The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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June 19, 2019

OFFICIAL DOCUMENTS

H. E. Dr. Boubou Cissé
Prime Minister, Head of Government
Minister of Economy and Finance
Prime Minister’s Office
Bamako
Republic of Mali

Re: Republic of Mali: Reinsertion of Ex-Combatants Project
Grant D168-ML
Amendment to the Financing Agreement

Excellency:

We refer to the Financing Agreement, dated April 5, 2017, between the Republic of Mali (the “Recipient”) and the International Association Development (the “Association”) regarding the abovementioned Project (the “Agreement”). We also refer to your letter dated October 23, 2018, requesting specific modifications to the Agreement.

Please note that capitalized terms used in this letter (“Amendment Letter”) and not defined herein have the meaning ascribed to them in the Agreement.

We are pleased to inform you that the Association concurs with your request and proposes to amend the Agreement in respect of the provisions below:

1. Schedule 1 of the Agreement is hereby amended by adding a new Part 3 to read as follows:

“Part 3: Community Rehabilitation”

Supporting the resilience of host communities facing persistent risk of armed conflict and violence through:

1. Provision of support to the rehabilitation or construction of basic socio-economic infrastructure through labor-intensive works that shall include: (a) rehabilitation of small-scale connectivity infrastructure; (b) rehabilitation of schools and dispensaries; (c) rehabilitation of markets and harvest storage facilities; (d) rehabilitation of training and drop-in support centers; (e) rehabilitation or construction of water facilities, encompassing canals, wells, and boreholes.
2. Provision of support to create income-generating opportunities, including, *inter alia*: (a) on-the-job skills training; and (b) follow-up services and referrals to host communities and youth-at-risk of participating in armed violence, members of non-scytatory armed groups, survivors of armed conflict and violence, including women, to support violence reduction and social cohesion within local communities.

Section I. of Schedule 2 to the Agreement is hereby amended by adding 2 new paragraph E and F to read as follows:

**E. Infrastructure Investments**

1. In order to carry out Part 3.1 of the Project, the Recipient shall conclude a Temporary Employment Agreement with each Eligible Beneficiary in accordance with eligibility criteria and procedures acceptable to the Association and further detailed in the PIM and as detailed below:

   (a) the infrastructure investment shall include labor-intensive construction methods that do not require technical qualification;

   (b) each Eligible Beneficiary shall be a minimum of 18 years of age;

   (c) each Eligible Beneficiary shall be an ex-combatant who has completed the reinsertion process or a target beneficiary under Part 3.2 of the Project or a vulnerable host community member;

   (d) each Eligible Beneficiary shall receive a Stipend that shall be described in the PIM.

2. The Recipient shall ensure that each such Temporary Employment Agreement is carried out with due diligence and efficiency and in accordance with sound technical, financial, and managerial standards and practices acceptable to the Association, including in accordance with the Anti-Corruption Guidelines and the applicable Safeguards Instruments.”

**F. Safeguards**

1. The Recipient shall ensure that the Project is implemented in accordance with the Safeguards Documents.

2. Except as the Association shall otherwise agree in writing, and subject to compliance with the same consultation and information disclosure requirements as applied to the adoption of the aforesaid Safeguards Documents in the first instance, the Recipient shall not amend or waive any provision of the Safeguards Documents, nor shall it permit any Beneficiaries to do so.

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall take all measures necessary to regularly collect and compile, and submit to the Association, as part of the Project Reports, and promptly in a separate
report whenever the circumstances warrant, information on the status of compliance with the Safeguards Instruments, providing details of:

(a) the measures taken in furtherance of the Safeguards Instruments;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and

(c) remedial measures taken or required to be taken to address such conditions.

4. In case of any inconsistency between the provisions of any of the Safeguards Instruments and this Agreement, the provisions of this Agreement shall prevail.

5. The Recipient shall ensure that all advisory, analytical, planning, institutional capacity building, carried out under the Project shall be carried out according to terms of reference, satisfactory to the Association, requiring such services to deliver products which take into account, and are consistent with, the Association’s social and environmental safeguard policies.”

3. The withdrawal table set forth under Section IV.A.2 of Schedule 2 to the Agreement is hereby deleted in its entirety and replaced with the table shown in the Attachment to this Amendment Letter.

4. Section IV.B of Schedule 2 to the Agreement is hereby amended to read as follows:

“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, unless and until the PIM has been updated, in form and substance satisfactory to the Association, and adopted by the Recipient.

2. The Closing Date is November 30, 2021.”

5. The existing paragraphs 5 to 12 of the Definitions Section of the Appendix are respectively renumbered to paragraphs 8 to 20 and the following 9 new paragraphs are added to read as follows:

“5. “Eligible Beneficiary” means any individual retained for temporary employment under a Temporary Employment Agreement. “Eligible Beneficiaries” means, collectively, all such individuals.”

“6. “Environmental and Social Management Framework” or “ESMF” means the Recipient’s Environmental and Social Management Framework, dated April 2019, issued by the Recipient and publicly disclosed on June 10, 2019, giving details of
the policies and procedures designed to maximize the benefits of the Project, and offset, eliminate or mitigate any adverse social and environmental impacts, or reduce them to acceptable levels, as such ESMF may be amended from time to time, subject to compliance with the provisions of this Agreement.”

“7. “Environmental and Social Management Plan” or “ESMP” means the plan to be prepared and adopted by the Recipient in respect of any activities under the Project, giving details of measures consistent with the ESMF, and designed to facilitate the implementation of measures to offset, eliminate or mitigate any adverse social and environmental impacts, together with particulars of institutional, monitoring and reporting arrangements required to ensure proper implementation of, and regular feedback on compliance with, the ESMP, as such ESMP may be amended from time to time, subject to compliance with the provisions of this Agreement.”

“15. “Resettlement Action Plans” or “RAPs” mean any Resettlement Action Plan(s) to be adopted by the Recipient in respect of any activities under the Project, giving details of measures consistent with the RPF, and designed to facilitate the compensation and resettlement of Displaced Persons, including the magnitude of displacement, proposed compensation and resettlement arrangements, and budget and cost estimates, together with particulars of institutional, monitoring and reporting and grievance redress arrangements required to ensure proper implementation of, and regular feedback on compliance with, the RAP(s), as such RAP(s) may be amended from time to time, subject to compliance with the provisions of this Agreement.”

“16. “Resettlement Policy Framework” or “RPF” means the Resettlement Policy Framework, dated April 2019, issued by the Recipient and publicly disclosed on June 10, 2019, describing a program of actions, measures and policies designed to avoid or minimize any adverse impact or hardship to Displaced Persons as a result of the Project or, in the event that such adverse impact or hardship cannot be avoided altogether, provide for the compensation and resettlement of such Displaced Persons, as such RPF may be amended from time to time, subject to compliance with the provisions of this Agreement.”

“17. “Safeguards Documents” means collectively the ESMF and the RPF.

“18. “Safeguards Instruments” means the Safeguards Documents and any safeguard plan developed for the Project pursuant to said Safeguards Documents, including the ESMP and the RAP.

“19. “Stipend” means the monetary remuneration paid by the Recipient to an Eligible Beneficiary participating in the infrastructure investments.

“20. Temporary Employment Agreement” means a simple employment contract to be executed between the Recipient and Eligible Beneficiaries governing the terms of such Eligible Beneficiaries’ employment under Part 3.1 of the Project as referred to in Section I.E.1 of Schedule 2 of the Agreement.”
All provisions of the Agreement which are not expressly modified in accordance with this Amendment Letter remain unchanged.

Please indicate your agreement with the foregoing, by countersigning and dating the two original copies of this Amendment Letter and returning one countersigned original copy to the Association. Upon receipt by the Association of said original countersigned by the authorized representative of the Recipient and dated, this amendment shall become effective as of the date of countersignature of this Amendment Letter.

Very truly yours,

INTERNATIONAL ASSOCIATION DEVELOPMENT

By

For Souleyna Kane
Country Director for Mali
Africa Region

AGREED:
REPUBLIC OF MALI

By

Authorized Representative

Name: Dr Boubou Cisse
Title: Prime Minister, Minister of Economy and Finance
Date: 13 AUG 2019
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
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<td>(1) Goods, non-consulting services, consultants' services, Operating Costs, and Training for the Project</td>
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<td>100%</td>
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<td>(2) Goods, works, non-consulting services, consultants' services, Operating Costs, and Training for the Project, except for Part 3.1</td>
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<td>(3) Stipends to Eligible Beneficiaries under Part 3.1 of the Project</td>
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<td>Total Amount</td>
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<td>100%</td>
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