month after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of the Proceeds of the Financing

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of Credit (A) and Credit (B) to: (a) finance Eligible Expenditures; and (b) repay the Preparation Advance; in the amount allocated and, if applicable, up to the percentage set forth against each Category in the following table:

Category	Amount of the Financing Allocated (expressed in Euros) for Credit (A)	Amount of the Financing Allocated (expressed in Euros) for Credit (B)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services, Training and Operating Costs for the Project (except for Part 2.1(iii))	23,035,000	62,617,000	100%
(2) Grants under Part 2.1(iii) of the Project	0	3,683,000	100%
(3) Refund of Preparation Advance	2,765,000	0	Amount payable pursuant to Section

			2.07 (a) of the General Conditions
TOTAL AMOUNT	25,800,000	66,300,000	

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 Signature Date;
 - (b) for Eligible Expenditures under Credit (B) until 100% of Credit (A) is withdrawn; or
 - (c) for Grants under Category (2), unless and until the Recipient has adopted the Grants Manual in form and substance satisfactory to the Association.
2. The Closing Date for Credit (A) is January 31, 2030.
3. The Closing Date for Credit (B) is January 31, 2030.

SCHEDULE 3

I. Repayment Schedule for Credit (A)

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each March 15 and September 15: commencing March 15, 2035, to and including September 15, 2074	1.25%

* The percentages represent the percentage of the principal amount of Credit (A) to be repaid, except as the Association may otherwise specify pursuant to renumbered Section 3.03 (b) (originally numbered Section 3.05 (b)) of the General Conditions.

II. Repayment Schedule for Credit (B)

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each March 15 and September 15: commencing March 15, 2031, to and including March 15, 2036	8.33334%
On September 15, 2036	8.33326%

* The percentages represent the percentage of the principal amount of Credit (B) to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

APPENDIX

Definitions

1. “Annual Work Plan and Budget” means each annual work plan, together with the related budget, for the Project approved by the Association pursuant to the provisions of Section I.D of Schedule 2 to this Agreement.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, 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 and as of July 1, 2016.
3. “ATD” means *Agence Togo Digital*, the Recipient’s agency in charge of supporting the digitalization of the Togolese administration, created by decree no. 2021-102/PR, dated September 29, 2021.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “Credit (A)” means the credit in the amount referenced in Section 2.01(a) of this Agreement and the Credit for purposes of paragraph 25 of the General Conditions.
6. “Credit (B)” means the credit in the amount referenced in Section 2.01(b) of this Agreement and the Credit for purposes of paragraph 25 the General Conditions.
7. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated November 7, 2024, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
8. “Environmental and Social Standards” or “ESSs” means, collectively:
(i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-

Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.

9. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (Last revised on July 15, 2023).
10. “Grants” means grant financing to be provided from the Credit proceeds to eligible Firms under Part 2.1(iii) of the Project, as detailed in the Grants Manual.
11. “Grants Manual” means the manual to be developed and adopted for purposes of implementing Part 2.1(iii) of the Project and referred to in Section 1.C.2 of Schedule 2 to this Agreement.
12. “ICT” means information and communication technology.
13. “IPDCP” means *Instance de Protection des Données à Caractère Personnel*, the Recipient’s data protection authority, created by decree no. 2020-111/PR, dated December 9, 2020.
14. “K-12” means kindergarten (K) for 5–6-year-olds through twelfth grade (12) for 17–18-year-olds.
15. “Ministry of Digital Economy and Digital Transformation” or “MENTD” means *Ministère de l’Economie Numérique et de la Transformation Digitale*, the Recipient’s ministry in charge of digital economy and digital transformation, or any successor thereto acceptable to the Association.
16. “MSMEs” means micro, small and medium enterprises located on the Recipient’s territory.
17. “Operating Costs” means incremental recurrent expenditures incurred for purposes of implementation of the Project on account of local contractual support staff salaries; travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications’ expenses, but excluding the salaries of officials and public servants of the Recipient’s civil service.
18. “Preparation Advance” means the advance referred to in Section 2.07 (a) of the General Conditions, granted by the Association to the Recipient pursuant to the

letter agreement signed on behalf of the Association on January 4, 2024 and on behalf of the Recipient on January 18, 2024.

19. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated September 2023.
20. “Project Implementation Manual” or “PIM” means the manual referred to in Section I.B.1 of Schedule 2 to this Agreement, as the same may be revised from time to time with the prior written consent of the Association.
21. “Project Implementation Unit” or “PIU” means the unit to be established by the Recipient pursuant to Section I.A.1(b) of Schedule 2 to this Agreement.
22. “Project Steering Committee” or “PSC” means the committee to be established by the Recipient pursuant to Section I.A.2 of Schedule 2 to this Agreement.
23. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.
24. “Training” means the reasonable cost of training under the Project, based on Annual Work Plans and Budgets, including costs associated with seminars, workshops, travel and subsistence costs for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials and other activities directly related to course preparation and implementation, all based on periodic budgets acceptable to the Association (but excluding costs of consulting services).