Financing Agreement

(Benin COVID-19 Preparedness and Response Project)

between

REPUBLIC OF BENIN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF BENIN ("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 three million nine hundred thousand Special Drawing Rights (SDR 3,900,000) ("Grant"); and  

(b) an amount equivalent to four million eight hundred thousand Euros (EUR 4,800,000) ("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plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.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 1 and October 1 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 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 days (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 responsible for finance.

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

(a) the Recipient’s address is:

Ministère de l’Economie et des Finances
B.P. 302
Cotonou
Republic of Benin; and

(b) the Recipient’s Electronic Address is:

Telex: (+229) 21-31-47-81
Facsimile: (+229) 21-30-42-61
(+229) 21-31-53-56

E-mail: mobilisation@caabenin.org
5.03. For the 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 BENIN

By

Authorized Representative

Name: Romuald WADAGNI
Title: Le Ministre de l'Economie et des Finances
Date: 04 MAI 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Atue Seke
Title: Country Manager
Date: May 06, 2020
SCHEDULE 1

Project Description

The objectives of the Project are to prevent, detect and respond to COVID-19 and strengthen national systems for public health emergency preparedness in Benin.

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

Part 1: Emergency COVID-19 Response

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

1. Enhancing case detection, confirmation, tracing, recording and reporting through *inter alia:* (a) strengthening disease surveillance systems, public health laboratories, and epidemiological capacity for early detection and confirmation of cases; (b) combining detection of new cases with active contact tracing; (c) strengthening risk assessment and quarantine support; and (d) strengthening health management information systems to facilitate contact tracing, recording, reporting and on-time virtual sharing of information.

2. Strengthening case management and the health system through *inter alia:* (a) providing prefabricated buildings equipped with adequate emergency materials and equipment, including incinerators, power generators and medicines and staffed with trained health workers; (b) upgrading ten existing health facilities into COVID-19 treatment management centers; (c) strengthening clinical care capacity of treatment center staff including hospital infection control and guidelines, and risk mitigation measures; and (d) providing protective equipment and hygiene materials.

3. Strengthening selected primary health care facilities and hospitals through *inter alia:* (a) providing medical equipment; (b) providing training to health personnel; (c) developing digital solutions for supply chain coordination; (d) providing handwashing materials; and (e) providing medical supplies and diagnostic reagents.

Part 2: Supporting National Prevention and Preparedness

Improving preparedness capacity and response to outbreaks through communication activities and tools, community engagement and simulation exercises, including the following:
1. Supporting communication preparedness through *inter alia*; (a) developing and implementing an integrated and comprehensive national communication and community engagement strategy on outbreaks; (b) providing workshops to develop and validate communication messages and tools in the event of a pandemic or emerging infectious disease outbreak; (c) enhancing information dissemination from national to regional and local levels and between the public and private sectors; (d) promoting handwashing, pandemic awareness, outreach activities and information and communication activities through various communication channels such as mass media and counseling, directed to the government, the private sector and civil society; and (e) developing digital-based platforms, applications and surveys to evaluate people’s knowledge and satisfaction with the overall Covid-19 crisis communication strategy.

2. Developing social distancing measures for coordination meetings and workshops between the directories and agencies within MOH through *inter alia*, the provision of information technology equipment and internet bandwidth for remote meetings and trainings.

3. Supporting national preparedness through *inter alia*: (a) supporting rapid response team members at the national, regional and district levels through the provision of training and operating costs; and (b) providing intervention kits (PPE, sampling kits, masks, visors, and gloves) and vehicles.

**Part 3: Implementation Management and Monitoring and Evaluation**

1. Carrying out project management activities including: (a) financing of project coordination, supervision and overall management activities; and (b) carrying out of financial management and procurement requirements of the Project.

2. Carrying out monitoring and evaluation of the Project including: (a) collecting data from line ministries and other implementation agencies; (b) compiling data into project implementation progress reports; (c) carrying out of annual expenditure reviews; (d) providing evaluation workshops; (e) developing an action plan for monitoring and evaluation; and (f) replicating successful models and integrating COVID-19 surveillance into the national health system.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall maintain, throughout Project implementation, a project coordination unit responsible for day-to-day project implementation, with composition and resources acceptable to the Association ("Project Coordination Unit" or "PCU").

2. The Recipient shall ensure that the PCU customizes and updates the PCU accounting software in form and substance satisfactory to the Association, no later than one (1) month after the Effective Date.

3. The Recipient shall maintain, at all times during the implementation of the Project, a multisectoral steering committee with composition and mandate acceptable to the Association ("Multisectoral Steering Committee" or "MSC"). The MSC shall be chaired by the Head of the National Council to Combat HIV/AIDS, Tuberculosis, Malaria, Hepatitis and Epidemics, assisted by a technical committee and shall comprise, inter alia: representatives of the Ministry of Health, the Ministry of Agriculture and Livestock, the Ministry of Living Conditions and Sustainable Development, one representative of the National Association of Municipalities of Benin, and two representatives of civil society and be responsible for providing strategic guidance and overall coordination of the implementation and monitoring of the Project.

B. Implementation Arrangements

1. Project Implementation Manual

   (a) No later than three (3) months after the Effective Date, the Recipient shall amend and thereafter maintain, throughout Project implementation, 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, reporting and communication, financial management, procurement and accounting procedures, environmental and social standards, corruption and fraud mitigation measures, a grievance redress mechanism, personal data collection and processing in accordance with 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.

(b) The Recipient shall carry out the Project in accordance with the Project Implementation Manual.

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

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

2. **Work Plans and Budget**

For purposes of implementation of the Project, the Recipient shall:

(a) by no later than three (3) months after the Effective Date, update a draft work plan and budget for Project implementation, setting forth, *inter alia*:
   (i) a detailed description of the planned activities, including any proposed conferences and Training, under the Project for the period covered by the plan;
   (ii) the sources and proposed use of funds therefor;
   (iii) procurement and environmental and social arrangements therefor, as applicable; and
   (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity;

(b) promptly furnish the draft work plan and budget to the Association for its review, and promptly thereafter finalize the draft work plan and budget, taking into account the Association’s comments thereon; and

(c) thereafter adopt and carry out such draft work plan and budget for the relevant period as shall have been agreed with the Association (“Work Plan and Budget”), as such plan may be subsequently revised or updated with the prior written agreement of the Association.

C. **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, subcontractors, and supervising entities, as applicable, 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 forty-five (45) days 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, and consulting services, Operating Costs and Training</td>
<td>4,800,000</td>
<td>3,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>4,800,000</td>
<td>3,900,000</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 EUR 1,920,000 under the Credit and SDR 1,560,000 under the Grant may be made for payments made prior to this date but on or after January 1, 2020, for Eligible Expenditures.

2. The Closing Date is November 30, 2021.
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 1 and October 1, commencing October 1, 2026 to and including April 1, 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

Definitions

1. “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.

2. “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.

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


5. “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.

Information Disclosure”; effective on October 1, 2018, as published by the Association.


8. “Head of the National Council to Combat HIV/AIDS, Tuberculosis, Malaria, Hepatitis and Epidemics” means the President of the Recipient’s national council to combat HIV/AIDS, tuberculosis, malaria, hepatitis and epidemic, established pursuant to decree No. 2018-149, dated April 25, 2018.


10. “Ministry of Living Conditions and Sustainable Development” means the Recipient’s ministry in charge of living conditions and sustainable development, or any successor thereto.

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

12. “MPA Program” means the 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. “Multisectoral Steering Committee” or “MSC” means the Recipient’s committee led by the executive secretary in charge of overseeing the project Work Plan and Budget as well as monitoring of project implementation, established under decree No. 2018-149, dated April 25, 2018.


15. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient on account of Project implementation, including costs related to audits, 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, including reasonable hazard/indemnity pay, but excluding salaries of officials of the Recipient’s civil service.

16. “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.

17. "PPE" stands for personal protective equipment.

18. "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.

19. "Project Coordination Unit" or "PCU" means the unit within the National Council to Combat HIV/AIDS, Tuberculosis, Malaria, Hepatitis and Epidemics, pursuant to the Financing Agreement between the Recipient and the Association, for the REDISSE 3 project, dated June 11, 2018 (Credit No. 6234-BJ and Grant No. D312-BJ).

20. "Project Implementation Manual" means the Recipient’s manual referred to in Section I.B.1 of Schedule 2 to this Agreement.

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.

22. "Training" means the reasonable costs associated with training under the Project, based on the relevant Work Plan and Budget, and attributable to study tours, training courses, seminars, workshops and other training activities, not included under service providers’ contracts, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and trainers, trainers’ fees, and other training related miscellaneous costs.

23. "Work Plan and Budget" means the work plan and budget approved by the Association and adopted by the Recipient in accordance with the provisions of Section I.B.2 of Schedule 2 to this Agreement, as said work plan and budget may be modified from time to time with the written agreement of the Association.