Financing Agreement

(COVID-19 Preparedness and Response Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

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

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient a grant 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 seven million eight hundred thousand Special Drawing Rights (SDR 7,800,000) ("Grant"); and

(b) the amount of nine million seven hundred thousand Euros (EUR 9,700,000) ("Credit").

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 Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.

2.05. The Payment Dates are April 15 and October 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 and the MPA Program. To this end, the Recipient shall carry out the Project through its Ministry of Health ("MoH") 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 is thirty (30) 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 years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is its minister in charge of economy, finance and development.

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

(a) the Recipient's address is:

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

(b) the Recipient's Electronic Address is:

Telex: Facsimile:
5555 (226) 25-31-27-15

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.
(b) the Association's Electronic Address is:

Telex: 248423 (MCI)
Facsimile: 1-202-477-6391

AGREED as of the Signature Date.

BURKINA FASO

By

Authorized Representative

Name: Lassane Kabore
Title: Minister of Economy, Finance and Development
Date: May 4, 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Soukeyna Kane
Title: Country Director
Date: May 4, 2020
The objective of the Project is to prevent, detect and respond to the threat posed by COVID-19 and strengthen the national system for public health preparedness in Burkina Faso.

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

Component 1: Emergency COVID-19 Response

Providing immediate support to prevent COVID-19 from arriving or limiting local transmission through containment strategies, including the following:

1. Enhancing case detection, confirmation, tracing, recording and reporting, through *inter alia:* strengthening: (a) disease surveillance and information systems; (b) capacity for early detection, contact tracing and confirmation of cases using mobile technology and geographic information system; (c) public health laboratories; and (d) the collection and transport of samples.

2. Supporting the implementation of social distancing and other preventive measures through, *inter alia:* (a) developing guidelines related to social distancing measures; (b) operationalizing existing or new laws and regulations on social distancing and prevention measures; (c) developing and implementing a plan to protect personnel in key professions involved in the COVID-19 response; (d) providing handwashing facilities to be used *inter alia* in public spaces, schools, markets, health care facilities, isolation centers, and quarantine sites; and (e) supporting specific preventive measures targeting the most vulnerable, including the elderly, patients with depressed immune systems, and internally displaced people ("IDPs") through the provision, *inter alia,* of safe water and basic sanitation.

3. Strengthening the health system through, *inter alia:*
   
   (a) assisting the health care system for preparedness planning to provide optimal medical care, maintain essential community services and minimize risks for patients and health personnel by, *inter alia:* (i) elaborating and updating infection control and treatment guidelines; and (ii) strengthening the capacity of health facilities' staff and front-line workers to deliver risk mitigation measures, triage and care;

   (b) strengthening clinical care capacity through, *inter alia:* (i) establishing specialized units in selected hospitals; (ii) establishing isolation units, and (iii) establishing Tents Hospitals;
(c) strengthening operational and clinical support systems through, *inter alia:* (i) supporting supply chain management (ii) ensuring safe water and basic sanitation in health facilities by *inter alia* acquiring water tankers and containers; and (iii) strengthening medical waste management and disposal systems; and

(d) creating and constructing latrine blocks equipped with handwashing facilities and cabin dedicated to hygienic menstrual management in existing selected health care facilities.

4. Supporting communication preparedness, community engagement, comprehensive behavioral change and risk communication by working with the government, private sector, civil society and communities to: (i) develop, disseminate and distribute communication materials including radio spots and mass media videos targeting different audiences on COVID-19 risks, general preventive measures and treatments; (ii) carryout communication initiatives on the national and local levels on personal hygiene, handwashing, and hygiene etiquettes, community awareness and understanding of symptoms, community participation in slowing the spread of the pandemic and the protection of vulnerable groups; (iii) provide support to the existing hotline; (iv) develop systems for community-based disease surveillance and multi-stakeholder engagement to address issues such as inclusion, healthcare workers safety, and the specific vulnerability of women in the face of the epidemic, and (v) carry out community-based animal disease surveillance and early warning networks.

5. Acquiring medical and communications technology equipment, medical supplies, including diagnosing reagents and kits, WASH COVID-19 kits, personal protective equipment ("PPE") and other supplies, including hygiene materials, financing Health Facilities Operating Costs, undertaking rehabilitation and renovation of existing facilities (without altering the existing footprint), providing Training and technical assistance as needed to implement the above-mentioned activities.

6. Providing support to affected households through the provision of food and basic supplies.

Component 2. Implementation Management and Monitoring and Evaluation

Providing support to the Recipient, at the central and decentralized level, for Project management, monitoring and evaluation, and supporting decision making and analytics through, *inter alia*: (a) the financing of consulting services, and Operating Costs; (b) the provision of Training, and (c) supporting research contributing to the global and regional COVID-19 research agenda.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall vest the overall responsibility for the implementation of the Project in the MoH and to this end, shall, through the MoH, maintain, throughout Project implementation, the Project Implementation Unit ("PIU") responsible for the day-to-day implementation, management, monitoring and evaluation of the Project with competent staff in adequate numbers and with terms of reference, qualifications, experience and integrity satisfactory to the Association.

2. No later than one month after the Effectiveness Date or such later date as agreed in writing by the Association, the Recipient shall cause the PIU to appoint or hire throughout Project implementation key staff: (i) a project coordinator, (ii) a social specialist, (iii) a procurement specialist, (iv) a monitoring and evaluation specialist; and (v) an accountant until completion and such key staff with terms of reference, functions, experience, integrity, responsibilities and qualifications acceptable to the Association.

3. The Recipient shall, not later than one (1) month after the Effective Date, recruit an external auditor, with qualifications and under terms of reference satisfactory to the Association.

4. The Recipient shall, not later than one (1) month after the Effective Date, install and thereafter maintain an accounting software for the Project, in a manner acceptable to the Association.

5. The Recipient shall, not later than two (2) months after the Effective Date enter into an agreement with ASCE-LC in form and substance satisfactory to the Association for the purposes of carrying out bi-annual audits of the Project.

6. The Recipient:

   (a) may enter into agreements with UN Agencies, under terms and conditions acceptable to the Association ("UN Agency Agreement"), whereby the Recipient will authorize the UN Agency to undertake, on behalf of the Recipient, the procurement and distribution of Eligible Goods under the Project;
(b) shall ensure, when entering into contractual arrangements with a UN Agency, that appropriate standard agreements approved by the Association are used;

(c) shall exercise its rights under the UN Agency Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Project; and

(d) not assign, amend, abrogate or waive the UN Agency Agreement or any of its provisions, except as the Association shall otherwise agree.

B. Project Implementation Manual

1. The Recipient shall, by no later than one (1) month after the Effective Date, prepare and adopt a Project implementation manual ("Project Implementation Manual"), containing detailed guidelines and procedures for the implementation of the Project, including with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social safeguards, corruption and fraud mitigation measures, a grievance redress mechanism, personal data collection and processing in accordance with applicable national law and good international practice, roles and responsibilities for Project implementation, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Association.

2. The Recipient shall ensure that the collection, use and processing (including transfers to third parties) of any personal data collected under this Project shall be done in accordance with the best international practice, ensuring legitimate, appropriate, and proportionate treatment of such data.

3. The Recipient shall carry out the Project in accordance with the Project Implementation Manual.

4. The Recipient shall ensure that the Project Implementation Manual is not amended, suspended, repealed or abrogated without the prior written approval of the Association.

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

C. Annual Work Programs

1. The Recipient shall, not later than November 30 in each calendar year during Project implementation, prepare and furnish to the Association, a program of Project activities proposed for implementation in the following calendar year,
including: (a) a detailed timetable for the sequencing and implementation of said activities; and (b) the types of expenditures required for such activities, a proposed financing plan and a budget ("Annual Work Program").

2. The Recipient shall exchange views with and seek approval of the Association on each such proposed annual work program and shall thereafter carry out such program of activities for such following year as shall have been agreed between the Recipient and the Association.

3. Only those activities which are included in an Annual Work Program shall be implemented. Except with the prior and written concurrence of the Association, the Annual Work Program shall not be waived, amended or otherwise modified to include new activities.

D. 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 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:

(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 in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. 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.

6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and 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.

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. 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 I of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.
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 EUR)</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>Goods, works, non-consulting services (including Training), consulting services and Operating Costs, and Health Facilities Operating Costs for the Project.</td>
<td>9,700,000</td>
<td>7,800,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>9,700,000</strong></td>
<td><strong>7,800,000</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 for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed eight million four hundred sixty thousand Dollars (USD 8,460,000) may be made for payments made prior to this date but on or after February 1, 2020, for Eligible Expenditures.

2. The Closing Date is April 29, 2022.
**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 April 15 and October 15, commencing October 15, 2026, to and including April 15, 2058</td>
<td>1.5625%</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

Section I.  Definitions

1. "Annual Work Program" means the annual work program to be prepared by the Recipient not later than November 30 in each calendar year during Project implementation.

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.


4. "Basis Adjustment to the Service Charge" means the Association's standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.

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


7. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated April 10, 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.

8. "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"; and 
(x) "Environmental and Social Standard 10: Stakeholder Engagement and 
Information Disclosure"; effective on October 1, 2018, as published by the 
Association.

9. "General Conditions" means the “International Development Association General 
Conditions for IDA Financing, Investment Project Financing", dated December 
14, 2018.

10. "Health Facility Operating Costs" means the reasonable incremental expenses 
incurred by the Recipient’s health facilities costs including vehicle operation, 
utilities, hazard payments to eligible community workers/health care workers, in 
an amount and under terms and conditions set forth in the PIM, but excluding 
salaries of officials of the Recipient’s civil service.

11. "Ministry of Health" or “MoH” means the Recipient’s ministry in charge of public 
health or any successor thereto.

12. "MPA Program" means the global emergency multiphase programmatic approach 
program designed to assist countries to prevent, detect and respond to the threat 
posed by COVID-19 and strengthen national systems for public health 
preparedness.

13. "Operating Costs" means the reasonable incremental expenses incurred by the 
Recipient on account of Project implementation, including costs related office 
equipment and supplies, vehicle operation and maintenance, shipping costs, office 
rentals, communication and insurance costs, office administration costs, bank 
charges, utilities, transport costs, travel, per diem and supervision costs, and 
salaries of contracted employees, but excluding salaries of officials of the 
Recipient’s civil service.

14. "Personal Data" means any information relating to an identified or identifiable 
individual, with the understanding that: (a) 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; and (b) attributes which may 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.

15. "PIU" means the existing Project Implementing Unit within the MoH implementing the Recipient's Health Systems Reinforcement Project.


17. "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.

18. "Tent Hospital" means mobile medical unit established temporarily by the Recipient to respond to COVID-19.

19. "Training" means expenses incurred by the PPSD-PIU for workshops and training including purchase and publication of materials, rental of facilities, course fees, study tours and travel and subsistence for participants, trainees and trainers.