Financing Agreement

(Expanding Opportunities for Learning Project)

between

REPUBLIC OF DJIBOUTI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between the REPUBLIC OF DJIBOUTI (Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"), for the purpose of assisting in financing the project described in Schedule 1 to this Agreement ("Project").

WHEREAS: (A) by a grant agreement to be entered into between the Recipient and the Association ("EAA Grant Agreement"), the Association, acting as administrator of the Education Above All World Bank Partnership Trust Fund, intends to extend to the Recipient a grant in the amount of three million eight hundred thousand United States Dollars (USD 3,800,000) to assist in the co-financing of Part 2.2 of the Project;

(B) by a grant agreement to be entered into between the Recipient and the Association ("GPE Grant Agreement"), the Association, acting as administrator of the Global Partnership for Education Trust Fund, intends to extend to the Recipient a grant in the amount of nine million two hundred fifty thousand United States Dollars (USD 9,250,000) to assist in the co-financing of the Project; and

(C) the Association has agreed, on the basis, inter alia, of the foregoing and the existence of an adequate refugee protection framework, to extend the financing to the Recipient to assist in the financing of the Project upon the terms and conditions set forth in this Agreement.

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 and a credit, which are deemed as Concessional Financing for purposes of the General Conditions (collectively, "Financing") in the following amounts to assist in financing the project described in Schedule 1 to this Agreement ("Project"): 
(a) an amount equivalent to three million seven hundred thousand Special Drawing Rights (SDR 3,700,000) ("Grant"); and

(b) an amount equivalent to seven million three hundred thousand Special Drawing Rights (SDR 7,300,000) ("Credit").

2.02. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.03. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.

2.04. The Payment Dates are June 15 and December 15 in each year.

2.05. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.06. The Payment Currency is Dollar.

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 the Ministry of National Education and Vocational Training ("MENFOP") in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following, namely that the Recipient no longer has an adequate refugee protection framework.

4.02. The Additional Event of Acceleration consists of the following, namely that the event specified in section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after the Association has provided notice of the event to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

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

(a) The GPE Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
(b) The Association is satisfied that the Recipient has an adequate refugee protection framework.

c) The Recipient has adopted the Project Operational Manual in accordance with Section 1B of Schedule 2 to this Agreement.

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

5.03. 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 ten (10) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its minister responsible for economy and finance.

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

(a) the Recipient’s address is:

    Ministry of Economy and Finance in charge of Industry
    BP 13
    Djibouti City
    Republic of Djibouti; and

(b) the Recipient’s Electronic Address is:

    Facsimile: (253) 21358135

6.03. 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.
REPUBLIC OF DJIBOUTI

By:

Authorized Representative

Name: H.E. LUCAS MOUSSA DAWALEH

Title: MINISTER OF ECONOMY IN CHARGE OF FINANCE

Date: OCTOBER 18, 2019

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:

Authorized Representative

Name: FERID BELHAJ

Title: REGIONAL VICE PRESIDENT

Date: OCTOBER 18, 2019
SCHEDULE 1

Project Description

The objective of the Project is to increase equitable access to basic education, improve teaching practices, and strengthen MENFOP’s management capacity.

The Project consists of the following parts:

Part 1. Establishing Foundations for Quality Preschool Education

1. Improving the quality of and access to preschool education, including, inter alia:

   (a) provision of technical assistance for: (i) establishing a policy framework and quality standards for preschool education; (ii) revising the preschool curriculum and strengthening preschool teacher capacity to implement such reforms; (iii) developing new teaching and learning materials and training and professional development programs for teachers and other preschool staff; and (iv) adopting a preschool classroom teacher observation tool;

   (b) carrying out a feasibility study to explore the possibilities of private-public partnership for the preschool education sector; and

   (c) construction of new classrooms and rehabilitation of existing classrooms and provision of relevant equipment and furniture to such classrooms.

2. Financing of an Eligible Expenditure Program (“EEP”) in support of improving the quality of preschool education, through, inter alia, carrying out assessments of preschools against the approved quality standards and of preschool teacher classroom performance.

Part 2. Expanding Access to and Improving Retention in Primary and Lower Secondary Education

1. Expanding access to primary and lower secondary education and improving retention of vulnerable and underserved groups, including refugees, girls, rural students and special needs students, including, inter alia:

   (a) provision of technical assistance for: (i) developing a medium-term school expansion plan; (ii) supporting the inclusion of refugees in the national education system, including MENFOP’s operation of schools in refugee camps formerly run by NGOs or UNHCR; (iii) establishing a strategy for including children with special needs and an awareness campaign to promote a more inclusive education; and (iv) developing sub-regional plans to promote enrollment and reduce drop-outs; and
(b) rehabilitation of existing schools.

2. Financing of an Eligible Expenditure Program ("EEP") in support of a program of activities aimed at expanding access to primary and lower secondary schooling to out of school children ("OOSC", as defined in the Appendix to this Agreement), in particular, vulnerable and underserved groups such as refugees, girls, rural students and special needs students, increasing retention of students and reducing repetition rates.

Part 3. Building Capacity to Support Teaching and Learning

1. (a) Improving and increasing the use of learning assessments and establishing learning standards; (b) strengthening the competence of MENFOP’s staff and school-level staff and the overall system for such staff’s professional development; and (c) improving pedagogical resources, including teaching and learning materials, all through, inter alia, the provision of technical assistance, consultants’ services for competence building activities and designing a tool for online access to training and reference materials.

2. Financing of an Eligible Expenditure Program ("EEP") in support of improving quality and increased use of learning assessments, professional development of school staff and instructional materials through a program of activities carried out by MENFOP relating to administration of assessments, dissemination of results and training of MENFOP’s staff and school-level staff on such topics.

Part 4. Strengthening MENFOP’s Management Capacity and Data Systems

1. Provision of: (a) technical assistance to support the modernizing of MENFOP’s education information management systems to improve MENFOP’s management capacity, such systems to include human resource management, professional development data at individual level and a tracking system at student-level; and (b) training of MENFOP’s staff and school-level staff on such enhanced systems.

2. Supporting MENFOP in the areas of Project management and coordination, monitoring and evaluation, verification of the achievement of the DLI/SDLRs by the Independent Verification Agent, communication, and procurement, all through the provision of technical assistance, goods and services for the required purposes.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. MENFOP

(a) The Recipient shall ensure that MENFOP, prior to commencing any Project activities, establishes and maintains, throughout the implementation of the Project, a Project implementation structure, with mandate, staffing and other resources satisfactory to the Association, and as further described in the POM, and with the Secretary General as the Project leader, to be responsible for the implementation of the Project, including: (i) day-to-day coordination of the Project activities; (ii) carrying out Project financial management and procurement activities; (iii) preparing Annual Work Plans and Budgets; (iv) monitoring and evaluating Project activities and preparing Project reports; (v) monitoring the achievements of the DLI/DLRs and reviewing the verification reports from the IVAs; and (vi) coordinating with other stakeholders on Project implementation.

(b) The Recipient shall:

(i) not later than three (3) months after the Effective Date, install, and thereafter maintain throughout Project implementation, an accounting software for the Project acceptable to the Association; and

(ii) not later than six (6) months after the Effective Date, recruit, and thereafter maintain throughout Project implementation, an independent external auditor with qualifications, experience and terms of reference acceptable to the Association.

2. Project Steering Committee

(a) The Recipient shall, not later than three (3) months after the Effective Date, establish, and thereafter maintain at all times during Project implementation, a Project Steering Committee ("PSC"), with composition, mandate and resources satisfactory to the Association, to provide policy guidance and oversight for the Project.

(b) Without limitation to paragraph 2.1 above, the PSC shall: (i) be chaired by the Secretary General of MENFOP and include as members,
representatives of all relevant departments or directorates within MENFOP; and (ii) be responsible for: (A) providing overall oversight and strategic guidance to Project implementation; (B) approving the Project’s Annual Work Plan and Budget; and (C) coordinating implementation progress and review progress reports, all in accordance with the provisions of this Agreement and of the POM.

B. Project Operational Manual

1. The Recipient, through MENFOP, shall prepare a project operational manual in form and substance satisfactory to the Association, containing detailed arrangements and procedures for implementation of the Project, including, inter alia: (a) disbursement and flow of funds arrangements; (b) institutional arrangements; (c) fiduciary arrangements, including financial management, procurement, and anti-corruption; (d) ESF-related management systems, including the Project grievance mechanism; (e) monitoring and evaluation, reporting and communication; (f) detailed arrangements for verification of achievement of DLI/DLRs (including the DLR Verification Protocol); and (g) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient, through MENFOP, shall: (a) furnish to and exchange views with the Association on such manual promptly upon its preparation; and (b) thereafter adopt such manual as shall have been approved by the Association ("Project Operational Manual").

3. The Recipient, through MENFOP, shall carry out the Project in accordance with the arrangements and procedures set out in the POM, provided, however, that in case of any conflict between the arrangements and procedures set out in the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall not, and shall cause MENFOP not to, amend, abrogate or waive, or permit to be amended, abrogated or waived, the POM or any of its provisions without the prior approval in writing by the Association.

C. Annual Work Plans and Budgets

1. Each year the Recipient shall prepare a draft 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.

2. The Recipient shall furnish to the Association, as soon as available, but in any case not later than November 30 of each year, the Annual Work Plan and Budget for the following year and the evidences referred to in paragraph 1 above, for the
Association's review and approval; 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. 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 for financing from the proceeds of the Financing.

3. The Recipient shall ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets.

D. Independent Verification

1. The Recipient shall, not later than three (3) months after the Effective Date, recruit one or more organizations with experience, independence, and capacity and under terms of reference acceptable to the Association (“Independent Verification Agent(s)” or “IVA”) to verify the data and other evidence supporting the achievement of one or more DLI/DLR as set forth in the DLR Verification Protocol and recommend corresponding payments to be made.

2. The Recipient shall: (a) ensure that the Independent Verification Agent(s) carries/carry out verification process(es) in accordance with the DLR Verification Protocol; and (b) submit to the Association the corresponding verification reports in a timely manner and in form and substance satisfactory to the Association.

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 paragraph 1 above, 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 as further specified in the ESCP;

(b) sufficient funds are available to cover the costs of implementing the ESCP;

(c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and

(d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Association shall otherwise agree in writing and the Recipient has, thereafter, disclosed the revised ESCP.
In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. The Recipient shall:

(a) take all measures necessary on its part 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 management tools and 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) promptly notify the Association 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, in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.

4. The Recipient shall maintain and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Association, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Association.

5. The Recipient shall ensure that the Financing proceeds are not used to finance any activities included in the Negative List.

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 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 Credit Allocated (expressed in SDR)</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, and consulting services for Part 1.1, 2.1, 3.1 and 4 of the Project</td>
<td>0</td>
<td>2,812,000</td>
<td>100 %</td>
</tr>
<tr>
<td>(2) Eligible Expenditures Program under Part 1.2, 2.2 and 3.2 of the Project</td>
<td>7,300,000</td>
<td>888,000</td>
<td>Up to 100% of the Amount of Financing allocated to the DLRs, as set forth in the table in the Annex to this Schedule 2.</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT 7,300,000 3,700,000

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) under Category (2), unless and until the Recipient has furnished evidence, including verification reports from the Independent Verification Agent, certifying the achievement of the DLI/DL Rs in accordance with the DLR Verification Protocol, satisfactory to the Association that: (i) payments for the Eligible Expenditures Program have been made in accordance, and in compliance with the procedures set forth in the POM; and (ii) the
DLI/DLRs, set forth in the Annex to this Schedule 2, for which payment is requested have been met and verified in accordance with the DLR Verification Protocol.

2. Notwithstanding the provisions of paragraph 1 of this Part B, if the Association shall determine, based on the evidence provided by the Recipient under paragraph 1 of this Part B, that any DLI/DLR(s) have not been achieved or have been partially achieved by the end of the year during which such DLI/DLR(s) were scheduled to be met in accordance with the Annex to this Schedule 2, the Association may in its sole discretion, by notice to the Recipient:

(a) withhold in whole or in part the amount of the Financing allocated to such DLI/DLR(s);

(b) disburse in whole or in part the amount of the Financing allocated to such DLI/DLR(s) at any later time when such DLI/DLR(s) are met; and/or

(c) reallocate in whole or in part any amount of the Financing allocated to such DLI/DLR(s) to other DLI/DLR(s).

4. Notwithstanding the foregoing, if the Association determines at any time, that any portion of the amounts disbursed by the Recipient under Category (2) was made for reimbursement of expenditures that are not eligible under the Eligible Expenditures Program, the Recipient shall promptly refund any such amount to the Association as the Association shall specify by notice to the Association.

5. The Closing Date is December 15, 2024.
## Disbursement Linked Indicators

<table>
<thead>
<tr>
<th>Disbursement Linked Indicator</th>
<th>Disbursement Linked Result</th>
<th>Disbursement Calculation Formula</th>
<th>Financing source</th>
<th>Total Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) DLI #1: Quality assurance mechanism for preschool education established</td>
<td>DLR #1.1: Quality standards for preschool approved by MENFOP through a signed Ministerial memo (<em>note de service</em>)  DLR #1.2: At least 30% of the public and private preschools meeting the approved quality standards.</td>
<td>DLR #1.1: N/A  DLR #1.2: USD 250,000 for each 15 percent of public and private preschools meeting the approved quality standards, up to a maximum of USD 500,000, with a minimum payment threshold of USD 250,000</td>
<td>DLR #1.1 and 1.2: Credit</td>
<td>DLR #1.1: USD 500,000  DLR #1.2: USD 500,000</td>
</tr>
<tr>
<td>(2) DLI #2: Public preschool teachers with improved competencies linked to trainings (as measured by a)</td>
<td>At least 40% of public preschool teachers with improved competencies, as observed through COT.</td>
<td>USD 125,000 for each 10% of such teachers with improved competencies, as observed through COT, up to a</td>
<td>Credit</td>
<td>USD 500,000</td>
</tr>
<tr>
<td>Classroom observation tool as defined in the POM (&quot;COT&quot;)</td>
<td>Maximum of USD 500,000, with a minimum payment threshold of USD 250,000</td>
<td>(3) DLI #3: Expanding access to primary and lower secondary education</td>
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<td>------------------------------------------------------------------</td>
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</tr>
<tr>
<td>DLR #3.1: A medium-term school expansion plan is approved by MENFOP through a signed Ministerial memo (note de service)</td>
<td>DLR #3.1: N/A</td>
<td>DLR #3.1: Grant</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DLR #3.2: 35,000 primary school-level OOSC students enrolled</td>
<td>DLR #3.2: USD 141,430 for every 1,000 OOSC enrolled, up to a maximum of USD 4,950,000 and 35,000 students, with a minimum payment threshold of USD 568,000</td>
<td>DLR #3.2: Credit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) DLI #4: Strengthen demand and improve retention of students in primary and lower secondary schools</td>
<td>DLR #4.1: N/A</td>
<td>DLR #4.1: Credit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DLR #4.2 (included for reference only): Decrease in grade 5 repetition rate between Year 1 and Year 5 of project implementation from 24.4% to 14.4%</td>
<td>DLR #4.2: N/A</td>
<td>DLR #4.2: 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DLR #4.3 (included for reference only): Increase in gender parity index for gross enrollment in lower secondary education</td>
<td>DLR #4.3: N/A</td>
<td>DLR #4.3: N/A</td>
<td>DLR #4.3: 0</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>(5) DLI #5: Improve learning assessments</td>
<td>DLR #5.1: (a) Assessment levels at the first cycle of primary school in math and at least one language are approved by MENFOP through a signed Ministerial memo <em>(note de service)</em> (b) National primary learning assessment administered by Evaluation Department of MENFOP</td>
<td>DLR #5.1(a) and (b): N/A</td>
<td>DLR #5.1(a): USD 150,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>DLR #5.2: Assessment levels at the second cycle of primary school and lower secondary school in math and the languages French and Arabic are approved by MENFOP through a signed Ministerial memo <em>(note de service)</em></td>
<td>DLR #5.2: N/A</td>
<td>DLR #5.2: Credit</td>
<td>DLR #5.2: USD 150,000</td>
</tr>
<tr>
<td></td>
<td>DLR #5.3: (a) Revised year 2 OTI assessment is administered by MENFOP (b) Revised year 5 OTI assessment is</td>
<td>DLR #5.3(a) and (b): N/A</td>
<td>DLR #5.3(a) and (b): Credit</td>
<td>DLR #5.3(a): USD 350,000</td>
</tr>
<tr>
<td>DLR #5.4:</td>
<td>DLR #5.4:</td>
<td>DLR #5.4:</td>
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<td></td>
<td></td>
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<tr>
<td>N/A</td>
<td>N/A</td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

administered by MENFOP

DLR #5.4 (included for reference only):
Establishment of baseline percentage of year 2 students reaching the minimum acceptable threshold learning level

DLR #5.5(a): Schools receive detailed report on results of learning assessments and guidelines for their use to improve teaching and learning

DLR #5.5(a): 100,000 for every 28 schools, up to a maximum of USD 500,000, with a minimum payment threshold of USD 100,000

5.5(b): (Included for reference only)
From baseline established under DLR 5.4, increase in percentage of year 2 students reaching the minimum acceptable threshold learning level in the following years

DLR #5.5(b): N/A

DLR #5.5(b): N/A

(6) DLI #6: Systematic update of teachers' professional development program.

DLR #6.1: At least 3 competency frameworks approved by MENFOP through a signed Ministerial memo (note de service)

DLR #6.1: N/A

DLR #6.1: Credit

DLR #6.1: USD 500,000
<table>
<thead>
<tr>
<th>DLR #6.2: 2,000 teachers trained on the new competencies/training modules</th>
<th>DLR #6.2: USD 100,000 for every 200 teachers trained, up to a maximum of USD 1,000,000, with a minimum payment threshold of 200,000</th>
<th>DLR #6.2: Credit</th>
<th>DLR #6.2: USD 1,000,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL AMOUNT</td>
<td></td>
<td></td>
<td>USD 11,200,000</td>
</tr>
</tbody>
</table>
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 June 15 and December 15:</td>
<td>separator</td>
</tr>
<tr>
<td>commencing June 15, 2029 to and including June 15, 2039</td>
<td>1%</td>
</tr>
<tr>
<td>commencing December 15, 2039 to and including June 15, 2059</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 3.05(b) of the General Conditions.
APPENDIX

1. "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 I.C of Schedule 2 to this Agreement.

2. "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.

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

4. "DLI" means disbursement-linked indicator.

5. "DLR" means disbursement-linked result.

6. "DLR Verification Protocol" means the protocol for verifying the achievements of the DLRs set out in the POM.

7. "EAA Grant" means the grant provided under the EAA Grant Agreement.

8. "EAA Grant Agreement" means the grant agreement referred to in paragraph (A) of the preamble to this Agreement.

9. "Eligible Expenditure Program" or "EEP" means the Eligible Expenditures incurred by the following departments of the MENFOP under the following budget codes for implementation of Part 1, 2 and 3 of the Project:

<table>
<thead>
<tr>
<th>Budget line</th>
<th>Type of Expenditures</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-02-21</td>
<td>salaries</td>
<td>Directorate of Basic Education (<em>Direction de l'enseignement fondamentale</em>)</td>
</tr>
<tr>
<td>10-02-00</td>
<td>salaries</td>
<td>General Secretariat</td>
</tr>
<tr>
<td>10-02-21</td>
<td>operational costs</td>
<td>Directorate of Basic Education (<em>Direction de l'enseignement fondamentale</em>)</td>
</tr>
<tr>
<td>10-02-00</td>
<td>operational costs</td>
<td>General Secretariat</td>
</tr>
<tr>
<td>10-02-00</td>
<td>training</td>
<td>General Secretariat</td>
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</tbody>
</table>
10. “Environmental and Social Commitment Plan” or “ESCP” means the Recipient’s environmental and social commitment plan, acceptable to the Association, dated May 15, 2019, which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the Project, including the timing of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any instruments to be prepared thereunder; as the ESCP may be revised from time to time, with prior written agreement of the Association.


12. “GPE Grant” means the grant provided under the GPE Grant Agreement.

13. “GPE Grant Agreement” means the grant agreement referred to in paragraph (B) of the preamble to this Agreement.


15. “Independent Verification Agent” or “IVA” means an independent third party to carry out verification of the achievements the DLIs according to Section I.D of Schedule 2 to this Agreement.

16. “Ministry of National Education and Vocational Training” or “MENFOP” means the Recipient’s ministry responsible for national education and vocational training or any successor thereof.

17. “Negative List” means the list of activities excluded from receiving financing out of the Financing, set forth in the Environmental and Social Management Framework, referred to in the ESCP.

19. “Project Operational Manual” or “POM” means the manual referred to in Section 1.B of Schedule 2 to this Agreement.

20. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.

21. “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.