Grant Number D357-BF

Financing Agreement

(Higher Education Support Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
AGREEMENT dated as of the Signature Date between BURKINA FASO ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) 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. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to forty-eight million seven hundred thousand Special Drawing Rights (SDR 48,700,000) ("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 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.

2.04. The Payment Dates are April 15 and October 15 in each year.

2.05. The Payment Currency is Euro.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.
ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Conditions of Effectiveness consist of the following:

(a) The Recipient has established the Project Review Committee, in a manner and with composition, functions, and resources satisfactory to the Association, as set forth in Section I.A.2. of Schedule 2 to this Agreement.

(b) The Recipient has strengthened the SP/PNADES in a manner and with resources and terms of reference satisfactory to the Association, including: (i) a financial management officer; (ii) one accountant; (iii) a monitoring and evaluation specialist; (iv) a procurement specialist, (v) an environmental safeguards specialist; and (vi) a social safeguards specialist.

(c) The Recipient has adopted the Project Implementation Manual, including the financial management and procurement procedures for the Project, in form and substance satisfactory to the Association.

(d) The Project accounting software satisfactory to the Association is in place, with adequate built-in controls, capable of tracking Project resources and expenditures and generating financial reports, including interim financial reports (IFRs).

(e) The Recipient has opened two accounts acceptable to the Association for depositing the Financing proceeds.

(f) The Recipient has created a budget line item within its Ministry of Higher Education for purposes of implementation of Parts 1 and 2 of the Project.

4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the Signature Date.

4.03. 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 years after the Signature Date.
ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister responsible for Economy, Finance and Development.

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

(a) the Recipient’s address is:

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

(b) the Recipient’s Electronic Address is:

Telex: Facsimile: E-mail:
5555 226-25-31-27-15 cab_mef@yahoo.fr

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.

BURKINA FASO

By

[Signature]

Authorized Representative

Name: Hadizatou Rosine Coulibaly Sori
Title: Minister of Economy, Finance and Development
Date: August 24, 2018

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Hafez M. H. Ghanem
Title: Vice-President Africa Region
Date: August 24, 2018
SCHEDULE I

Project Description

The objective of the Project is to strengthen higher education institutions to increase access and deliver quality education in Priority Subject Areas.

The Project consists of the following parts:

Part 1. Enhancing Access to Higher Education; Establishment of the Virtual University of Burkina Faso (UV-BF)

Provision of financing of EEPs to:

(a) prepare a feasibility study; (b) support the review of and revisions to prevailing regulations to facilitate the establishment of an autonomous virtual university; (c) facilitate the preparation of a strategic/business plan of the autonomous virtual university and its design; (d) support the creation of technological infrastructure and learning platform through phase construction and equipment for three (3) learning centers, and equip them (servers, work stations, TV monitors, videoconferencing facilities, etc.); (e) support the renovation of existing infrastructure (amphitheaters, classrooms, laboratories, libraries, and media centers) to facilitate connectivity; (f) support the establishment of last-mile high-speed broadband/internet connection to the virtual university headquarters and to three (3) learning centers; (g) finance the acquisition of a Learning Management System; (h) undertake necessary background studies such as capacity building mainly for tutoring, coaching, distance learning management needs, learning, and pedagogical aspects; prepare necessary procurement terms of reference, specifications, and contracts; undertake safeguards studies (environmental and social); (i) conduct a climate screening exercise to identify risks and put in place mitigation measures; (j) support the development, adaptation, adoption, and dissemination of programs and content in French, Arabic, and English languages for youth; (k) implement foundation programs, academic remediation programs, and new courses; (l) develop a functioning website that includes all programs and facilitates online registration; (m) adopt a management model for the autonomous virtual university; (n) create a digital library; (o) recruitment of national and international contractual teachers; (p) facilitate public-private partnerships (PPP) and university-industry linkages for: (1) internet service provision contracts for faculty and students, (2) fostering the acquisition of digital material; and (3) financing digital teaching and learning materials (hardware and software) to facilitate teaching and learning; and (q) support the setting up of the autonomous virtual university management system including the preparation of timetables, student management, and facilities reservations.
Part 2. Strengthening Higher Education Institutions and Supporting Innovation

Provision of financing of EEPs to improve the quality and relevance of programs in Priority Subject Areas to:

Part 2.1. Support a Competitive Grants Program for the Financing of:

(a) Grants for the Improvement of Higher Education Institutions for institutional improvement in teaching, learning, and research pertaining to the Priority Subject Areas, including to support: (i) the development of quality strategic plans of the Higher Education Institutions receiving Competitive Grants in line with criteria set forth in the Project Implementation Manual; (ii) modernization of learning programs and methods in French, Arabic, and English languages; (iii) modernization of training and learning facilities, including laboratories; (iv) the development of academic partnerships; (v) development of the faculty; and (vi) recruitment of national and international contractual teachers; and (b) Grants to Foster Innovation at the Higher Education Institutions, to support the resolution of a challenge to the development of the Recipient, as identified and proposed to be overcome by the selected HEI.

Part 2.2. Support Faculty Development in Higher Education Institutions through:

(a) financing of professional development opportunities; (b) promotion of a visiting scholars program; (c) fostering innovative approaches to faculty exchanges nationally, intra-regionally and internationally; (d) financing of specific training in new pedagogical methods in mathematics and science; and (e) increasing the higher education teaching body nationally through the support for PhD (doctoral) programs.

Part 2.3. Strengthen Quality Assurance in Higher Education Institutions through:

(a) implementing relevant aspects of higher education governance in HEIs, addressing requirements of the LMD and the CAMES; (b) establishing quality assurance units in HEIs selected pursuant to criteria set forth in the Project Implementation Manual, and developing a national quality assurance framework to link up with regional quality assurance processes through the World Bank Africa Centers for Excellence (ACE) Program; (c) improving the capacity of universities to implement projects (irrespective of the source of financing); and (d) strengthening management and communication capacity of the HEIs to embrace and adapt to diversified delivery models.

Part 2.4. Strengthen Management Capacity of Higher Education Institutions to improve academic, technical, governance, and project management capacity, through workshops and training.
Part 3. Project Coordination, Management, and Implementation Activities

Part 3.1. Strengthen the governance and management of higher education through: improving institutional capacity in the system overall to better monitor systemic changes; develop a management information system (MIS); address gender-based violence incidents, and monitor climate co-benefits of the Project.

Part 3.2. Strengthen the capacity of the SP/PNADES to undertake the tasks required for project implementation, complement the staff for handling the day-to-day fiduciary, procurement, and safeguards aspects of implementation; monitor the achievement of project activities; track, measure, and evaluate performance contracts between MESRSI and the HEIs; strengthen communications capacity and overall project coordination.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall vest the overall responsibility for the implementation of the Project in MESRSI, and the responsibility for day to day coordination, monitoring and evaluation in SP/PNADES. To this end, the Recipient, shall maintain during the implementation of the Project, SP/PNADES with powers, functions, capacity, staffing, terms of reference and resources satisfactory to the Association to fulfill its respective functions under the Project, as set forth in the Project Implementation Manual.

2. The Recipient, through MESRSI, shall maintain the Project Review Committee with composition (including, inter alia: representatives from: MESRSI, MENA, MINEFID, MJFIP and ARCEP), functions and responsibilities, acceptable to the Association. The Project Review Committee’s responsibilities shall include, inter alia: (i) providing strategic guidance to MESRSI for overall Project implementation; (ii) regularly reviewing Project monitoring and evaluation data to determine progress and proposing adjustments to MESRSI to ensure satisfactory achievement of the Project objective; (iii) monitoring MESRSI’s sufficient budgetary allocation for the carrying out the audit and verification obligations under the Project in a manner satisfactory to the Association; (iv) overseeing the reporting, documentation and submission of DLI achievement, and the timely submission of withdrawal applications; and (v) overseeing the coordination of technical and decentralized units of MESRSI and respective key stakeholders on key policy issues related to Project implementation; and (vi) those other advisory functions provided for by review committees of development projects and programs by the Recipient’s Decree 2018-0092/PRES/PM/MINEFID of February 15, 2018 on the regulation of development projects and programs implemented in Burkina Faso.

3. The Recipient shall: (i) allocate sufficient resources from the Recipient’s Budget to MESRSI as required to enable MESRSI to carry out the Project; and (ii) cause MESRSI to maintain the SP/PNADES under terms and conditions acceptable to the Association, with budget resources for the carrying out of the Recipient’s reporting obligations under this Agreement.

B. Project Implementation Manual

1. Without limitation upon the provisions of Article V of the General Conditions and Section I.A. of this Schedule, and except as the Association shall otherwise agree,
the Recipient, through MESRSI, shall carry out the Project in accordance with the terms of the Project Implementation Manual, which shall include, inter alia:

(i) the detailed description of Project implementation activities, their sequencing, timetable, benchmarks and the institutional arrangements of the Project;

(ii) the financial management and procurement manuals setting forth Project administrative, accounting, auditing, reporting, financial (including cash flow aspects in relation thereto), procurement and disbursement procedures (including all pertinent standard documents and model contracts in relation thereto);

(iii) the plan for the monitoring and supervision of the Project;

(iv) arrangements for monitoring, evaluation, and reporting of Project implementation, including Verification Protocols to confirm DLI achievement;

(v) the roles and responsibilities of the entities involved in Project implementation;

(vi) the indicators to evaluate the performance of the Project;

(vii) the criteria for the preparation of Customized Statements of Expenditure Report; and

(viii) the grants manual for the Grants for the Improvement of Higher Education Institutions and the Grants to Foster Innovation at the Higher Education Institutions, setting forth the Higher Education Institutions selection criteria, grant amounts, reporting, and other fiduciary aspects relevant to the grants program under Part 2.1 of the Project.

2. Except as the Recipient and the Association may otherwise agree in writing, the Recipient shall not abrogate, amend, suspend, terminate, waive or otherwise fail to enforce the Project Implementation Manual or any provision thereof.

3. In the case of any conflict between the terms of the Project Implementation Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. **Independent Verification**

1. No later than six months from the Effective Date, and prior to the submittal of a withdrawal request as set forth in Section III of this Schedule II, the Recipient, through MESRSI, shall engage, under terms of reference and with qualifications
satisfactory to the Association, an Independent Verification Agent, for purposes of preparing and delivering Independent Verification Agent Reports in respect of DLIs 1 through 6 set forth in Schedule 3 to this Agreement, as further detailed below.

2. The Recipient shall ensure independent monitoring and evaluation of the Project, through the preparation and delivery of Independent Verification Agent Reports certifying the extent to which: (a) Eligible Expenditures under the periods covered by the report have been incurred in compliance with the safeguards and procurement arrangements provided for in this Agreement and under the Project Implementation Manual; (b) the DLIs for the period covered by the relevant Independent Verification Agent Report have been achieved; (c) HEIs benefiting from Competitive Grants perform under the respective Competitive Grant and Performance Agreements; and (d) the provisions of the DFIL have been adhered to by the Recipient.

3. No later than November 30 of each calendar year during Project implementation, the Recipient shall furnish to the Association a complete Independent Verification Agent Report including all the findings as well as the certifications from the Independent Verification Agent of the degree of achievement of the Disbursement Linked Results.

D. Competitive Grants

1. The Recipient shall make the Competitive Grants in accordance with eligibility criteria and procedures acceptable to the Association, set forth in the grants manual under the Project Implementation Manual.

2. The Recipient shall make each Competitive Grant under an agreement with the respective HEIs on terms and conditions approved by the Association (a “Competitive Grant and Performance Agreement”), which shall include the following, as further set forth in the Project Implementation Manual:

   (a) The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (i) suspend or terminate the right of the HEI to use the proceeds of the Competitive Grant, or obtain a refund of all or any part of the amount of the Competitive Grant then withdrawn, upon the HEI’s failure to perform any of its obligations under the Competitive Grant and Performance Agreement; and (ii) require each HEI to: (A) perform with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Competitive Grant in
accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association the progress of the activities under the Competitive Grant and Performance Agreement, and the achievement of its objectives and the annual milestones set forth therein; (E) (1) 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 Competitive Grant; and (2) 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; (F) enable the Recipient and the Association to inspect the operation under the relevant Competitive Grant and any relevant records and documents; and (G) 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.

3. The Recipient shall exercise its rights under each Competitive Grant and Performance 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 Competitive Grant and Performance Agreement or any of its provisions.

E. Safeguards

1. The Recipient shall ensure that:

   (a) the Project is carried out in accordance with the respective terms of the Environmental and Social Management Framework (ESMF), Environmental and Social Impact Assessment (ESIA), and the Resettlement Policy Framework (RPF), and the policies, procedures and arrangements therein set forth are applied and implemented; and

   (b) the ESMF, ESIA, and the RPF, or any provision thereof, shall not be amended, suspended, abrogated, terminated or waived or permitted to be amended, suspended, abrogated, terminated or waived, except with the prior written approval of the Association.
2. Prior to the commencement of any civil works, the Recipient shall:

(a) submit to the Association for its approval, as relevant: (i) any required Resettlement Action Plan (RAP), including the relevant social assessment, in form and substance satisfactory to the Association; and (ii) any required Environmental Management Plan (EMP), in form and substance satisfactory to the Association;

(b) ensure that the provisions of the relevant RAP(s) and EMP(s) are adequately included in the proposed contract(s) for works; and

(c) ensure that the relevant RAP(s) is/are disclosed and, unless the Association shall otherwise agree in writing, all related, adequate compensation amounts are paid in full, all in accordance with the relevant RAP(s) and EMP(s), the RPF and the ESMF.

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 the Financing to: (a) finance Eligible Expenditures under EEPs, as measured against specific DLIs; and (b) repay the Preparation Advance; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:
<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>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Payments for EEPs</td>
<td>44,504,400</td>
<td>100% up to the amount of the Financing allocated to each DLI, as set forth in Schedule 3 to this Agreement</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consulting services, Training and Operating Costs for Part 3 of the Project</td>
<td>2,097,800</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Refund of Preparation Advance</td>
<td>2,097,800</td>
<td>Amount payable pursuant to Section 2.07 (a) of the General Conditions</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>48,700,000</td>
<td></td>
</tr>
</tbody>
</table>

For purposes of this table, the term:

(a) “Training” means: (i) reasonable travel, room, board and per diem expenditures incurred by trainers, training facilitators and trainees in connection with the training activities under the Project; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses not otherwise covered under this paragraph; and

(b) “Operating Costs” means reasonable expenditures directly related to the Project, incurred by the Recipient (which expenditures would not have been incurred absent the Project), including the costs of office supplies and other consumables, salaries of incremental staff of the SP/PNADES, communications, printing services, charges for the opening and operation of bank accounts, postage and handling, travel, transportation, accommodations and per diems.

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

   (a) for payments made prior to the Signature Date; and
(b) for any DLR, until and unless the Recipient has furnished evidence satisfactory to the Association that said DLR has been achieved.

2. With respect to withdrawals under Category 1, and as provided under paragraph B.1(b) of this Section, payments shall be made in December of, or as soon as practicable thereafter in, each year during Project implementation upon timely submittal by the Recipient of a withdrawal request acceptable to the Association and pursuant to the DFIL. Such withdrawal request shall include evidence in form and substance acceptable to the Association of: (i) EEPs incurred, as presented in a Customized Statement of Expenditures Report; and (ii) supporting documentation confirming the Recipient’s achievement of the respective DLR, as referred to in Schedule 3 to this Agreement, and as set forth in the Verification Protocols. The Association may accept withdrawal requests submitted pursuant to the provisions of this section, in respect of any DLI, except Scalable DLIs, achieved prior to the date by which such DLI is set to be achieved.

3. Notwithstanding the provisions of paragraphs B.1(b) and B.2 of this Section, if the Association is not satisfied that any DLI under Category (1) has been achieved by the date by which the respective DLI is set to be achieved, as set forth in Schedule 3 to this Agreement, the Association may at any time, and by notice to the Recipient, decide, in its sole discretion to:

   (a) With respect to Scalable DLIs (DLIs 1, 2 (except for DLR 2.1), 3 (except for DLR 3.2), 4, and 5 (except for DLR 5.1)):

      (i) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to the said Scalable DLI which, in the opinion of the Association, corresponds to the degree of achievement of said Scalable DLI calculated as set forth in the Verification Protocols;

      (ii) authorize that the unwithdrawn amount by which the corresponding disbursement for a partially achieved Scalable DLI had been reduced, be carried forward to the immediately subsequent withdrawal, pending further achievement of the respective Scalable DLI; and/or

      (iii) cancel all or a portion of the proceeds of the Financing then allocated to said Scalable DLI.

   (b) with respect to any DLI which is not a Scalable DLI:

      (i) withhold the unwithdrawn proceeds of the Financing then allocated to said DLI until the Association is satisfied that said DLI has been fully achieved; or
(ii) (1) reallocate all or a portion of the proceeds of the Financing then allocated to said DLI to any other DLI; and/or (2) cancel all or a portion of the proceeds of the Financing then allocated to said DLI.

4. Notwithstanding the provisions of paragraphs B.1, B.2, and B.3 above, the Association shall not be required to make further disbursements if the Recipient shall have failed to furnish to the Association any of the reports required to be furnished to the Association pursuant to Section I.C of Schedule 2 to this Agreement.

5. If, at any time, the Association determines that any portion of the amounts withdrawn by the Recipient under Category (1) was made: (i) for ineligible expenditures; or (ii) not in compliance with the provisions of part B.2 of this Section, the Recipient shall promptly refund any such amount to the Association as the Association shall specify by notice to the Recipient. The Association shall cancel such refunded amount.

6. The Closing Date is September 30, 2023.

Section IV. Other Undertakings

A. Auditors

1. The Recipient shall recruit, not later than three (3) months after the Effective Date, an internal auditor for the Project, with qualifications, experience, and terms of reference satisfactory to the Association.

2. The Recipient shall recruit, not later than five (5) months after the Effective Date, an external auditor for the Project, with qualifications, experience, and terms of reference satisfactory to the Association.

B. Annual Work Plans and Budgets

1. The Recipient, through SP/PNADES shall prepare and submit to the Project Review Committee and then to the Association for approval, a draft annual work plan and budget for the Project covering the following year of Project implementation, of such scope and detail as the Association shall have reasonably requested.

2. The Recipient shall furnish to the Association, as soon as available, but in any case not later than November 30 of each year (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), the annual work
plans and budgets, for its review and approval. Only the activities included in an annual work plan and budget expressly approved by the Association (each an “Annual Work Plan and Budget”) are eligible to a financing from the proceeds of the Financing.

3. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior approval.
SCHEDULE 3
Disbursement Linked Indicators

(DLI and DLR Values expressed in USD at an exchange rate of USD 1 = SDR 0.69538182)

<table>
<thead>
<tr>
<th>Disbursement-linked Indicators (DLIs)</th>
<th>Baseline September 2018</th>
<th>Targets to Be Achieved in Year 1 October 2018–September 2019</th>
<th>Targets to Be Achieved in Year 2 October 2019–September 2020</th>
<th>Targets to Be Achieved in Year 3 October 2020–September 2021</th>
<th>Targets to Be Achieved in Year 4 October 2021–September 2022</th>
<th>Targets to Be Achieved in Year 5 October 2022–April 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLI 1: Increased number of students in priority subject areas Number of additional undergraduate students enrolled in priority subject areas funded by the project, of which females (%)</td>
<td>0 0%</td>
<td>DLR 1.1: 882</td>
<td>DLR 1.3: 1,822</td>
<td>DLR 1.5: 2,824</td>
<td>DLR 1.7: 3,891</td>
<td>DLR 1.8: 30%</td>
</tr>
<tr>
<td>DLI values (US$10 million)</td>
<td></td>
<td>DLR 1.1: US$0.25 mil.</td>
<td>DLR 1.3: US$0.50 mil.</td>
<td>DLR 1.5: US$2.00 mil.</td>
<td>DLR 1.7: US$2.25 mil.</td>
<td></td>
</tr>
<tr>
<td>DLI 2: Establishment and Operation of the Virtual University of Burkina Faso (UV-BF): UV-BF established and operational</td>
<td>Prior Result: --UV-BF established -- Number of programs (new or adapted): 0</td>
<td>DLR 2.1: Agreed business plan for the UV-BF</td>
<td>DLR 2.4: Year 1 academic programs plus three (3)</td>
<td>DLR 2.6: Year 2 academic programs plus three (3)</td>
<td>DLR 2.8: Year 3 academic programs plus three (3)</td>
<td>DLR 2.10: Year 4 academic programs plus three (3)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>DLR 2.2: The following academic programs delivered: Digital Literacy, English language, math and science</td>
<td>DLR 2.5: Teaching and learning materials (hardware and software) procured and distributed—Learning Management System, Evaluation system</td>
<td>DLR 2.7: Teaching and learning materials (hardware and software) procured and distributed—Learning Management System, Evaluation system</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>DLR 2.3: Teaching and learning materials (hardware and software) procured and</td>
<td></td>
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</tbody>
</table>

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## Disbursement-linked Results (DLRs)

<table>
<thead>
<tr>
<th>Disbursement-linked Indicators (DLIs)</th>
<th>Baseline September 2018</th>
<th>Targets to Be Achieved in Year 1 October 2018—September 2019</th>
<th>Targets to Be Achieved in Year 2 October 2019—September 2020</th>
<th>Targets to Be Achieved in Year 3 October 2020—September 2021</th>
<th>Targets to Be Achieved in Year 4 October 2021—September 2022</th>
<th>Targets to Be Achieved in Year 5 October 2022—April 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>DLR 2.3: US$0.25 mil.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>DLI 3: Implementing Window A</td>
<td>Prior Result: Round 1: Grant recipient HEIs selected 0%</td>
<td>DLR 3.1: At least 20%</td>
<td>DLR 3.2: Round 2: Grant recipient HEIs selected at least 60%</td>
<td>DLR 3.4: At least 80%</td>
<td>DLR 3.5: At least 80%</td>
<td>DLR 3.6: At least 80%</td>
</tr>
<tr>
<td>competitive funding: Implementation and results of the grants for the priority areas: Percentage of institutions achieving annual milestones specified in the PIM and the performance contract</td>
<td></td>
<td>DLR 3.3: At least 40%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>DLR 3.3: US$0.50 mil.</td>
<td>DLR 3.4: US$5 mil.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DLI 4: Strengthening Quality Assurance in HEIs: Number of HEIs with Internal Quality Assurance Units (IQAUs)</td>
<td>DLR 4.1: Decree creating internal Quality Assurance units (IQUA)</td>
<td>DLR 4.2: At least 2</td>
<td>DLR 4.3: Year 2 plus 2</td>
<td>DLR 4.4: Year 3 plus 2</td>
<td>DLR 4.5: Year 4 plus 1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>DLR 4.2: US$0.5 mil.</td>
<td>DLR 4.3: US$0.5 mil.</td>
<td>DLR 4.4: US$0.5 mil.</td>
<td>DLR 4.5: US$0.5 mil.</td>
<td>DLR 4.5: US$0.5 mil.</td>
</tr>
</tbody>
</table>

**Note:** DLR values (US$2.5 million)

- Distributed—Learning Management System, Evaluation system
- Learning Management System
- Evaluation system
## Disbursement-linked Results (DLRs)

<table>
<thead>
<tr>
<th>Disbursement-linked Indicators (DLIs)</th>
<th>Baseline</th>
<th>Targets to Be Achieved in Year 1</th>
<th>Targets to Be Achieved in Year 2</th>
<th>Targets to Be Achieved in Year 3</th>
<th>Targets to Be Achieved in Year 4</th>
<th>Targets to Be Achieved in Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DLI 5: Functioning of Project Management Information System (MIS):</strong> MIS developed and operational</td>
<td></td>
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<tr>
<td><strong>DLI 6: External revenue generation:</strong> Regulatory framework and matching grant</td>
<td>DLR 6.1: Appropriate regulatory framework Allow HEI to generate and manage externally generated revenue</td>
<td>DLR 6.2: US$1.25 million in matching grants to HEIs providing reliable externally generated revenue data to MESRSI</td>
<td>DLR 6.3: US$1.25 million in matching grants to HEIs providing reliable externally generated revenue data to MESRSI</td>
<td>DLR 6.4: US$1.25 million in matching grants to HEIs providing reliable externally generated revenue data to MESRSI</td>
<td></td>
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</tr>
</tbody>
</table>
APPENDIX

 Definitions

1. "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.

2. "Annual Work Plans and Budgets" means the annual work plans and budgets for the implementation of the Project approved by the Association, referred to in Section IV.B of Schedule 2 to this Agreement.

3. "ARCEP" means Autorité de Régulation des Communications et des Postes, the Recipient’s Regulatory Authority for Electronic Communications and Post, or any successor thereto satisfactory to the Association.


5. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.


7. "Customized Statement of Expenditures Report" means any report prepared by the Recipient in accordance with the DFIL, set forth in the Project Implementation Manual and referred to in Section III.B.2 of Schedule 2 to this Agreement on the spending status of the EEPs in relation to the Recipient’s Budget.


9. "Disbursement-Linked Indicator" or "DLI" means an indicator, set forth in Schedule 3 of this Agreement, the achievement of which is a condition for disbursement of Financing Proceeds, pursuant to Section III.B of Schedule 2 to this Agreement.

10. "Disbursement Linked Result" or "DLR" means in respect of a given DLI, the result under said DLI as set forth in the table in Schedule 3 to this Agreement, on the basis of the achievement of which, the amount of the Financing allocated to said result may be withdrawn in accordance with the provisions of Section III of Schedule 2 to this Agreement.
11. "Eligible Expenditure Programs" or "EEPs" means a set of defined expenditures within the Recipient's Budget, and set forth in the Project Implementation Manual, for financing of: (a) salaries of MESRSI staff, (b) salaries of staff of public HEIs; and (c) goods, works, non-consulting services, consulting services for the establishment of the UV-BF.

12. "Environmental and Social Impact Assessment" or "ESIA" means the Recipient's Notice d'Impact Environnemental et Social du Projet de Construction d'un Espace Numérique Ouvert (ENO) à Karpala and Notice d'Impact Environnemental et Social du Projet de Construction d'Un Espace Numérique Ouvert (ENO) à Tampouy, which constitute the assessment for environmental and social impacts plan acceptable to the Association, dated May 19, 2018, and disclosed in-country and the Association's website on May 21, 2018, describing the set of avoidance, mitigation, enhancement, monitoring, and institutional measures to be taken in connection with any works for construction or rehabilitation under the Project, in order to avoid, mitigate, offset, or reduce adverse environmental and social impacts to acceptable levels, or to enhance positive impacts, and such term includes all schedules and annexes to the ESIA, as the same may be updated from time to time as sites for Project activities are identified and for which additional environmental and social impact assessments are required under the Association's safeguard policies then in place.

13. "Environmental and Social Management Framework" or "ESMF" means the Recipient's Environmental and Social Management Framework satisfactory to the Association, disclosed on May 15, 2018, and through the Association's external website on May 18, 2018, that identifies the Project's likely environmental and social impacts, the potential mitigation measures of the identified risks, assessment of the institutional capacity of the implementing agency and measures for capacity-filling gaps, and an estimate of the budget needed for its implementation and related instruments, and guidance for the preparation of activities-specific environmental and social impact assessments and/or Environmental Management Plans.

14. "Environmental Management Plan" or "EMP" means the site-specific document, adopted by the Recipient, and satisfactory to the Association, pursuant to the Project's Environmental and Social Management Framework, and to be prepared and implemented in a manner fully consistent with the Environmental and Social Management Framework.

16. "Grants for the Improvement of Higher Education Institutions" means those grants provided under Part 2.1(a) of the Project, as set forth in Schedule I to this Agreement.

17. "Grants to Foster Innovation at the Higher Education Institutions" means those grants provided under Part 2.1(b) of the Project, as set forth in Schedule I to this Agreement.

18. "Higher Education Institution" or "HEI" means universities, vocational universities, community colleges, liberal arts colleges, institutes of technology and other collegiate level institutions in the Recipient’s territory participating in the Project, such as vocational schools, trade schools and career colleges, that award academic degrees or professional certifications.

19. "Higher Education Institution Grant and Performance Agreement" means an agreement to be entered into between the MESRSI and the Higher Education Institution receiving a Competitive Grant.

20. "Learning Management System" means a software application for the administration, documentation, tracking, reporting and delivery of educational courses or training programs.

21. "LMD" means Upper secondary certification, Master’s, and Doctorate (Licence-Master-Doctoral).


25. "MJFIP" means Ministère de la Jeunesse, de la Formation et de l’Insertion Professionnelle, the Recipient’s Ministry of Youth, Vocational Training and Professional Integration, or any successor thereto satisfactory to the Association.

26. "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 February 26, 2018, and on behalf of the Recipient on March 12, 2018.
27. "Priority Subject Areas" means the subject programs grouped in areas as follows: Area 1-agriculture, agribusiness, logistics associated with value-chain, entrepreneurship training, trade and other economic activities; Area 2-health sciences; Area 3-environmental education, and Area 4-promoting teacher training in teaching mathematics and sciences in accordance with modern practices.


29. "Project Implementation Manual" means the manual referred in Section I.B of Schedule 2 to this Agreement, setting forth the operational and administrative responsibilities, procedures and rules for the implementation of the Project.

30. "Project Review Committee" means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement and operating in conformity with Recipient’s Decree 2018-0092/PRES/PM/MINEFID of February 15, 2018.

31. "Recipient’s Budget" means the Recipient’s annual budget, approved by the Recipient’s legislature, from time to time.

32. "Resettlement Action Plan" or "RAP" means the site-specific document, adopted by the Recipient, and satisfactory to the Association, to be prepared and implemented in a manner fully consistent with the Resettlement Policy Framework.

33. "Resettlement Policy Framework" or "RPF" means the document prepared and endorsed by the Recipient, and disclosed by the Recipient on May 15, 2018, and through the Association’s external website on May 18, 2018, that sets forth resettlement procedures, institutional arrangements, eligibility criteria, entitlements and compensation, including valuation procedures, public consultation and participation, monitoring and evaluation and disclosure criteria to be applied in preparing and implementing Resettlement Action Plans.

34. "Scalable DLls" means DLls 1, 2 (except for DLR 2.1), 3 (except for DLR 3.2), 4, and 5 (except for DLR 5.1), which, in case of non-achievement, or partial achievement thereof, may be carried forward to a subsequent withdrawal period, with the Association’s prior approval.

35. "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.

36. "SP/PNADES" means Secrétariat Permanent du Plan National d'Action de Développement de l'Enseignement Supérieur, the Permanent Secretariat of the
National Plan for the Development of Higher Education, established under the MESRSI.

37. "Independent Verification Agent" means an independent entity to be engaged by the Recipient for the purposes of certifying the achievement of the DLIs as referred to in Section I.C. of Schedule 2 to this Agreement.

38. "Verification Protocols" means the set of protocols setting forth the actions and mechanisms required for verification of DLIs, agreed with the Association and included in the Project Implementation Manual, and referred to in Section I.B of Schedule 2 to this Agreement, as the same may be amended from time to time with the agreement of the Association.

39. "Virtual University of Burkina Faso" or "UV-BF" means the virtual university to be established by the Recipient pursuant to Part 1 of the Project, as set forth in Schedule 1 to this Agreement.