Re: Democratic Republic of Congo: Advance Agreement for the Preparation of
the Proposed Great Lakes Women’s Health and Empowerment Project
Project Preparation Advance No. Q911

Excellency:

In response to the request for financial assistance made on behalf of Democratic Republic of Congo (“Recipient”), I am pleased to inform you that the International Development Association (“World Bank”) proposes to extend to the Recipient an advance out of the World Bank’s Project Preparation Facility in an amount not to exceed six million Dollars (US$ 6,000,000) (“Advance”) on the terms and conditions set forth or referred to in this letter agreement (“Agreement”), which includes the attached Annex, to assist in financing the activities described in the Annex (“Activities”). The objective of the Activities is to facilitate the preparation of a proposed project aimed at contributing to the broader goal of reducing vulnerability of women and girls in the Great Lakes region (“Project”), for the carrying out of which the Recipient has requested the World Bank’s financial assistance.

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

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and return it to
the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date specified by the World Bank in accordance with Section 5.02 of the Annex to this Agreement.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Eustache Ouayer
Country Director for Democratic Republic of Congo
Africa Region

AGREED:
DEMOCRATIC REPUBLIC OF CONGO

By:
Authorized Representative

Name: PATRICE KIBRI
Title: MINISTRE DELEGUE
Date: 06/05/2014

Enclosures:


(3) 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.


Article I
Standard Conditions; Definitions

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

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

(a) "CFEF" or "Céllule d’Exécution des Financements en Faveur des Etats Fragiles" means the unit within the Recipient’s Ministry of Finance, responsible for the overall coordination of the administrative and fiduciary aspects of the Activities.

(b) "FSRDC" or "Fonds Social de la République Démocratique du Congo" means the Democratic Republic of Congo Social Fund, a public entity established pursuant to the Recipient’s decree number 009/2002 dated February 5, 2002 and finalized by decree number 05/063 dated July 22, 2005, for the purpose of, *inter alia*, improving the conditions of living of the population and of access to social services as well as to support income generation and employment to alleviate poverty and promote social and economic development.

(c) “Targeted Regions” means the North and South Kivu regions of the Recipient’s territory.

Article II
Execution of the Activities

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

a. Preparation and disclosure of relevant safeguards instruments for the Project.

b. Carrying out workshops to: (i) finalize the performance-based financing (PBF) scheme for the Project; and (ii) prepare and launch the Project.

c. Carrying out: (i) community assessments; and (ii) site assessments of health facilities targeted under the Project.

d. Assessing the availability and quality of drugs in Targeted Regions to guide their availability in health facilities targeted under the Project.

e. Conducting an overview of mental health support in Targeted Regions.
f. Developing a communication strategy for the Project.

g. Supporting existing one-stop centers for survivors of sexual and gender based violence, including provision of medical services, facility based counseling, referral systems to the police and legal services, capacity to provide forensic analysis, and providing training to related medical professionals.

h. Carrying out the recruitment of implementation partners with existing specialized expertise to provide holistic services to survivors of sexual and gender based violence in remote or underserved areas, with priority to areas recently liberated from the Congolese Revolutionary Army M23 in North Kivu.

i. Conducting training for health personnel in PBF and sensitization of the community about PBF.

j. Developing and conducting training for medical professionals responsible for working with survivors of sexual and gender based violence.

k. Developing and conducting training for mental health provision for survivors of sexual and gender based violence, both at the health facility level, as well as at the community level.

l. Preparing an implementation manual for the Project.

m. Strengthening the operational capacity of the sectoral ministries, the FSRDC and the CFEF.

2.02. Execution of the Activities Generally. The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall carry out parts of the Activities through its Ministry of Finance and its Ministry of Health and cause parts of the Activities to be carried out by the FSRDC (“Implementing Entity”) in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011.

2.03. Institutional and Other Arrangements. Without limitations upon Section 2.02 above:

A. the Recipient shall maintain throughout the implementation of the Activities, the CFEF with staff in number and with terms of reference and resources satisfactory to the World Bank, to be responsible for the overall coordination of the administrative and fiduciary aspects of the Activities.

B. To facilitate the carrying out of parts of the Activities, the Recipient shall:

1. Make part of the proceeds of the Advance available to the Implementing Entity under a subsidiary agreement between the Recipient and the Implementing Entity, under
terms and conditions approved by the World Bank ("Subsidiary Agreement"), including terms whereby the Implementing Entity shall be required to:

(i) carry out the Activities with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines;

(ii) provide, promptly as needed, the resources required for the purpose;

(iii) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the Activities and the achievement of its objectives;

(iv) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (B) at the World Bank’s or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient and the World Bank;

(v) enable the Recipient and the World Bank to inspect the Activities, their operation and any relevant records and documents; and

(vi) prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World Bank shall reasonably request relating to the foregoing.

2. Obtain rights adequate to protect its interests and those of the World Bank and shall perform its obligations and exercise said rights under the Subsidiary Agreement in such a manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Advance. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions; and

3. Ensure that the Implementing Entity is maintained with functions, resources and staff satisfactory to the World Bank.

2.04. Monitoring, Reporting and Evaluation of the Activities. The Recipient shall monitor and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the Standard Conditions.
2.05. **Financial Management.** (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.09 of the Standard Conditions.

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

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Sections 2.09 (b) of the Standard Conditions.

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

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

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the World Bank may request an audit of the Financial Statements prior to the Refinancing Date, covering such period as is indicated in its request. The audited Financial Statements for such period shall be furnished to the World Bank not later than six months after the end of such period.

2.06. **Procurement**

(a) **General.** All goods, non-consulting services and consultants' services required for the Activities and to be financed out of the proceeds of the Advance shall be procured in accordance with the requirements set forth or referred to in:

(i) Section I of 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 (“Procurement Guidelines”), in the case of goods and non-consulting services;

(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Consultant Guidelines”) in the case of consultants’ services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Activities in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).
(b) **Definitions.** The capitalized terms used in the following paragraphs of this Section to describe particular procurement methods or methods of review by the World Bank 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.

(c) **Particular Methods of Procurement of Goods and Non-consulting Services**

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (A) Limited International Bidding; (B) National Competitive Bidding using the Bank’s Standard Bidding Documents; (C) Shopping; (D) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the World Bank; and (E) Direct Contracting.

(d) **Particular Methods of Procurement of Consultants’ Services**

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Quality-based Selection; (B) Selection under a Fixed Budget; (C) Least Cost Selection; (D) Selection based on Consultants’ Qualifications; (E) Single-source Selection of consulting firms; (F) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (G) Single-source procedures for the Selection of Individual Consultants.

(e) **Review by the World Bank of Procurement Decisions.** The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

**Article III**

**Withdrawal of the Advance**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Advance in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the
Advance ("Category"), the amount of the Advance allocated to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Advance Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, Training, Operating Costs, non-consulting services and consultants' services under the Activities</td>
<td>6,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>6,000,000</td>
<td></td>
</tr>
</tbody>
</table>

For the purpose of this section, the terms:

(a) "Training" means the following expenditures incurred in providing training, seminars or workshops: (i) travel by participants and presenters to the training or workshop site; (ii) per diem allowances of such persons during the training, seminars or workshop; (iii) honoraria for the presenters; (iv) rental of facilities; (v) materials, supplies; and (vi) translation and interpretation services; and

(b) "Operating Costs" means the incremental operating expenses incurred on account of the implementation of the Activities, management and monitoring including on account of operation and maintenance costs of office and office equipment; office supplies, additional staff costs, travel and supervision costs, per diem, but excluding the salaries and indemnities of officials and public servants of the Recipient's civil service.

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

3.03. *Refinancing Date.* The Refinancing Date is August 30, 2014.

**Article IV**

**Terms of the Advance**

4.01. *Refinancing under the Refinancing Agreement:* If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be paid to the World Bank as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of such amount of the Refinancing Proceeds, in accordance with the provisions of the Refinancing Agreement.

4.02. *No Repayment in the absence of a Refinancing Agreement:* Notwithstanding any provision to the contrary in the Standard Conditions, if, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by such date or at any time...
thereafter, it has been so executed but terminates without becoming effective, then the Recipient shall not be obligated to repay the Withdrawn Advance Balance.

Article V
Effectiveness; Termination

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the Subsidiary Agreement referred to in Section 2.03B of this Annex has been executed on behalf of the Recipient and the Implementing Entity and is legally binding upon each such party in accordance with its terms.

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

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

Article VI
Additional Remedies

6.01. Additional Events of Suspension. The Additional Event of Suspension consists of the following:

(a) The Implementing Entity’s Legislation, Decree number 009/2002 dated February 5, 2002, has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Implementing Entity to perform any of its obligations under the Implementation Agreement.

(b) The Implementing Entity shall have failed to perform any of its obligations under the Subsidiary Agreement.

(c) As a result of events which have occurred after the date of this Agreement, an extraordinary situation shall have arisen which shall make it improbable that the Implementing Entity will be able to perform its obligations under the Subsidiary Agreement.
Article VII
Recipient's Representative; Addresses

7.01. Recipient's Representative. The Recipient's Representative referred to in Section 9.02 of the Standard Conditions is the Recipient's Minister in charge of finance.

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

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

Email: cabfinances@minfinrdc.com
Tel.: +243 99 39 000 39

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

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

Cable: INDEVAS
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391