H. E. Félix Moloua  
Minister of Economy, Planning and Cooperation  
Ministry of Economy, Planning and Cooperation  
B.P. 696  
Rue Martin Luther King  
Bangui  
Central African Republic  

Re: Central African Republic: LONDO “Stand-Up” Project  
Grant Number D4810-CF  
First Amendment to the Financing Agreement  

Excellency:  

We refer to the Financing Agreement, dated June 27, 2019, between the Central African Republic (the “Recipient”) and the International Association Development (the “Association”) regarding the abovementioned Project (the “Agreement”). We also refer to your letters dated February 19, 2020 and April 29, 2020, requesting some specific modifications to the Agreement.  

Please note that the capitalized terms used in this letter (“Amendment Letter”) and not defined herein have the meaning ascribed to them in the Agreement.  

We hereby inform you that the Association concurs with your requests and proposes to amend the Agreement in respect of the provisions below:  

1. **Section 4.01 of the Agreement is hereby deleted in its entirety and the following sections are renumbered accordingly.**  
2. **Section 5.01 of the Agreement is hereby amended to read as follows:**  
   “5.01. The Additional Condition of Effectiveness consists of the following, namely, the PIM has been updated in form and substance satisfactory to the Association.”  
3. **Part 1 of Schedule 1 to the Agreement is hereby amended to read as follows:**  
   “Part 1. Local Governance  
   Support to local governance systems through: (a) Rapid Development Assessments at the level of sous-préfectures; (b) Public Lotteries for the selection of Eligible Beneficiaries; and (c) the establishment of the Project’s GRM.”
4. **Part 3.1 of Schedule 1 to the Agreement is hereby amended to read as follows:**

   "3.1 Support for socio-economic integration through: (a) the payment of Stipends to approximately 92,000 Eligible Beneficiaries participating in labor Intensive Public Works Activities and 1,499 Eligible Beneficiaries of chantiers-écoles; and (b) the labor-intensive production of non-medical masks."

5. **Section I.A.2 of Schedule 2 to the Agreement is hereby deleted in its entirety and replaced with the following:**

   "2. **Project Implementation Unit**

   (a) The Recipient shall vest the responsibility of Project coordination and implementation in the LONDO+PIU, including all fiduciary and technical matters.

   (b) To this end, the Recipient shall, at all times during Project implementation, maintain the LONDO+PIU with mandate, composition and resources acceptable to the Association, including a coordinator, a financial management officer and a procurement officer, under terms of reference acceptable to the Association."

6. **Section I.B of Schedule 2 to the Agreement is hereby deleted in its entirety and the following sections are renumbered accordingly.**

7. **Section I.D of Schedule 2 to the Agreement is hereby amended to read as follows:**

   "D. **Public Works**

   1. In order to carry out Part 3.1 of the Project, the Recipient shall conclude a Temporary Employment Agreement with each Eligible Beneficiary which shall include the following minimum conditions, and other such terms and conditions as may be specified in the PIM:

   (a) each Eligible Beneficiary shall be a minimum of 18 years of age;

   (b) each Eligible Beneficiary shall receive a Stipend of 1,500 FCFA per day; worked;

   (c) each Eligible Beneficiary shall be permitted to work a maximum of 40 days over approximately two (2) months;

   (d) each Eligible Beneficiary shall be capable of working, according to the conditions stipulated in the PIM and in the Temporary Employment Agreement.

   2. The Recipient shall ensure that each Temporary Employment Agreement is based upon the template included in the PIM.

   3. The Recipient shall ensure that each such Temporary Employment Agreement is carried out with due diligence and efficiency and in accordance with sound
technical, financial, and managerial standards and practices acceptable to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to the Temporary Employment Agreement.

4. The Recipient shall ensure that payment under each Temporary Employment Agreement is subject to a Verification Process satisfactory to the Association.

8. A new paragraph H is hereby added under Section I of Schedule 2 to this Agreement to read as follows:

"H. Service Provider

In order to ensure the proper carrying out of the production of non-medical masks under Part 3.1 (b) of the Project, the Recipient shall:

(a) no later than June 30, 2020, enter into an agreement ("Service Provider Agreement") with a service provider ("Service Provider"), in form and substance satisfactory to the Association;

(b) ensure that all activities to be undertaken by said Service Provider under the Service Provider Agreement shall be carried out with due diligence and efficiency and in accordance with sound technical, financial, and managerial standards and practices acceptable to the Association; and

(c) ensure that the Service Provider exercise its rights and carry out its obligations under the Service Provider Agreement in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Grant."

9. The table under Section IIIA of Schedule 2 to the Agreement is hereby deleted and replaced with the table set out in the Attachment to this Agreement.

10. The following definitions under the Definition Section of the Appendix to the Agreement are hereby amended to read as follows:

"8. "Eligible Beneficiary" means an individual selected through a Public Lottery administered by the LONDO+PIU at the level of the sous-prefecture, who is retained for temporary employment under a Temporary Employment Agreement, and individuals selected to participate in the chantier-écoles, and individuals recruited for the production of non-medical masks. "Beneficiaries" means, collectively, all such individuals."

"19. "Operating Costs" means the incremental expenses incurred by the Project on account of Project implementation, management and monitoring, including for office space rental, utilities and supplies, bank charges, communication, vehicle operation, maintenance and insurance, building and equipment maintenance, advertising expenses, travel and supervision, and salaries of contractual and temporary locally-recruited staff recruited for the purposes of the Project, but excluding Consultant fees and salaries of civil servants."
"28. "Rapid Development Assessments" means standardized data collection exercises undertaken under Part I of the Project prior to the start of Project activities in sous-préfectures."

"34. "Stipend" means the monetary remuneration paid by the Recipient to an Eligible Beneficiary participating in the Labor-Intensive Public Works Activities. "Stipends" means collectively all such monetary remunerations."

"35. "Temporary Employment Agreement" means a simple employment contract executed between the Recipient and Eligible Beneficiaries governing the terms of such Eligible Beneficiaries employment under Part 2 of the Project, based on a template to be included in the PIM and to include all relevant criteria and procedures included in the PIM. Such a contract shall also include the Project’s LIPW Code of Conduct, which describes required behaviors on the work sites and provides information on the project’s GRM."

"37. "Verification Process" means the process by which the Recipient shall verify that an Eligible Beneficiary has completed a Worked Day and has been paid his or her Stipend in accordance with the terms of the Temporary Employment Agreement."

"38. "Worked Day" means a day worked by an Eligible Beneficiary, verified by the Recipient and paid for by the Project under a Temporary Employment Agreement."

11. The following definitions "1", "30" and "31" under the Definition Section of the Appendix to the Agreement are hereby deleted in their entirety.

12. The following definitions are hereby added and placed in alphabetical order in the Definition Section of the Appendix to the Agreement to read as follows and the remaining definitions are renumbered accordingly to maintain alphabetical order:

""Project Implementation Unit" and "PIU", each means the unit established within the MEPC to be responsible for the overall Project implementation, as referred to in Section I.A.2 of Schedule 2 to this Agreement."

""Service Provider" means the provider selected and hired by the Recipient pursuant to the Procurement Regulation of the Association."

""Service Provider Agreement" means the agreement to be entered between the Recipient and the Service Provider governing the terms and conditions under which the Service Provider shall render services to the Recipient, including, inter alia, payment methods, and reporting and transparency arrangements."

Except as herein expressly amended, all other provisions of the Agreement shall remain in full force and effect.

Please confirm your agreement with the foregoing amendments to the Agreement by countersigning and dating both copies of this Amendment Letter and returning one fully signed
original of this letter to us. Upon receipt by the Association of the countersigned copy, this Amendment shall become effective as of the date of this letter.

Very truly yours,

INTERNATIONAL ASSOCIATION DEVELOPMENT

Jean-Christophe Carret

By

Jean-Christophe Carret
Country Director for Central African Republic
Africa Region

AGREED:
CENTRAL AFRICAN REPUBLIC

By

Authorized Representative

Name: Felix MOLOUA

Title: Minister of Economy, Planning and Cooperation

Date: June 5th, 2020
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<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
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<td>(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Parts 1, 2 and 3 of the Project, except for Part 3.1(a)</td>
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<td>(2) Stipends to Eligible Beneficiaries under Part 3.1(a) of the Project</td>
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<td>(4) Unallocated</td>
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<td>(6) Amount cancelled as of April 29, 2020</td>
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