

GRANT NUMBER H985-GN

Financing Agreement

à

(Stepping Up Skills Project)

between

REPUBLIC OF GUINEA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated October 6, 2014

.

GRANT NUMBER H985-GN

FINANCING AGREEMENT

AGREEMENT dated <u>October 6</u>, 2014, entered into between REPUBLIC OF GUINEA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to thirteen million one hundred thousand Special Drawing Rights (SDR 13,100,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Payment Dates are March 15 and September 15 in each year.
- 2.05. The Payment Currency is the United States Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall, through MJEJ, carry out the Project 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

- 4.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) The Recipient has adopted the Project Manual.
 - (b) The Recipient has established the Executive Secretariat.
 - (c) The Recipient has established the Competitive Fund and the Competitive Fund Technical Secretariat.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its Minister of State in Charge of Economy and Finance.
- 5.02. The Recipient's Address is:

Ministry of Economy and Finance PO Box 579 Conakry Republic of Guinea

5.03. The Association's Address is:

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

1-202-477-6391

Facsimile:

INDEVAS 248423 (MCI) Washington, D.C.

AGREED at Washington D.C., United States of America, as of the day and year first above written.

REPUBLIC OF GUINEA By an Authorized Representative

Name:

Title:

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

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Authorized Representative Name: O. DI HUAWA Title: Country DIGGET. Name:

SCHEDULE 1

Project Description

The objective of the Project is to boost the employability and employment outcomes of Guinean youth in targeted skills programs.

The Project consists of the following parts:

Part 1. Fund for Skills and Employability (FSE)

- 1.1. Establishment of a competitive fund for skills and employability to support Professional Training Programs through the provision of: (i) technical assistance for the establishment of the competitive fund and the accompanying guide (Fund Guide); (ii) technical assistance for the development and implementation of a communication plan; (iii) technical assistance for the preparation of Proposals; (iv) Personnel and Operating Costs for the day-to-day management of the Competitive Fund; and (v) technical assistance to assess and evaluate the effectiveness of Subgrants in improving employability.
- 1.2. Subgrants to selected Eligible Beneficiaries to carry out specific Subprojects.

Part 2. Education-to-Employment Program

- 2.1. Support for the establishment of the Education to Employment (E2E) Program to finance incentive-based Performance-Based Vouchers through: (i) targeted technical assistance for AGUIPE to include: a Communications and Outreach Strategy, the establishment of a centralized database of Candidates, strengthening the Counselling Service, development of Soft Skills Training Package and administration of PPP Surveys and a Prospective Impact Evaluation of the E2E Program; (ii) facilitation of partnerships with local entrepreneurs and business programs, including coaching and mentoring from local, regional and international experts, Training in developing business plans and development of entrepreneur training material; and (iii) data collection and analysis under the Prospective Impact Evaluation Program; and (iv) monitoring and evaluation (M&E) of the E2E Program.
- 2.2. Financing of a Voucher System linking Candidates to Opportunities.

Part 3. Institutional Support and Regulatory Framework

3.1. Strengthening of the institutional and regulatory framework relevant to TVET and higher education in the territory of the Recipient through: (i) technical assistance to the Inter-Ministerial Commission to review the regulatory framework to be consistent with the reforms required under Legal Texts 62 and 63; (ii) the establishment and operationalization of a National Quality Assurance and Accreditation Agency; (iii) support for strengthening information systems of higher education TVET institutions, and their respective ministries; (iv) establishment and operationalization of a Youth Observatory; (v) development and implementation of a Plan for Priority Training Areas for the Targeted Ministries and Institutions; (vi) Personnel; and (vii) Operating Costs for the day to day management of the Project.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

- 1. The Recipient shall vest overall responsibility for implementation in the Ministry of Youth and Youth Employment (MJEJ).
- 2. <u>Strategic Orientation Committee</u>
 - (a) The Recipient shall at all times during Project implementation, maintain a committee to provide overall guidance for Project implementation (Strategic Orientation Committee).
 - (b) The Strategic Orientation Committee shall be: (i) chaired by the MJEJ; and (ii) composed of a representative of the Prime Minister's Office, and the Minister of International Cooperation, Minister of Industry and SME, METFP-ET, MESRS, MEF, presidents of the Industrial Association, Mining Chamber, Agricultural Chamber, Hospitability and Tourism Federations.
- 3. <u>Executive Secretariat</u>
 - (a) The Recipient shall establish and, at all times during Project implementation, maintain an autonomous executive secretariat responsible for overall management of the Project (Executive Secretariat).
 - (b) The Executive Secretariat shall be composed of, among others, a Manager, a Fiduciary Team, communications and M&E specialists.
 - (c) The Executive Secretariat shall report to the Strategic Orientation Committee and the Association on the project implementation.
 - (d) The Executive Secretariat shall be responsible for all fiduciary aspects and reporting requirements for the Project.
- 4. <u>Competitive Fund</u>
 - (a) The Recipient shall establish and, at all times during Project implementation, maintain a board to oversee activities under Part 1 of the Project, which shall validate the evaluations of Subprojects and monitor their results and impacts (Competitive Fund Board).

- (b) The Competitive Fund Board shall be composed of, among others, university and TVET professors, private sector representatives and a representative from the Ministry of Economy and Finance.
- (c) The Competitive Fund Board shall rely on a Panel of External Evaluators to carry out the selection of Subprojects.
- (d) The Competitive Fund Board shall report to the Strategic Orientation Committee.
- (e) The Competitive Fund Board shall advise the Strategic Orientation Committee of its decisions regarding the selection of Subprojects.
- (f) The Recipient shall establish, and at all times during Project implementation, maintain a technical secretariat, to oversee day-to-day implementation of activities under Part 1 of the Project. (Competitive Fund Technical Secretariat).

5. AGUIPE (under METFP-ET)

- (a) AGUIPE shall support the implementation of Part 2 of the Project, excluding fiduciary aspects.
- (b) AGUIPE shall submit progress reports to the Executive Secretariat.
- (c) AGUIPE shall be supported by the Executive Secretariat with program monitoring, financial management and procurement.
- 6. <u>Task Force</u>
 - (a) The Recipient shall establish and, at all times during Project implementation, maintain a task force responsible for satisfactory execution and monitoring of planned activities under Part 3 of the Project.
 - (b) The Task Force composed of focal points from MJEJ, MESRS and METFP-ET.
 - (c) The Task Force shall work in close collaboration with concerned directorates and departments in charge of Project implementation.

B Anti-Corruption

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

C. Project Manual

- 1. In order to ensure the proper implementation of the Project, the Recipient shall have prepared and adopted a manual in form and substance acceptable to the Association ('the Project Manual' or 'PM').
- 2. The Project Manual shall comprise the following:
 - (a) Project Implementation Handbook (PIH), which shall set out details of all procedures, guidelines and timetables for Project implementation, said manual to include, *inter alia*: (i) technical, administrative and institutional arrangements for the coordination and management of the Project; (ii) detailed arrangements and guidelines for the overall carrying out of the Project including, *inter alia*, financial management, procurement and accounting procedures, preparation of annual work plans, monitoring and evaluation, and internal control systems for the Project; and (iii) technical and organizational arrangements.
 - Fund Guide, which shall set out all of the details of the institutional (b) establishment of the Competitive Fund, as well as its administration, and the execution of activities under its responsibility. Such Fund Guide shall include procedures, guidelines and timetables for Competitive Fund implementation, said manual to include, inter alia: (i) technical, administrative and institutional arrangements for the coordination and management of the Competitive Fund; (ii) detailed arrangements and guidelines for the overall carrying out of the Competitive Fund's activities including, inter alia, objectives and priorities, allocation criteria, eligibility of beneficiaries, preparation and selection of Proposals, monitoring and evaluation, and internal control systems for the Competitive Fund; (iii) technical, administrative and organizational arrangements; (iv) the structure and procedures of a grievance mechanism to address complaints regarding non-financed Subprojects; and (v) Fiduciary Annex, which shall set out the details of overall financing management, procurement, and accounting procedures of the Training Institutions.
 - (c) Voucher Guide, which shall outline the implementation guidelines for the Education to Employment (E2E) Program component. Such Voucher Guide shall include the framework and structure of Program, procedures, guidelines and timetables for Program implementation, including, *inter alia*: (i) technical, administrative and institutional arrangements for the coordination and management of the Project; (ii) detailed arrangements and guidelines for the overall carrying out of the Program including, *inter alia*, beneficiary eligibility, screening and groupings by redemption of vouchers, monitoring and evaluation, reporting and internal control

systems for the Program; (iii) technical and organizational arrangements; and (iv) the tools and references required during the course of the Program.

- 3. Except as the Recipient and the Association may otherwise agree in writing, the Recipient shall not abrogate, amend, repeal, suspend, waive or otherwise fail to enforce the PM or any provision thereof.
- 4. In case of any conflict between the terms of the PM and those of this Agreement, the terms of this Agreement shall prevail

D. Competitive Fund Subprojects

- 1. The Recipient shall, through the Competitive Fund, make Subgrants available to Eligible Beneficiaries to finance Subprojects under Part 1 of the Project.
- 2. The Recipient, through the Competitive Fund, shall make such Subgrants available to the Eligible Beneficiaries under Subgrant Agreements, each to be entered into between the Competitive Fund (on behalf of the Recipient) and the respective Eligible Beneficiary.
- 3. Subprojects shall be selected in accordance with eligibility criteria and selection procedures acceptable to the Association, as reflected in the Fund Guide. Such criteria shall include the following and other such criteria as may be specified in the Fund Guide: (a) relevance and impact; (b) quality and engagement in partnership; (c) preparation and implementation methodology; (d) efficient costing; (e) sustainability of results; and (f) dissemination of results.
- 4. The Recipient shall ensure that each such Subgrant Agreement under the Project shall comply with the form and substance of the template included in the Fund Guide.
- 5. Each Subgrant Agreement shall include the following terms and conditions and other such conditions as may be specified in the Fund Guide:
 - (a) The Subgrant shall be provided on a non-reimbursable grant basis;
 - (b) the Recipient shall, through the Competitive Fund, require each Eligible Beneficiary to: (i) carry out its Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, (ii) provide, promptly as needed, the resources required for the purpose; (iii) procure the goods, works and services to be financed out of the Subgrant in accordance with the provisions of this Agreement; (iv) maintain policies and procedures adequate to enable it to

monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Subproject and the achievement of its objectives; (v) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Subproject; and (B) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; (vi) enable the Recipient and the Association to inspect the Subproject, its operation and any relevant records and documents; and (vii) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing; and

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

E. Performance-Based Vouchers

- 1. The Recipient shall, through AGUIPE, make Performance-Based Vouchers (PBV) available to Eligible Service Providers under Part 2 of the Project.
- 2. The Recipient shall make the PBVs available according to terms and conditions that shall have been approved by the Association and reflected in the Voucher Guide, to be included in agreements to be entered into between AGUIPE (on behalf of the Recipient) and Eligible Service Providers (PBV Agreement).
- 3. The Recipient shall ensure that each such PBV Agreement under the Project shall comply in form and substance with the template PBV Agreement included in the Voucher Guide.
- 4. Each PBV Agreement shall include the following terms and conditions and other such conditions as may be specified in the Voucher Guide.
 - (a) The PBV shall be provided on a non-reimbursable grant basis;
 - (b) the Recipient shall, through AGUIPE, require each Eligible Service Providers to: (i) carry out the PBV Agreement with due diligence and efficiency and in accordance with sound technical, economic, financial,

managerial, environmental and social standards and practices satisfactory to the Association, (ii) provide, promptly as needed, the resources required for the purpose; (iii) procure the goods, works and services to be financed out of the PBV in accordance with the provisions of this Agreement: (iv) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the PBV and the achievement of its objectives; (v) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Subproject; and (B) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; (vi) enable the Recipient and the Association to inspect the activities financed by the PBV, its operation and any relevant records and documents; and (vii) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing; and

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

F. Safeguards.

- 1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Environmental and Social Management Framework (ESMF) in a manner satisfactory to the Association.
- 2. If any activity financed by the Project, including Subprojects, would, pursuant to the ESMF, require the adoption of an ESMP, the Recipient shall:
 - (a) ensure that such ESMP shall be prepared and disclosed in accordance with the ESMF, and thereafter adopted by the Executive Secretariat and approved by the Association prior to the implementation of the activity; and

(b) thereafter, take such measures as shall be necessary or appropriate to enable the Executive Secretariat to comply with the requirements of such ESMP.

Section II. <u>Project Monitoring, Reporting and Evaluation</u>

A. Project Reports

1. 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. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than one month after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

- 1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
- 2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
- 3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, 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 months after the end of such period.
- 4. The Recipient shall recruit: (a) not later than five (5) months after the Effective Date, the external auditor referred to in Section 4.09 (b) of the General Conditions in accordance with Section III of Schedule 2 of this Agreement and pursuant to terms of reference satisfactory to the Association; and (b) not later than three (3) months after the Effective Date, an internal auditor, whose qualifications and experience and terms of reference shall be acceptable to the Association.
- 5. The Recipient shall, not later than three (3) months after the Effective Date, acquire, install and thereafter maintain an accounting software acceptable to the Association, for the Project.

Section III. <u>Procurement</u>

A. General

- 1. **Goods, Works and Non-consulting Services.** All goods, works and nonconsulting 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 (NCB), subject to the following additional provisions:
 - (i) Bidding documents acceptable to the Association shall be used.
 - (ii) Eligibility to participate in a procurement process and to be awarded an Association-financed contract shall be as defined under Section I of the Procurement Guidelines; accordingly:
 (A) no bidder or potential bidder shall be declared ineligible for contracts financed by the Association for reasons other than

those provided in Section I of the Procurement Guidelines; and (B) foreign bidders shall be allowed to participate in NCB procedures, and foreign bidders shall not be obligated to partner with local bidders in order to participate in a procurement process.

- (iii) Bidding shall not be restricted to pre-registered firms, and foreign bidders shall not be required to be registered with local authorities as a prerequisite for submitting bids.
- (iv) No margins of preference of any sort (e.g., on the basis of bidder nationality, origin of goods, services or labor, and/or preferential programs) shall be applied in the bid evaluation.
- (v) Joint venture or consortium partners shall be jointly and severally liable for their obligations.
- (vi) Bidders shall be given at least thirty (30) days from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later, to prepare and submit bids.
- (vii) Bids shall be submitted in a single envelope.
- (viii) An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the original bid validity expiration date, provided that such extension shall cover only the minimum period required to complete the evaluation and award a contract, but not to exceed thirty (30) days. No further extensions shall be requested without the prior written concurrence of the Association.
- (ix) Bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Association's prior written concurrence.
- (x) Qualification criteria shall be applied on a pass or fail basis.
- (xi) Bidders shall be given at least twenty-eight (28) days from the receipt of notification of award to submit performance securities.
- (xii) Each bidding document and contract shall include provisions stating the Association's policy to sanction firms or individuals

found to have engaged in fraud and corruption as set forth in the Procurement Guidelines.

- (xiii) Each bidding document and contract shall include provisions stating the Association's policy with respect to inspection and audit of accounts, records and other documents relating to the submission of bids and contract performance.
- (c) Shopping; and
- (d) Direct Contracting.

C. Particular Methods of Procurement of Consultants' Services

- 1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
- 2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Selection under a Fixed Budget; (b) Least Cost Selection; (c) Selection based on Consultants' Qualifications; (d) Single-source Selection of consulting firms; (e) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (f) 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.

Section IV. <u>Withdrawal of the Proceeds of the Financing</u>

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 Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
 Goods, works, non- consulting services, Training, Operating Costs and consultants' services for the Project 	3,450,000	100%
(2) Subgrants under Part 1	6,850,000	100% of amount disbursed
(3) Performance-based Vouchers under Part 2	2,250,000	100% of amount disbursed
(4) Refund of Preparation Advance	550,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	13,100,000	

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.
- 2. No disbursement will be made under Category 3 unless a PBV has been verified and found to comply with the criteria stipulated in the PBV agreement.

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3. The Closing Date is December 30, 2020.

APPENDIX

Section I. Definitions

- 1. "Agricultural Chamber" means the representatives of federations of the agriculture sector in the territory of the Recipient.
- 2. "AGUIPE" means *Agence Guineene pour la promotion de l'Emploi* which is the Recipient's public employment service agency.
- 3. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.
- 4. "Board of Governance" means the board in charge of governing either higher education institutions ("Conseil d'Administration") or TVET institutions ("Conseil d'Etablissement").
- 5. "Candidates" mean individuals eligible to receive vouchers under the E2E Program.
- 6. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
- 7. "Civil Servants" means staff employed by the government of the Recipient.
- 8. "Competitive Fund" means the Competitive Fund for Skills and Employability, fund to be established under Part 1 of the Project in accordance with the law of the Recipient, comprising a Competitive Fund Board and a Competitive Fund Technical Secretariat.
- 9. "Competitive Fund Board" means the board referred to in Section I.A.4 of Schedule 2 to this Agreement.
- 10. "Competitive Fund Technical Secretariat" means the team responsible for overseeing the competitive fund as well as its day to day management. It shall be composed of a fund coordinator, three project facilitators and an IT/communications specialist.
- 11. "Communications and Outreach Strategy" means a strategy implemented under Part 2 of the Project, disseminated online and offline, designed to connect Candidates and Training Institutions and Firms.
- 12. "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.

- 13. "Counselling Service" means the service provided to targeted unemployed youth to orient them to track 1, 2, or 3 under the E2E Program.
- 14. "Education to Employment Program" and "E2E Program" each means a program to provide unemployed graduates a career pathway through professional opportunities in training, internships, jobs, or self-employment.
- 15. "Eligible Beneficiaries" means public or private institutions, who meet the eligibility criteria in the Fund Guide, including having established a Board of Governance and recruited a Financial Officer, and who may therefore apply for Subgrants from the Competitive Fund (e.g., trainers, groups of trainers, departments, trainings institutions organized in consortia with the private sector, large enterprises and groups of enterprises, tripartite partnership with Higher Education and TVET institutions, public and private training institutions; private business, enterprises and SMEs. "Eligible Beneficiaries" shall mean all such beneficiaries collectively.
- 16. "Eligible Service Providers" means firms, entrepreneurs or training centers eligible to receive Performance-Based Vouchers under Part 2 of the Project.
- 17. "Environmental and Social Management Framework" or "ESMF" each means the framework dated April 2014 and disclosed at the World Bank InfoShop on May 19, 2014, in form and substance satisfactory to the Association, setting out the approaches to be followed in assessing potential adverse environmental and social impacts associated with the project, and including an environmental and social screening process for all future work as well as methods and procedures for specific ESMPs.
- 18. "Environmental and Social Management Plans" or "ESMP" means the plan to be prepared by the Recipient in connection with any activity under the Project pursuant to the ESMF: (a) describing the potential adverse environmental and social impacts of such activity during planning, design, construction and operation, and (b) outlining monitoring and mitigation measures, as well as institutional arrangements and budget for carrying out such measures.
- 19. "Executive Secretariat" means the entity referred to in Section I.A.3 of Schedule 2 to this Agreement.
- 20. "Fiduciary Annex" means the annex to the Fund Guide referred to in Section 1.C2 (b) of Schedule 2 to this Agreement.
- 21. "Fiduciary Team" means the team within the Executive Secretariat composed of an Accountant, a Procurement Specialist and a Financial Management Specialist.

- 22. "Financial Management Specialist" means the person responsible for financial management in the Fiduciary Team of the Executive Secretariat.
- 23. "Fund Guide" means the guide referred to in Section I.D.3 of Schedule 2.
- 24. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010.
- 25. "Hospitability and Tourism Federation" means the private sector representatives of the hospitality and tourism sectors.
- 26. "Industrial Association" means the association of industry in the territory of the Recipient.
- 27. "Inter-Ministerial Commission" means the body established under decision No. 2014/114 dated August 11, 2014 comprising all stakeholders involved in the Project (including METFP-ET, Ministry of Civil Service, MESRS, Ministry of Budget, Ministry of Finance, teachers' unions, higher education institutions) responsible for initiating revision of the regulatory framework (financing of higher education, human resources and administrative management) in accordance with the Legal Texts 62 and 63
- 28. "Legal Text 62" means Decret No. O62/PRG/SGG dated April 3, 2013 Portant Gouvernance des Institutions Publiques d'Enseignement Superieur et de Recherche Scientifique, establishing the institutional autonomy of public higher education and research institutions in the territory of the Recipient.
- 29. "Legal Text 63" means Decret No. 063/PRG/SGG dated April 3, 2013 Portant Gouvernance des Institutions Privees d'Enseignement Superieur et de Recherche Scientifique, establishing the institutional autonomy of private higher education and research institutions in the territory of the Recipient.
- 30. "MEF" and "*Ministere de l'Economie et des Finances*" each means the Recipient's ministry responsible for economy and finance or any successor thereto.
- 31. "METFP-ET" and "Minstere de l'Enseignement Technique et de la Formation Professionelle de l'Emploi et du Travail" each means the Recipient's ministry responsible for technical education and professional training or any successor thereto.
- 32. "MESRS" and "*Ministere de l'Enseignment Superieur et de la Recherche Scientifique*" each means the Recipient's ministry responsible for higher education and scientific research.
- 33. "Mining Chamber" means the Recipient's chamber of commerce for mining.

- 34. "Minister of Industry" means the Recipient's minister responsible for industry, or any successor thereto.
- 35. "Minister of International Cooperation" means the Recipient's minister responsible for international cooperation, or any successor thereto.
- 36. "MJEJ" or "*Ministère de la Jeunesse et de l'Emploi des Jeunes*" each means the Recipient's ministry of youth and youth employment, or any successor thereto.
- 37. "National Quality Assurance and Accreditation Agency" means the autonomous body responsible for evaluation and accreditation of higher education and vocational training institutions and programs according to international standards.
- 38. "Operating Costs" means incremental expenses incurred by the METFP-ET, MESRS, MJEJ, Executive Secretariat, CF technical secretariat and AGUIPE based on the annual work plans and budgets, as approved by the Association, on account of Project implementation, management, and monitoring and evaluation, including the reasonable costs of utilities and supplies, bank charges, communications, vehicle operation, maintenance, insurance, equipment maintenance, public awareness related media expenses, travel, supervision, and salaries of consultants, but excluding salaries, fees, honorarium and bonus of members of the recipient's civil service.
- "Opportunities" means employment opportunities in one of three tracks financed under PBV Agreements under Part 2 of the Project: (i) entrepreneurship;
 (ii) firm-based professional opportunities; or (iii) short term professional training.
- 40. "Panel of External Evaluators" means the team within the Competitive Fund which can be drawn upon on an ad-hoc basis to evaluate Proposals for Subprojects.
- 41. "PBV Agreement" means the agreement referred to in section I.E of Schedule 2 to this Agreement.
- 42. "Performance-Based Vouchers" means Subgrants provided to Eligible Service Providers under PBV Agreements aimed at training targeted unemployed youth under which Training Providers are paid upon successful completion of the individual's training and entry into the labor market.
- 43. "Personnel" means consultants (excluding Civil Servants) necessary for implementation of Part 1, 2 and 3 of the Project.
- 44. "Plan for Priority Training Areas" means the priority training areas for staff in training institutions or targeted Ministries in the areas of quality assurance,

administrative and financial management, HR management, institutional governance and ad-hoc training.

- 45. "PPP Surveys" means the surveys conducted on Training Providers as part of the targeted TA for AGUIPE under Part 2 of the Project.
- 46. "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 May 9, 2014 and on behalf of the Recipient on May 15, 2014.
- 47. "Prime Minister's Office" means the office of head of the Recipient's government.
- 48. "Proposals" means proposals for specific Subprojects to be financed by Subgrants under the Competitive Fund
- 49. "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.
- 50. "Procurement Plan" means the Recipient's procurement plan for the Project, dated August 13, 2014 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.
- 51. "Professional Training Programs" means Subprojects financed by Subgrants through the Competitive Fund comprising 2-3 year market relevant training programs in partnership with the private sector, under Part 1 of the Project.
- 52. "Project Implementation Handbook" means the handbook referred to in Section I.C.2(c) of Schedule 2 to this Agreement.
- 53. "Project Manual" and "PM" each means the comprehensive manual containing all of the procedures governing the implementation of the Project, including:(a) the Project Implementation Handbook; (b) the Fund Guide; and (c) the Voucher Guide.
- 54. "Prospective Impact Evaluation of the E2E Program" means an evaluation comprising of a baseline, midline, and endline to assess the effectiveness of the program.
- 55. "Soft Skills Training Package" means a package for training skills, including: foreign languages, computer skills and communication techniques.

- 56. "SMEs" means small and medium enterprises, which are among the Eligible Beneficiaries for proposals based on partnership with a Training Institution.
- 57. "Strategic Orientation Committee" means the Committee referred to in Section I.A.2 of Schedule 2 to this Agreement, established under Arrete A/2014/3190/PM/CAB dated July 21, 2014.
- 58. "Subgrants" means the financing made available by the Beneficiary for eligible Training Institutions to carry out Subprojects under Part 1 of the Project which are selected on a competitive basis in response to the call of proposals, and are within the budget limit and which finance eligible expenditures.
- 59. "Subgrant Agreements" means the agreement entered into between the Beneficiary and eligible Training Institutions under Part 1 of the Project.
- 60. "Subprojects" means professional programs developing key skills meeting labor market needs to be financed under Part 1 of the Project that meeting eligibility criteria specified in the Fund Guide.
- 61. "Task Force" means the entity referred to in Section I.A.6 of Schedule 2 to this Agreement.
- 62. "Training" means all costs associated with delivering training including costs of consultants, good and services, internship, and venue rental.
- 63. "Targeted Ministries and Institutions" means MESRS, MJEJ and METFP-ET, Higher Education and TVET Institutions.
- 64. "Training Provider" means an entity providing Training, such as a Training Institution, enterprise or firm.
- 65. "Training Institution" means public and private Higher Education and TVET institutions.
- 66. "TVET" means technical education and professional training.
- 67. "Voucher Guide" means the guide referred to in Section I.C.2 of Schedule 2 to this Agreement.
- 68. "Voucher System" means the system implementing E2Es PBV under Part 2 of the Project to finance Opportunities for Candidates, subject to the terms and procedures of the Voucher Guide as reflected in the PBV Agreement.
- 69. "Youth Observatory" means an observatory operating under the supervision of the Ministry of Youth and Youth Employment.