Financing Agreement

(COVID-19 Preparedness and Response Project
Under the COVID-19 Strategic Preparedness and Response Program
Using a Multiphase Programmatic Approach)

between

CENTRAL AFRICAN REPUBLIC

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between CENTRAL AFRICAN REPUBLIC ("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 five million five hundred thousand Special Drawing Rights (SDR 5,500,000) ("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 objectives of the Project and the MPA Program. 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 Effectiveness Deadline is the date ninety (90) days after the Signature Date.
4.02. 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 (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its minister of the economy.

5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient’s address is:

Ministry of the Economy, Planning, and Cooperation
P. O. Box 696
Martin Luther King Street
Bangui
Central African Republic; and

(b) the Recipient’s Electronic Address is:

E-mail:
cabinet@mepc-rca.org

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:

Facsimile:
1-202-477-6391
AGREED as of the Signature Date.

CENTRAL AFRICAN REPUBLIC

By

Authorized Representative

Name: Félix Moloua
Title: Minister of Economy, Planning and Coop.
Date: April 22, 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Han Fraters
Title: Country Manager
Date: April 22, 2020
SCHEDULE 1

Project Description

The objective of the Project is to prepare for and respond to the threat posed by COVID-19 in the Central African Republic.

The Project constitutes a phase of the MPA Program, and consists of the following parts:

1. **COVID-19 Preparedness and Response**

   Strengthening of COVID-19: (a) preparedness, capacity building, and coordination, including in relation to risk communication and community engagement; and (b) response, including procurement of medical equipment and supplies.

2. **Project Implementation**

   Provision of support to the Ministry of Health and Population, particularly the SENI Project PBF Technical Unit and the Public Health Emergency Response Center, and the Ministry of Finance and Budget, particularly the AGIR Project Management Unit, for Project management, implementation, and monitoring and evaluation, including financing of Operating Costs.

3. **Contingent Emergency Response**

   Provision of immediate response to an Eligible Crisis or Emergency, as needed.
SCHEDULE 2

Project Execution

Section I. Institutional Arrangements

1. The Recipient shall be responsible for project management, implementation, and monitoring and evaluation in accordance with the following arrangements, and, to this end, shall maintain, throughout project implementation, the entities referred to in the following paragraphs of this Part A with an institutional framework, composition, functions, and resources, including competent personnel in adequate numbers, satisfactory to the Association for this purpose.

Ministry of Health and Population

2. The Recipient shall be responsible for the strategic oversight and policy orientation of the Project through the National COVID-19 Steering Committee.

SENI Project PBF Technical Unit

3. The Recipient shall be responsible for the management (except for financial management, disbursement, and procurement) and implementation of the Project through the SENI Project PBF Technical Unit.

Public Health Emergency Response Center

4. The Recipient shall be responsible for the monitoring of planning and technical aspects of the Project through the Public Health Emergency Response Center.

Ministry of Finance and Budget

AGIR Project Management Unit

5. The Recipient shall be responsible for financial management, disbursement, and procurement under and monitoring and evaluation of the Project through the AGIR Project Management Unit.


1. The Recipient shall: (a) ensure that the Project is carried out in accordance with the Emergency Preparedness and Response Plan and the SENI Project Implementation Manual in relation to the technical aspects of the Project, and the AGIR Project Implementation Manual in relation to the fiduciary aspects of the
Project; and (b) except as the Association shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, said plan or manuals.

2. In the event of a conflict between the provisions of said plan or one of said manuals and those of this Agreement, the latter shall govern.

C. Annual Work Plans and Budgets

The Recipient shall:

1. throughout Project implementation, furnish to the Association for approval as soon as available, but in any case not later than November 30 of each year, the annual work plan and budget for the Project for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested and including the annual work plans and budgets for the Project of all relevant ministries and agencies, except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date; and

2. thereafter ensure that the Project is carried out in accordance with such plan and budget as agreed with the Association.

D. Personal Data Protection

The Recipient, through the Ministry of Health and Population, shall ensure that the collection, use, and processing (including transfers to third parties) of any personal data collected under this Project is carried out in accordance with the best international practice, ensuring legitimate, appropriate, and proportionate treatment of such data.

E. Environmental and Social Standards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.

2. Without limitation upon the preceding paragraph, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:

   (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;

   (b) sufficient funds are available to cover the costs of implementing the ESCP;
(c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and

(d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.

3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall ensure that no activity requiring land acquisition or taking, or resettlement is carried out under Parts 1 and 2 of the Project.

5. The Recipient shall, for the purposes of the CER Part of the Project, and prior to the award of any contract for the implementation thereof, carry out a screening of the activities under the CER Part of the Project, as set forth in the CER Implementation Plan, for any potential environmental and social impacts and have any environmental and social instruments as may be required under the ESCP:

   (a) prepared in form and substance satisfactory to the Association and on the basis of appropriate public consultation;

   (b) submitted to the Association for review and approval; and

   (c) thereafter adopted and locally disclosed.

6. The Recipient shall ensure that any land acquisition or taking and resettlement activities required for the purposes of carrying out works under the CER Part of the Project are completed in accordance with the provisions of the environmental and social instruments prepared pursuant to the preceding paragraph, prior to the carrying out of such works.

7. The Recipient shall ensure that:

   (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
(b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

8. The Recipient shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.

9. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors, and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health, and safety risks, and the risks of sexual exploitation and abuse, sexual harassment, and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

10. The Recipient shall be responsible for the implementation and monitoring and evaluation of the ESCP and the environmental and social instruments referenced therein through the Ministry of Health and Population.

F. Contingent Emergency Response

1. The Recipient shall:

(a) for the purposes of the CER Part of the Project, and prior to the award of any contract for the implementation thereof, prepare and furnish to the Association for review and approval, an implementation plan setting forth details of the activities to be included in the CER Part of the Project and all arrangements necessary to ensure the proper management, implementation, and monitoring and evaluation of such activities, including in relation to the preparation, implementation, and monitoring and evaluation of the environmental and social instruments referred to in Part E.5 of this Section I, adopt such implementation plan for the CER Part of the Project as shall have been approved by the Association (“CER Implementation Plan”), and thereafter ensure that the CER Part of the Project is carried out in accordance with the CER Implementation Plan; and
(b) not, except as the Association may otherwise agree in writing, assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the CER Implementation Plan, or any provision thereof.

2. In the event of a conflict between the provisions of the CER Implementation Plan and those of this Agreement, the latter shall govern.

Section II. **Project Monitoring, Reporting and Evaluation**

A. **Project Reports**

The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar quarter, covering the calendar quarter. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report, or document related to the activities described in Schedule 1 to this Agreement, the Recipient shall ensure that such information, report, or document does not include Personal Data.

B. **Semi-Annual Reviews**

The Recipient shall review jointly with the Association, not later than one (1) month after the submission of every second Project Report to the Association, such report and the one preceding, and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of such reports and the Association’s views on the matter.

C. **Midterm Review**

The Recipient shall:

(a) carry out jointly with the Association, not later than twelve (12) months, or such other period as may be agreed with the Association, after the Effective Date, a midterm review to assess the status of Project implementation, as measured against the indicators set forth in the Implementation Manual. Such review shall include an assessment of the following: (i) overall progress in implementation; (ii) results of monitoring and evaluation activities; (iii) progress on procurement and disbursement; (iv) progress on implementation of the environmental and social instruments referred to in the ESCP; (v) implementation arrangements; and (vi) the need to make any adjustments to the Project and reallocate funds to improve performance;

(b) to this end, prepare and furnish to the Association, not later than one (1) month before such review, a report, in scope and detail satisfactory to the
Association and integrating the results of the monitoring and evaluation activities performed pursuant to Part A of this Section II, on the progress achieved in the carrying out of the Project during the period preceding the date of such report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date; and

(c) thereafter take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of such report and the Association's views on the matter.

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 finance Eligible Expenditures, 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) Goods, works, non-consulting services, consulting services (including for audits), Training, and Operating Costs under Parts 1 and 2 of the Project</td>
<td>5,500,000</td>
<td>100</td>
</tr>
<tr>
<td>(2) Emergency Expenditures under Part 3 of the Project</td>
<td>0</td>
<td>100</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>5,500,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
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, except that withdrawals up to an aggregate amount not to exceed SDR 370,000 may be made for payments made prior to this date but on or after February 1, 2020, for Eligible Expenditures under Category (1); or

   (b) under Category (2), for Emergency Expenditures under Part 3 of the Project, unless and until the Association is satisfied, and has notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of the CER Part of the Project:

       (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include activities in the CER Part of the Project in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request, and notified the Recipient thereof;

       (ii) the Recipient has prepared and adopted the CER Implementation Plan, in accordance with the provisions of Section I.F.1 (a) of this Schedule; and

       (iii) the Recipient has prepared, adopted, and disclosed all safeguards instruments required for said activities and implemented any actions which are required to be taken under said instruments, in accordance with the provisions of Section I.E.5 of this Schedule.

2. The Closing Date is June 30, 2022.
APPENDIX

Definitions

1. "AGIR Project" means the Recipient's project described in Schedule 1 to the Financing Agreement dated September 14, 2017 between the Recipient and the Association for the Public Expenditure and Investment Management Reform Project (Projet d'Appui à la Gestion des Dépenses et des Investissements et aux Réformes (AGIR)) (Grant Number D2150-CF), designed to improve management and transparency of public expenditures and public investments.

2. "AGIR Project Implementation Manual" means the Recipient's manual, dated June 28, 2017, agreed with the Association and setting out management (including financial management, disbursement, and procurement), implementation, monitoring and evaluation, organizational, and administrative arrangements for purposes of the AGIR Project, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.

3. "AGIR Project Management Unit" means the Recipient's unit, under the Ministry of Finance and Budget (as hereinafter defined), established and operating pursuant to the Recipient's Ministerial Decision Number 0062/17/MEPC/MFB/DIR.CAB dated November 3, 2017 and responsible for the management (including financial management, disbursement, and procurement), implementation, and monitoring and evaluation of the AGIR Project, or a successor thereto.

4. "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.

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

6. "CER Implementation Plan" means the contingent emergency response implementation plan referred to in Section I.F of Schedule 2 to this Agreement, to be prepared and applied by the Recipient for the CER Part of the Project (as hereinafter defined) in accordance with the provisions of said Section, and such term includes any annexes or schedules to such plan.

7. "CER Part of the Project" means Part 3 of the Project (Contingent Emergency Response).

9. "Eligible Crisis or Emergency" means an event that has caused, or is likely to imminently cause, a material adverse economic and / or social impact to the Recipient, associated with a natural or man-made crisis or disaster, or a health-related emergency.

10. "Emergency Expenditures" means any of the Eligible Expenditures set forth in the CER Implementation Plan and required for the activities included in the CER Part of the Project.

11. "Emergency Preparedness and Response Plan" and "EPRP" mean the Recipient's emergency preparedness and response plan for COVID-19, dated April 3, 2020, and acceptable to the Association, as said document may be modified from time to time during the Emergency, and such term includes all schedules and annexes to said document.

12. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated April 3, 2020, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.

13. "Environmental and Social Standards" or "ESSs" means, collectively: (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources"; (vii) "Environmental and Social Standard 7: Indigenous Peoples / Sub-Saharan Historically Underserved Traditional Local Communities"; (viii) "Environmental and Social Standard 8: Cultural Heritage"; (ix) "Environmental and Social Standard 9: Financial Intermediaries"; (x) "Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure"; effective on October 1, 2018, as published by the Association.

15. "Ministry of Finance and Budget" means the Recipient’s ministry responsible for policy in relation to and management of finance and budget, or any successor thereto.


17. "MPA Program" means the multiphase programmatic approach program designed to prepare for and respond to the COVID-19 pandemic and strengthen national systems for public health preparedness in multiple countries in Africa.

18. "National COVID-19 Steering Committee" means the Recipient’s committee, under the Ministry of Health and Population, responsible for coordination of the Recipient’s preparedness for and response to COVID-19, or a successor thereto.

19. "Operating Costs" means the incremental operating costs under the Project, based on the annual work plans and budgets referred to in Section I.C of Schedule 2 to this Agreement as approved by the Association, and incurred by the Recipient for purposes of Project management, implementation, and monitoring and evaluation, on account of utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, office space rental, building and equipment maintenance, public awareness-related media expenses, domestic and international travel and subsistence, and salaries of contractual and temporary staff, but excluding salaries, fees, honoraria, bonuses, and any other salary supplements of members of the Recipient’s civil service.

20. "Personal Data" means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata, and factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of an individual.


22. "Public Health Emergency Response Center" means the Recipient’s center, under the Ministry of Health and Population, responsible for coordination of the Recipient’s response to epidemics, or a successor thereto.
23. "SENI Project" means the Recipient's project described in Schedule 1 to the Financing Agreement dated December 12, 2018 between the Recipient and the Association for the Health System Support and Strengthening Project (Projet d'Appui et Renforcement du Système de Santé (SENI)) (Grant Number D3750-CF), designed to increase utilization and improve the quality of essential health services in targeted areas in the territory of the Recipient.

24. "SENI Project Implementation Manual" means the Recipient's manual, dated November 11, 2018, agreed with the Association and setting out management (including financial management, disbursement, and procurement), implementation, monitoring and evaluation, organizational, and administrative arrangements for purposes of the SENI Project, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.

25. "SENI Project PBF Technical Unit" means the Recipient's unit, under the Ministry of Health and Population, established and operating pursuant to the Recipient's Ministerial Decision Number 082/MSP/DIRCAB/CMAJC.018 dated December 24, 2018 and responsible for the coordination of the Recipient's program for the performance-based financing (PBF) of healthcare and the management, implementation, and monitoring and evaluation of the SENI Project, or a successor thereto.

26. "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.

27. "Training" means the costs of training under the Project, based on the annual work plans and budgets referred to in Section I.C of Schedule 2 to this Agreement, as approved by the Association, and attributable to seminars, workshops, and study tours, along with domestic and international travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.