

OFFICIAL DOCUMENTS



May 17, 2018

H.E. Henri Yav Mulang
Minister
Ministry of Finance
Boulevard du 30 Juin - Commune de la Gombe
Kinshasa 1
Democratic Republic of Congo

Re: Democratic Republic of Congo: Advance Agreement for
Preparation of Proposed Gender-Based Violence Prevention and
Response Project
Project Preparation Advance No. V1980-ZR

Honorable Minister:

In response to the request for financial assistance made on behalf of the Democratic Republic of Congo (“Recipient”), I am pleased to inform you that the International Development Association (“World Bank”) proposes to extend to the Recipient an advance out of the World Bank’s Project Preparation Facility in an amount not to exceed one million nine hundred thirty thousand eight hundred fifty Dollars (\$ 1,930,850) (“Advance”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in financing the activities described in the Annex (“Activities”). The objective of the Activities is to facilitate the preparation of a proposed project designed to increase in Targeted Health Zones: (i) the participation in Gender-Based Violence (GBV) prevention programs; (ii) the utilization of multi-sectoral response services for survivors of GBV; and (iii) in the event of an eligible crisis or emergency, to provide immediate and effective response to said eligible crisis or emergency (“Project”), for the carrying out of which the Recipient has requested the World Bank’s financial assistance.

The Recipient represents, by confirming its agreement below, that: (a) it understands that the provision of the Advance does not constitute or imply any commitment on the part of IBRD or IDA to assist in financing the Project; and (b) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of this Agreement.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received this countersigned copy within 90 days after the date of signature of this Agreement by the World Bank, unless the World Bank has established a later date for such purpose.

Very truly yours,
INTERNATIONAL DEVELOPMENT ASSOCIATION

By _____

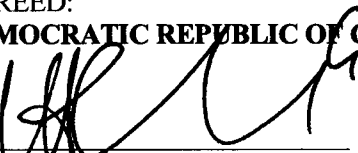


Jean-Christophe Carret
Country Director for the Democratic Republic of Congo
Africa Region

AGREED:

DEMOCRATIC REPUBLIC OF CONGO

By _____



Authorized Representative

Name: _____

Henri YAV MULANG

Title: _____

Ministre des Finances

Date: _____

Enclosures:

- (1) "Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility", dated July 31, 2010; and
- (2) Disbursement Letter for the Advance of the same date as this Agreement, together with "Disbursement Guidelines for Investment Project Financing", dated February 2017.

PPA No. V1980-ZR
ANNEX

Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The “Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility”, dated July 31, 2010 (“Standard Conditions”), constitute an integral part of this Agreement.

1.02. **Definitions.** Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement.

- (a) “GBV” means gender based violence.
- (b) “Operating Costs” means the incremental operating expenses incurred on account of the implementation of the Activities, management and monitoring including on account of operation and maintenance costs of office and office equipment; office supplies, additional staff costs, travel and supervision costs, per diem, but excluding the salaries and indemnities of officials and public servants of the Recipient’s civil service.
- (c) “Project Implementing Entity” or “PIE” means the *Fonds National DRC*, established under Decrees No. 009/2002 dated February 5, 2002 and No. 05/063 dated July 22, 2005 “*Fonds Social de la République Démocratique du Congo*”, as a public entity established for the purpose of, inter alia, improving the conditions of living of the population and of access to social services as well as to support income generation and employment to alleviate poverty and promote social and economic development.
- (d) “Targeted Health Zones” means the following regional zones in the Recipient’s territory: Fizi, Kaniola, Kimbi/Lulenge, Shabunda, Lulingu, Minova, Lemera, Kalonge, Mulungu, Kitutu, Kalole and Haut Plateau in South Kivu; Binza, Kayna, Mabalako, Alimbongo, Lubero, Kalunguta, Mutwanga, Nyirangongo, Rwanguba, Ruthshuru, Kirotshe, Masisi, Mweso in North Kivu; Kasongo, Kibombo, Kabambare, Kunda, Lusangi, Tunda, Samba, Saramabila in Maniema; and Kalemie, Niemba, Nyunzu, Manono and Moba in Tanganyika as well as other territories in South Kivu, North Kivu, Maniema and Tanganyika and any other health zone identified during the implementation of the Project.
- (e) “Training” means the reasonable costs associated with training, seminars and workshop participation under the Activities, consisting of travel and subsistence costs for Training participants, costs (other than consulting services) associated with securing the services of trainers and presenters, rental of training facilities, translation and interpretation services, preparation and reproduction of training materials.

Article II Execution of the Activities

2.01. ***Description of the Activities.*** The Activities for which the Advance is provided consist of the following parts:

- (a) Carry out a program of technical assistance to: (i) review and update the Project's operations manual, including financial management procedures; (ii) review and update the Project's communication strategy; and (iii) establish contracts with regional distribution centers to supply health facilities in the Targeted Health Zones with emergency medication and supplies;
- (b) Recruitment of: (i) key Project staff; and (ii) umbrella non-governmental organizations to implement gender-based prevention activities under the Project;
- (c) Provision of emergency medication and emergency supplies to supply targeted health facilities;
- (d) Training for Project staff on fiduciary matters (financial management and procurement);
- (e) Operational support for regional and local project implementation committees and staff, through hiring of consultants and the provision of vehicles, office equipment; and
- (f) Minor works to rehabilitate the PIE's offices in Kinshasa and Tanganyika that will be limited to small scale internal repairs and upgrades.

2.02. ***Execution of the Activities Generally.*** The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall carry out the Activities through the Project Implementing Entity (PIE) in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) 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.

2.03. ***Institutional and Other Arrangements.*** (a) Without limitation upon paragraph 2.02 above, the Recipient, through PIE, shall establish and maintain throughout the implementation of the Advance, a project implementation unit under terms of reference and with a composition and resources satisfactory to the World Bank and vested with responsibility for overseeing the day-to-day implementation of the Activities and the fiduciary aspects of the Advance.

(b) To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Advance available to the PIE under a subsidiary agreement between the Recipient and the PIE, under terms and conditions approved by the Association, ("Subsidiary Agreement"), which shall include, inter alia: (a) the Recipient's obligation to provide the proceeds of the Advance to the PIE on terms and conditions satisfactory to the World Bank; (b) the PIE's obligation to carry out the Activities with due diligence and efficiency, in conformity with appropriate administrative, technical, environmental and social practices, under the supervision of qualified and experienced management assisted by competent staff in adequate numbers; (c) the PIE's obligation to carry out the Activities in accordance with the Anti-Corruption Guidelines; (d) the PIE's obligation to procure the goods and services required for the Project and to be financed out of the proceeds of

the Advance, in accordance with the provisions of Section 2.06 of this Annex; (e) the PIE's obligation to furnish all such information as the Recipient or the World Bank shall reasonably request; (f) the PIE's obligation to promptly inform the Recipient and the World Bank of any condition which interferes or threatens to interfere with the progress of the Project and the performance of its obligations under the Subsidiary Agreement; and (g) the PIE's obligation to neither take nor concur in any action which would have the effect of amending, abrogating, assigning or waiving the Subsidiary Agreement.

(c) The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Advance. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

(d) Notwithstanding the foregoing, in the event of a conflict among the provisions of the Subsidiary Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

2.04. **Monitoring, Reporting and Evaluation of the Activities.** The Recipient shall monitor and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the Standard Conditions.

2.05. **Financial Management.** (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.09 of the Standard Conditions.

(b) The Recipient shall ensure that interim un-audited financial reports for the Activities are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Sections 2.09 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal under the Advance was made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of such period.

(i) If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, the Recipient shall have the Financial Statements included in the first audit of financial statements required under the Refinancing Agreement.

(ii) If, by the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, such audit of the Financial Statements shall cover the period of the Advance, commencing with the fiscal year in which the first withdrawal under the Advance was made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of the Recipient's fiscal year in which the Refinancing Date occurs.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the World Bank may request an audit of the Financial Statements prior to the Refinancing Date,

covering such period as is indicated in its request. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of such period.

2.06. **Procurement**

All goods, works, non-consulting services and consulting services required for the Activities and to be financed out of the proceeds of the Advance shall be procured in accordance with the requirements set forth or referred to in the “World Bank Procurement Regulations for IPF Borrowers” dated July 2016, revised November 2017 (“Procurement Regulations”) and the provisions of the Recipient’s procurement plan for the Activities dated September 12, 2017 (“Procurement Plan”) provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

**Article III
Withdrawal of the Advance**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Advance in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “Disbursement Guidelines for Investment Project Financing” dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the Advance (“Category”), the amount of the Advance allocated to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Advance Allocated (expressed in Dollars)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services and consulting services under the Activities	1,930,850	100%
TOTAL AMOUNT	1,930,850	

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. **Refinancing Date.** The Refinancing Date is March 29, 2019.

Article IV
Terms of the Advance

4.01. **Service Charge.** The Recipient shall pay a service charge on the Withdrawn Advance Balance at the rate of three-fourths of one percent ($3/4$ of 1%) per annum. The service charge shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid in arrears in accordance with the provisions of Section 4.02 of this Agreement. Service charges shall be computed on the basis of a 360-day year of twelve 30-day months.

4.02. **Repayment.** The Withdrawn Advance Balance shall be repaid by the Recipient to the World Bank (together with any service charges accrued thereon) in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

(a) **Refinancing under the Refinancing Agreement:** If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with any service charges accrued on the Advance to the date of repayment) as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such service charges, in accordance with the provisions of the Refinancing Agreement.

(b) **Repayment in the absence of a Refinancing Agreement:** If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by such date, it has been so executed but terminates without becoming effective, then:

- (i) if the amount of the Withdrawn Advance Balance does not exceed \$50,000, it shall be repaid by the Recipient to the World Bank (together with service charges accrued on the Withdrawn Advance Balance to the date of repayment) on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and
- (ii) if the amount of the Withdrawn Advance Balance exceeds \$50,000, it (together with service charges accrued on the Withdrawn Advance Balance to the Notice Date) (the "Aggregate Balance") shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates ("Payment Dates") which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date ("Notice Date") of dispatch of such notice. The Recipient shall pay a service charge on the Aggregate Balance at the rate of three-fourths of one percent ($3/4$ of 1%) per annum, payable in arrears on each Payment Date. The service charge shall be computed on the basis of a 360-day year of twelve 30-day months.

Article V
Effectiveness; Termination

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the the Subsidiary Agreement referred to in Section 2.03 of this Annex has been executed on behalf of the Recipient and the PIE.

5.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.03. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VI Additional Remedies

6.01. *Additional Events of Suspension.* The Additional Event of Suspension consists of the following, namely that the PIE’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Implementing Entity to perform any of its obligations under the Implementation Agreement.

6.02. *Additional Events of Acceleration.* The Additional Events of Acceleration consists of the following, namely that the event specified in Section 5.01 of this Agreement occurs.

Article VII Recipient’s Representative; Addresses

7.01. *Recipient’s Representative.* The Recipient’s Representative referred to in Section 9.02 of the Standard Conditions is its minister responsible for finance

7.02. *Recipient’s Address.* The Recipient’s Address referred to in Section 9.01 of the Standard Conditions is:

Ministry of Finance
Boulevard du 30 Juin - Commune de la Gombe
Kinshasa 1
Democratic Republic of Congo

Email: cabfinances@minfinrdc.com

Tel.: +243 82 58 522 40

7.03. *World Bank’s Address.* The World Bank’s Address referred to in Section 9.01 of the Standard Conditions is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433

United States of America

Telex:

Facsimile:

248423 (MCI) or
64145 (MCI)

(1)-202-477-6391