Financing Agreement

(Social Safety Net Project)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 02 AVR, 2014
FINANCING AGREEMENT

AGREEMENT dated 02 AVR, 2014, entered into between the REPUBLIC OF CAMEROON ("Recipient") and the 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 credit in an amount equivalent to thirty-two million five hundred thousand Special Drawing Rights (SDR 32,500,000) (variously, “Credit” and “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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are February 15 and August 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
2.07. 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 through MINEPAT 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; TERMINATION

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

(a) The Recipient has adopted the Project Implementation Manual pursuant to Section I.D.2(a) of Schedule 2 to this Agreement.

(b) The Recipient has established the Tender Board in accordance with the provisions of Section I.A.5 of Schedule 2 to this Agreement.

4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

4.03. For purposes of Section 8.05 (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 (20) years after the date of this Agreement.
ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister of Economy, Planning and Regional Development.

5.02. The Recipient’s Address is:

Ministry of Economy, Planning and Regional Development  
Yaoundé  
Republic of Cameroon

Facsimile:                Telephone:
(237) 22 22 15 09      (237) 22 23 36 37

5.03. The Association’s Address is:

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

Cable:                Telex:                Facsimile:
INDEVAS      248423 (MCI)      1-202-477-6391
AGREED at Yaounde, Republic of Cameroon, as of the day, month, and year first above written.

REPUBLIC OF CAMEROON

By: ____________________________
   Authorized Representative

Name: ____________________________
Title: ____________________________

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: ____________________________
   Authorized Representative

Name: ____________________________
Title: ____________________________
SCHEDULE 1

Project Description

The objective of the Project is to support the establishment of a basic national safety net system including piloting targeted cash transfers and public works programs for the poorest and most vulnerable people in participating areas within the Recipient's territory.

The Project consists of the following parts:

Part A. Development of a National Safety-Net System

1. Design and development of a national safety net system including, inter alia: (a) a management information system for the purpose of providing transparent and efficient identification, registration and making of payments to Beneficiaries in the Recipient's territory; (b) a targeting system, including a proxy means test, for the purpose of accurately identifying Beneficiaries; (c) a payment system for the purpose of making timely payments to end-users under the national safety net program, including Beneficiaries referred to in Part B and Part C of this Schedule 1; (d) a grievance management mechanism for addressing complaints arising out of the Project; and (e) monitoring and evaluation procedures for the national safety net system.

2. Carrying out of a program of activities aimed at raising community awareness of the safety net system including, inter alia, design and implementation of outreach campaigns and training activities on the structure of, and procedures for, the national safety net system and the cash transfer and public works programs under Parts B and C of this Schedule 1.

Part B. Pilot Cash Transfer Program

Carrying out of a program designed to assist Beneficiaries in Target Areas alleviate chronic poverty, through: (1) the piloting of a cash transfer program and the costs associated with said program; and (2) the provision of, inter alia, training in financial literacy, savings strategies, and business skills for developing income generating activities.

Part C. Pilot Labor Intensive Public Works

Design and piloting of specific labor intensive public works projects, in accordance with the procedures outlined in the Project Implementation Manual, aimed at providing temporary employment for Beneficiaries in Target Areas,
such projects to include, *inter alia*, soil conservation, rehabilitation of small-scale infrastructure, and sanitation projects.

**Part D. Project Management**

Project coordination, management and monitoring, preparation of financial audits and periodic evaluations and provision of goods, Training, Operating Costs and consultants' services for the said purposes.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee

   (a) The Recipient shall maintain, at all times during the implementation of the Project, a Project steering committee with a mandate, composition and resources satisfactory to the Association ("Project Steering Committee").

   (b) Without limitation upon the provisions of paragraph (a) of Section I.A.1 of this Schedule 2, the Project Steering Committee shall be chaired by the president of CTS with the secretaries general of the Recipient's ministries at the time responsible for: (i) social affairs; (ii) women and family; and (iii) labor and social security, as vice-chairs, and shall be comprised of, inter alia, representatives of the Recipient's agencies at the time involved in social protection.

   (c) The Project Steering Committee shall meet at least once every quarter and shall be responsible for Project oversight, including inter alia: (i) reviewing the proposed Annual Work Plans and Budgets for the Project, reviewing the draft annual implementation and audit reports, as well as the Procurement Plan prepared by the Project Implementation Unit; (ii) overseeing overall implementation and performance of the Project and providing policy guidance; and (iii) identifying necessary Project adjustments based on monitoring and evaluation results.

2. Project Implementation Unit

   (a) The Recipient shall maintain, at all times during Project implementation, a Project implementation unit, with composition, terms of reference and resources satisfactory to the Association ("Project Implementation Unit").

   (b) Without limitation upon the provisions of Paragraph (a) of Section I.A.2 of this Schedule 2, the Project Implementation Unit shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers, and to this end, the Recipient shall recruit, in accordance with the provisions of Section III of this Schedule 2, no later than two (2) months after the Effective Date, a procurement specialist and, no later than three (3) months after the Effective Date, an accountant; all with
qualifications, experience, and terms of reference acceptable to the Association; and (ii) be responsible for day-to-day Project coordination and implementation, including, inter alia: (A) preparing proposed annual work plans of activities for inclusion in the Project, and updating the procurement plan and related budgets and consolidating Project Reports for the Project Steering Committee's review; (B) carrying out all Project financial management, procurement activities and contract execution; and (C) monitoring and evaluating the Project.

3. **Service Agreement**

   (a) To facilitate the carrying out of Parts B and C of the Project, the Recipient shall enter into service agreements with service providers ("Service Providers"), selected on the basis of terms of reference, qualifications and experience satisfactory to the Association and in accordance with the provisions of Section III.C of this Schedule, such Service Providers to be responsible for, inter alia, provision of training under the Cash Transfer program and the implementation and supervision of the Public Works program, all under terms and conditions approved by the Association ("Service Agreements").

   (b) The Recipient shall obtain rights adequate to protect the interests of the Recipient and the Association, including the right to require the Service Provider to:

   (i) carry out its activities under Parts B and C of the Project 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, without limitation to the generality of the foregoing, in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient, the Project Implementation Manual, and the Safeguard Instruments;

   (ii) maintain policies and procedures, adequate to enable the Service Providers to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the activities carried out under Parts B and C of the Project and the achievement of its objectives;

   (iii) (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 activities carried out by the Service Provider under Part B of the Project; 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 furnish promptly to the Recipient and the Association the financial statements as so audited;

(iv) enable the Recipient and the Association to inspect the activities carried out by the Service Provider under Parts B and C of the Project, their operation and any relevant records and documents; and 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

(v) refund any or all part of the amount of the Financing then withdrawn, upon the Recipient’s determination that such Service Provider has failed to perform any of the Service Provider’s obligations under the Service Agreement.

(c) The Recipient shall exercise its rights and carry out its obligations under the Service Agreements 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 of the Service Agreements or any provisions therein.

4. **Payment Agent**

To facilitate Cash Transfers to Beneficiaries under Part B of the Project, and to ensure that Beneficiaries are compensated for work performed under Subprojects under Part C of the Project in a timely manner, the Recipient shall employ a payment agent ("Payment Agent") in accordance with the provisions of Section III of this Schedule, whose terms of reference, qualifications and experience and terms and conditions of employment shall be satisfactory to the Association.

5. **Tender Board**

To facilitate the carrying out of all Project procurement activities, the Recipient shall establish and maintain, at all times during the implementation of the Project, a special procurement tender board within the Project Implementation Unit, with a mandate, composition, terms of reference and resources satisfactory to the Association ("Tender Board").
B. **Anti-Corruption**

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

C. **Annual Work Plans and Budgets**

1. Not later than December 31 in each calendar year (or one month after the Effective Date for the first year of Project implementation), the Recipient shall prepare and furnish to the Association: (i) a draft annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of Project implementation, of such scope and detail as the Association shall have reasonably requested; as well as (ii) any Supplemental Social and Environmental Safeguard Instruments which are required for the implementation of the activities included in the draft annual work plan and budget.

2. The Recipient shall afford the Association a reasonable opportunity to review such draft annual work plan and budget, and thereafter shall carry out such annual work plan and budget during such subsequent calendar year as shall have been approved by the Association ("Annual Work Plan and Budget"). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the Financing.

3. For any training proposed to be included in an Annual Work Plan and Budget, the Recipient shall, *inter alia*, identify: (a) particulars of the training envisaged; (b) the criteria for selection of the personnel to be trained, and such personnel if known; (c) the selection method of the institution or individuals conducting such training; (d) the institution conducting such training if identified; (e) the purpose and justification for such training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such training.

4. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior written approval.

D. **Manual**

1. The Recipient shall prepare, in accordance with terms of reference acceptable to the Association, a Project implementation manual, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) monitoring, evaluation, reporting and communication; (e) environmental and safeguard management; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.
2. The Recipient shall afford the Association a reasonable opportunity to review and approve such manual, and shall thereafter adopt such manual as it applies to (a) Parts A, B and D of the Project; and (b) no later than eighteen (18) months after the Effective Date, Part C of the Project, as shall have been approved by the Association ("Project Implementation Manual").

3. The Recipient shall carry out the Project in accordance with the Project Implementation Manual and shall, not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision of either one thereof, without the prior written consent of the Association.

4. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

E. Safeguards

1. The Recipient shall implement the Project in accordance with the relevant Safeguards Instruments, and shall, to that end:

   (a) if any activity under the Project would require the adoption of any Supplemental Social and Environmental Safeguard Instrument:

      (i) prepare: (A) such Supplemental Social and Environmental Safeguard Instrument in accordance with the applicable ESMF or RPF; (B) furnish such Supplemental Social and Environmental Safeguard Instrument to the Association for review and approval; and (C) thereafter adopt such Supplemental Social and Environmental Safeguard Instrument prior to implementation of the activity; and

      (ii) thereafter take such measures as shall be necessary or appropriate to ensure full compliance with the requirements of such Supplemental Social and Environmental Safeguard Instrument; and

   (b) if any activity under the Project would involve Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before resettlement measures under the RAP, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, have been taken.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, for each Supplemental Social and Environmental Safeguard
Instrument, regularly collect, compile and furnish to the Association reports in form and substance satisfactory to the Association, on the status of compliance with each Supplemental Social and Environmental Safeguard Instrument, as part of the Project Reports, giving details of:

(a) measures taken in furtherance of such Supplemental Social and Environmental Safeguard Instrument;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Supplemental Social and Environmental Safeguard Instrument; and

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

3. In the event that any provision of the Safeguards Instruments shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.

F. **Cash Transfers**

1. Each Beneficiary under Part B of the Project shall receive every consecutive two (2) months, a benefit of approximately FCFA 20,000, for a period not exceeding twenty-four (24) months except that for two (2) select payments within the twenty-four (24) month period, each Beneficiary shall receive a benefit of approximately FCFA 80,000, all such benefit to be paid, in cases where the Beneficiary is a household, to a designated female representative of the household, except in such cases where there are no females above the age of eighteen (18) years in a Beneficiary household, in which case, the male head of such household shall be designated to receive the benefit on behalf of said household.

2. The Recipient shall ensure that the Beneficiaries participate in the Training to be carried out under Part B (2) of the Project.

G. **Public Works**

1. No proposed Subproject shall be eligible for financing under Part C of the Project unless the Project Implementation Unit has determined, on the basis of an assessment conducted with the participation of impacted communities in accordance with the procedures outlined in the Project Implementation Manual, that the proposed Subproject satisfies the eligibility criteria specified in further detail in the Project Implementation Manual, which shall include, *inter alia*, that:
(a) the proposed Subproject provides a public good or service and is beneficial to the impacted community; and

(b) the proposed Subproject has fulfilled the requirements of any applicable Safeguard Instrument.

2. Each Beneficiary under Part C of the Project shall receive a maximum daily compensation of FCFA 1,000 and shall be employed for a period not exceeding sixty (60) days, all in accordance with the terms and conditions set out in the relevant Subproject Contract.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

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 (1) calendar semester, and shall be furnished to the Association not later than forty-five (45) days 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 (45) 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 (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

4. The Recipient shall recruit, no later than four (4) months after the Effective Date, an internal auditor in accordance with the provisions of Section III.C of this Schedule 2 to this Agreement.
5. The Recipient shall recruit, no later than six (6) months after the Effective Date, an external auditor in accordance with the provisions of Section III.C of this Schedule 2 to this Agreement.

6. The Recipient shall cause a technical audit of the delivery of funds for each Cash Transfer installment under Part B(1) of the Project to be carried out by auditors acceptable to the Association and according to terms and reference satisfactory to the Association.

7. In furtherance of the provisions of this Section II.B of Schedule 2 to this Agreement, no later than three (3) months after the Effective Date, the Recipient shall establish, within the Project Implementation Unit, a computerized financial and accounting system satisfactory to the Association, and successfully train relevant staff in the use thereof.

Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting 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 the Procurement Guidelines, or 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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and
non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Limited International Bidding</td>
</tr>
<tr>
<td>(b) National Competitive Bidding, subject to the additional procedures set forth in paragraph 3 below</td>
</tr>
<tr>
<td>(c) Shopping</td>
</tr>
<tr>
<td>(d) Direct Contracting</td>
</tr>
</tbody>
</table>

3. Requirements for the National Competitive Bidding. The procedures to be followed for National Competitive Bidding shall be those set forth in the Recipient’s Procurement Code of September 24, 2004, as revised from time to time in a manner deemed acceptable to the Association, subject, however, to the modifications described in the following paragraphs required for compliance with the Procurement Guidelines.

(i) In accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (a) the bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Association, at its request, to inspect all accounts, records and other documents relating to the submission of bids and contract performance, and to have said accounts and records audited by auditors appointed by the Association; and (b) the deliberate and material violation of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines;

(ii) The invitation to bid shall be advertised in, at least, one (1) national newspaper with wide circulation;

(iii) The bid evaluation, qualification of bidders and contract award criteria shall be clearly indicated in the bidding documents;

(iv) The bidders shall be given adequate response time (at least four (4) weeks from the date of the invitation to bid or the date of availability of a bidding documents, whichever is later) to prepare and submit their bids;

(v) Eligible bidders, including foreign bidders, shall be allowed to participate;
(vi) No domestic preference shall be given to domestic contractors and to domestically manufactured goods; and

(vii) Bids are awarded to the lowest evaluated bidder provided that such bidder is qualified.

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 table specifies methods of procurement, other than Quality and Cost-Based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-Based Selection</td>
</tr>
<tr>
<td>(b) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c) Least-Cost Selection</td>
</tr>
<tr>
<td>(d) Selection Based on the Consultants’ Qualifications</td>
</tr>
<tr>
<td>(e) Single-Source Selection</td>
</tr>
<tr>
<td>(f) Individual Consultants</td>
</tr>
</tbody>
</table>

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. **Withdrawal of the Proceeds of the Financing**

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:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants’ services, Training and Operating Costs for Parts A, B(2), and D of the Project</td>
<td>7,800,000</td>
<td>100% (excluding value added taxes and import duties)</td>
</tr>
<tr>
<td>(2) (a) First Cash Transfer installments under Part B(1) of the Project</td>
<td>9,900,000</td>
<td>100% of amounts paid by the Recipient under the Cash Transfer</td>
</tr>
<tr>
<td>(b) Second Cash Transfer installments under Part B(1) of the Project</td>
<td>9,900,000</td>
<td>100% of amounts paid by the Recipient under the Cash Transfer</td>
</tr>
<tr>
<td>(c) Goods, consultants’ services and Operational Costs for Part B(1) of the Project</td>
<td>1,100,000</td>
<td>100% (excluding value added taxes and import duties)</td>
</tr>
<tr>
<td>(3) Goods, works, consultants’ services, Training and Operating Costs for Parts C of the Project</td>
<td>3,800,000</td>
<td>100% (excluding value added taxes and import duties)</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>32,500,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
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) (i) for payment of the First Cash Transfer installment under Category (2)(a) unless the Recipient has engaged the Payment Agent in accordance with the provisions of Section I.A.4 of this Schedule 2; or

         (ii) for payment of the Second Cash Transfer installment under Category (2)(b) unless the Recipient has submitted to the Association the technical audit report, in form and substance satisfactory to the Association, referred to in Section II.B.6 of this Schedule 2 which shall cover the use of twenty percent (20%) of the proceeds of the First Cash Transfer installment under Category (2)(a); and

   (c) for payments made under Category (3) unless the Recipient has adopted the Project Implementation Manual as it applies to Part C of the Project, all in accordance with the provisions of Section I.D.2(b) of Schedule 2 to this Agreement.

2. The Closing Date is August 31, 2018.
SCHEDULE 3
Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15:</td>
<td></td>
</tr>
<tr>
<td>commencing August 15, 2023 to and including February 15, 2033</td>
<td>1%</td>
</tr>
<tr>
<td>commencing August 15, 2033 to and including February 15, 2053</td>
<td>2%</td>
</tr>
</tbody>
</table>

*The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Section I. Definitions

1. "Affected Persons" means any person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and "Affected Person" means any of the Affected Persons.

2. "Annual Work Plan and Budget" means each annual work plan, together with the related budget, for the Project approved by the Association pursuant to the provisions of Section 1.C of Schedule 2 to this Agreement.


4. "Beneficiary" means an eligible poor person or household, as determined by the criteria set forth in the Project Implementation Manual, to whom the Recipient proposes to make a Cash Transfer under the program referred to in Part B of the Project or an eligible poor person as determined by the criteria set forth in the Project Implementation Manual to whom the Recipient proposes to provide temporary employment under a Subproject designed under Part C of the Project.

5. "Cash Transfer" means a cash transfer made by the Recipient to a Beneficiary out of the proceeds of the Financing for the purposes of Part B of the Project.

6. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


8. "CTS" means the Recipient's Comité Technique et Suivi des Programme Economique attached to MINEPAT, and any successor thereto.

9. "Environmental and Social Management Framework" and "ESMF" mean the framework disclosed in the Recipient's territory and at the Association's Infoshop on December 26, 2012, in form and substance satisfactory to the Association, setting out modalities to be followed in assessing the potential
adverse environmental and social impact associated with activities to be 
implemented under the Project, and the measures to be taken to offset, reduce, or 
mitigate such adverse impact.

10. “Environmental and Social Management Plan” and “ESMP” mean a plan, 
approved by the Association for the Project, to be prepared by the Recipient, if as 
required by the ESMF, proposing appropriate mitigation, monitoring and 
institutional measures designed to mitigate potential adverse environmental and 
resettlement impacts, offset them, reduce them to acceptable levels or enhance 
positive impacts, as the same may be amended from time to time with the 
agreement of the Association.

11. “FCFA” means the Recipient’s currency.

12. “General Conditions” means the “International Development Association 

13. “Indigenous Peoples Development Plan” and “IPP” mean the document titled 
_Cadre de Planification en Faveur des Populations Pygmées_, adopted by the 
Recipient and disclosed in the Recipient’s territory and at the Association’s 
Infoshop on December 26, 2012, defining specific measures to be implemented 
for indigenous minorities in order to protect them and to ensure that members of 
said minorities be granted equal legal, financial and organizational opportunities 
under the Project, as the said plan may be amended and/or supplemented from 
time to time with the prior written consent of the Association, and such term 
includes any schedules to such document.

14. “MINEPAT” means the Recipient’s Ministry of Economy, Planning and 
Regional Development, and any successor thereto.

15. “Operating Costs” means incremental recurrent expenditures incurred on account 
of Project implementation, including: local contractual support staff salaries; 
travel expenditures and other travel-related allowances; equipment rental and 
maintenance; vehicle operation (including fuel), maintenance and repair; office 
rental and maintenance, materials and supplies; and utilities, media information 
campaigns and communications’ expenses, but excluding the salaries of officials 
and public servants of the Recipient’s civil service.

16. “Payment Agent” means the payment agent referred to in Section I.A.4 of 
Schedule 2 to this Agreement, which includes microfinance institutions, mobile 
telephones companies or any such entity having the capacity to provide the 
payment services as detailed in the relevant terms of reference.

17. “Pest Management Plan” and “PMP” mean the document titled _Plan de Gestion 
des Pesticides_, adopted by the Recipient and disclosed in the Recipient’s territory
and at the Association’s Infoshop on December 26, 2012, defining specific measures to be implemented for the management of pesticides under the Project, as the said plan may be amended and/or supplemented from time to time with the prior written consent of the Association, and such term includes any schedules to such document.


19. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated February 6, 2013 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.

20. “Project Implementation Manual” means the manual referred to in Section I.D.2 of Schedule 2 to this Agreement as the same may be revised from time to time with the prior written consent of the Association.

21. “Project Implementation Unit” means the unit referred to in Section I.A.2 of Schedule 2 to this Agreement and established by the Recipient’s Arrête n. 134, dated September 17, 2012 located within MINEPAT for the purpose of implementing the Project.

22. “Project Steering Committee” means the committee referred to in Section I.A.1 of Schedule 2 of this Agreement and established by the Recipient’s Arrête n. 134, dated September 17, 2012.

23. “Resettlement Action Plan” and “RAP” means the plan approved by the Association for the Project, to be prepared by the Recipient on the basis of the RPF (as hereinafter defined), as the said document may be amended and/or supplemented from time to time with the prior written consent of the Association.

24. “Resettlement Policy Framework” and “RPF” mean the Resettlement Policy Framework of the Recipient disclosed in the Recipient’s territory and at the Association’s Infoshop on December 26, 2012, outlining the policies and procedures to be implemented in the event that specific activities implemented under the Project have potentially negative impacts on the livelihoods, assets and land of the affected population, as the said framework may be amended and/or supplemented from time to time with the prior written consent of the Association, and such term includes any schedules to such document.

25. “Safeguards Instruments” means the ESMF, the RPF, IPP, PMP and any Supplemental Social and Environmental Safeguard Instruments.
26. "Service Agreement" means the service agreement to be executed between the Recipient and a Service Provider in accordance with the provisions of Section I.A.3 of Schedule 2 to this Agreement.

27. "Service Provider" means the service provider referenced under Section I.A.3 of Schedule 2 to this Agreement.

28. "Sub-project" means a specific development project to be carried out by the Recipient under Part C of the Project under the criteria set forth in Section I.G.1 of Schedule 2 to this Agreement.

29. "Sub-project Contract" means an agreement between the Recipient and a Beneficiary pursuant to which the Recipient shall provide the Beneficiary with temporary employment consistent with the criteria set forth in Section I.G of Schedule 2 to this Agreement.

30. "Supplemental Social and Environmental Safeguard Instruments" means any ESMP, RAP, or other supplemental social and environmental safeguard instruments, as required under the terms of any of the ESMF or RPF.

31. "Target Areas" means the regions within the Recipient's territory, of Adamaoua, the East, the North, the North-West and Far-North, and the poorest sections within the cities of Yaounde and Douala.

32. "Taxes" means taxes as defined in the General Conditions with the exclusion of value added taxes and custom duties.

33. "Tender Board" means the board referred to in Section I.A.5 of Schedule 2 to this Agreement.

34. "Training" means the training of persons under the Project, including through seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.