Financing Agreement

(COVID-19 Strategic Preparedness and Response Project)

between

DEMOCRATIC REPUBLIC OF THE CONGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between DEMOCRATIC REPUBLIC OF THE CONGO ("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 I to this Agreement ("Project"): (a) an amount equivalent to seventeen million two hundred thousand Special Drawing Rights (SDR 17,200,000) ("Grant"); and (b) the amount of twenty-three million six hundred thousand Dollars (USD23,600,000) ("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plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.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 Dollar.

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 — 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 Finances.

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

(a) the Recipient’s address is:
    Ministry of Finance
    Boulevard du 30 Juin - Commune de la Gombe
    Kinshasa 1
    Democratic Republic of the Congo; and

(b) the Recipient’s Electronic Address is:
    E-mail: cabfinances@minfinrdc.com

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:
    Telex: 248423 (MCI)  
    Facsimile: 1-202-477-6391
AGREED as of the Signature Date.

DEMOCRATIC REPUBLIC OF THE CONGO

By

Authorized Representative

Name: SESE MALAGHOLI
Title: MIN. OF FINANCES
Date: April 1, 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: CARLO
Title: Country Director
Date: April 8, 2020
SCHEDULE 1

Project Description

The objective of the Project is to strengthen the Recipient’s capacity to prepare for and respond to the COVID-19 pandemic with a focus on Selected Provinces.

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

Component 1: Emergency COVID-19 Response and National and Sub-national Prevention and Preparedness

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

1. Enhancing early case detection, laboratory confirmation, contact 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) supporting epidemiological investigation; (d) strengthening risk assessment; (e) providing on-time data and information for guiding decision-making, response and mitigation activities; and (f) strengthening the health management information system to facilitate recording and on-time virtual sharing of information.

2. 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) providing training on risk for health facilities’ staff and front-line workers on risk mitigation measures, (ii) providing health facilities’ staff with appropriate protective equipment and hygiene materials;

   (b) strengthening clinical care capacity through, inter alia: (i) establishing specialized units in selected hospitals, treatment guidelines and hospital infection control guidelines; (ii) developing financing plans for the establishment of specialized units in selected hospitals; (iii) developing treatment guidelines and hospital infection control guidelines; and (iv) developing strategies to increase hospital bed availability, including deferring elective procedures, more stringent triage for admission and earlier discharge with follow-up by home health care personnel; and

   (c) relieving the burden on inpatient and outpatient health care services through inter alia; (i) developing intra-hospital infection control measures, including improvements to blood transfusion services;
(ii) ensuring safe water and basic sanitation in health facilities; (iii) strengthening medical waste management and disposal systems; (iv) mobilizing additional health personnel; (v) training health personnel; (vi) providing medical supplies and diagnosing reagents including kits; (vii) financing Operating Costs; and (viii) improving access to information and scientific knowledge by using knowledge management tools, and undertaking applied and clinical research.

3. Strengthening the Recipient’s capacity to better coordinate at national and sub-provincial levels to address health-related matters including COVID-19, epidemics and other common widespread diseases, though, inter alia:

   (a) financing the required infrastructure (new construction or upgrading, as needed, of observatories, reference laboratories, clinics), including the purchase of required equipment for the delivery of critical medical services and to cope with the increased demand of services due to the outbreak;

   (b) providing relevant technical assistance and training to relevant stakeholders, including the carrying out of simulation exercises; and

   (c) developing a uniform zoonotic disease information system to provide the Recipient with better analytical capacity to participate in global disease information sharing.

Component 2. Communication Campaign, Community Engagement and Behavior Change

1. Supporting communication campaign activities including, inter alia: (a) developing and testing messages and materials to be used in the event of a pandemic or emerging infectious disease outbreak; (b) enhancing infrastructure to disseminate information at the national, state and local levels as well as between the public and private sectors; (c) supporting cost-effective and sustainable methods including marketing of handwashing through different communication channels; (d) increasing the attention and commitment of the government, private sector and civil society to raise awareness, knowledge and understanding among the general population on the risk and potential impact of the pandemic; (e) supporting community mobilization to reach the local population; and (f) developing and distributing basic communication materials including, inter alia: (i) materials on COVID-19; (ii) general preventative measures for the general public; (iii) information for health care providers; (iv) training modules; (v) presentations, slide sets, videos and documentaries; and (vi) symposia on surveillance, treatment and prophylaxis.

2. (a) Developing systems for real-time community-based disease surveillance and multi-stakeholder engagement; (b) strengthening community and citizen trust during crises
through proactive, evidence-based citizen engagement approaches; (c) carrying out community-based animal disease surveillance and early warning networks; (d) establishing at the community level of early warning systems to support a robust emergency reporting and feedback system against notifiable diseases; (e) improving the commitment of all participants of the epidemiological surveillance networks; and (f) training for animal health workers on treatment of infected animals and reporting procedures.

3 Supporting the implementation of social distancing measures through *inter alia*: (a) developing guidelines related to social distancing measures; (b) operationalizing existing or new laws and regulations on social distancing measures; (c) supporting coordination among sectoral ministries and agencies; (d) supporting ministries of health and other personnel involved in pandemic control activities; and (e) supporting preventative actions complementary to social distancing including the promotion of personal hygiene; the promotion of handwashing and proper cooking, the distribution and use of masks, and the promotion of community participation in slowing the spread of the pandemic.

**Component 3. Implementation Management and Monitoring and Evaluation**

Providing support to the Recipient, at the national and provincial level, for Project management, monitoring and evaluation, through, *inter alia*: (a) the financing of consulting services and Operating Costs; and (b) the provision of training in participatory monitoring and evaluation, including: (i) the carrying out of evaluation workshops; (ii) the development of an action plan for monitoring and evaluation; and (iii) the replication of successful models.

**Component 4. Contingency Emergency Response**

Provision of immediate response to an Eligible Crisis or Emergency, as needed.
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 ("PDSS-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. The Recipient shall, for purposes of Project implementation, maintain:
   (a) throughout the period of COVID-19 (as determined by the Recipient), the National Technical COVID-19 Committee; and
   (b) thereafter, the National Steering Committee on Health ("Comité National de Pilotage");

   to provide strategic and policy guidance and approve the Annual Work Program, with terms of reference, composition and powers described in the Project Implementation Manual.

3. No later than 30 days after the Effective Date (or such later date as agreed by the Association), the Recipient, through the MoH, shall: (a) prepare and adopt a manual acceptable to the Association ("Project Implementation Manual" or "PIM"); and (b) thereafter, implement the Project in accordance with the PIM. Except as the Association shall otherwise agree, the Recipient shall not amend or waive the PIM. In case of any conflict between the provisions of the PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

B. Annual Work Programs

1. The Recipient shall, not later than November 30 in each calendar year during Project implementation (but not later than May 1, 2020 for the first year of 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.

C. Contingent Emergency Response

1. In order to ensure the proper implementation of Component 5 of the Project ("Contingent Emergency Response" or "CER Component"), the Recipient shall ensure that the following measures are taken:

   (a) prepare and furnish to the Association for its review and approval, a manual ("CER Manual"), which shall set forth detailed implementation arrangements for the CER Component, including: (i) any additional institutional structures or arrangements for coordinating and implementing the CER Component; (ii) specific activities which may be included in the CER Component, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the CER Component; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CER Component; (v) documentation required for withdrawals of Emergency Expenditures; (vi) as applicable, environmental and social management arrangements and instruments for the CER Component; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CER Component;

   (b) afford the Association a reasonable opportunity to review said proposed CER Manual;

   (c) promptly adopt such CER Manual for the CER Part as accepted by the Association and integrate it as an annex to the PIM;

   (d) ensure that the CER Part is carried out in accordance with the CER Manual; provided, however, that in the event of any inconsistency between the provisions of the CER Manual and this Agreement, the provisions of this Agreement shall prevail; and

   (e) not amend, suspend, abrogate, repeal or waive any provision of the CER Manual without prior written approval by the Association.
2. The Recipient shall, throughout the implementation of the CER Component, maintain the institutional structures and arrangements established in accordance with the CER Manual, with adequate staff and resources satisfactory to the Association.

3. The Recipient shall undertake no activities under the CER Component unless and until the following conditions have been met in respect of said activities:

   (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CER Component 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; and

   (b) the Recipient has ensured the preparation and disclosure of all environmental and social instruments required for said activities, in accordance with the CER Manual, the Association has approved all such instruments, and the Recipient has ensured the implementation of any actions which are required to be taken under said instruments.

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 forty-five (45) days 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 Expenditure; 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 USD)</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 (including Training), consulting services and Operating Costs under Component 1, 2 and 3 of the Project</td>
<td>23,600,000</td>
<td>17,200,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Emergency Expenditures under Component 4 of the Project</td>
<td>0</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>23,600,000</td>
<td>17,200,000</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:

   (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed: (i) nine million four hundred thousand Dollars of the Credit (USD9,440,000), and (ii) six million eighty-eight hundred thousand Special Drawing Rights (SDR6,880,000)
of the Grant, may be made for payments made prior to this date but on or after the date falling twelve (12) months prior to the Signature Date, for Eligible Expenditures under Category (1); or

(b) for payments under Category (2) until and unless the Association is satisfied that all the following conditions have been met in respect of said activities:

(i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CER Component 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 ensured that all environmental and social instruments required for said activities have been prepared and disclosed, and the Recipient has ensured that any actions which are required to be taken under said instruments have been implemented, all in accordance with the provisions of Section C.3 of this Schedule 2;

(iii) the entity or entities in charge of coordinating and implementing the CER Component have adequate staff and resources, in accordance with the provisions of Section C.2 of this Schedule 2 to this Agreement, for the purposes of said activities; and

(iv) the Recipient has adopted the CER Manual in form, substance and manner acceptable to the Association and the provisions of the CER Manual remain - or have been updated in accordance with the provisions of Section F of this Schedule so as to be appropriate for the inclusion and implementation of said activities under the CER Component.

2. The Closing Date is June 30, 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 April 15, 2026 to and including October 15, 2057</td>
<td>1.5625%</td>
</tr>
</tbody>
</table>
APPENDIX

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.

3. "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.

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

5. "CER Manual" means the manual referred to in Section C.1 of Schedule 2 to this Agreement, to be adopted by the Recipient for the CER Component and form part of the PIM.

6. "Contingent Emergency Response" or "CER Component" means the activity or activities to be carried out in the event of an Eligible Crisis or Emergency under Component 4 of the Project.


8. "Eligible Crisis or Emergency" means any of the eligible expenditures set forth in the CER Manual in accordance with the provisions of Section C.1 of Schedule 2 to this Agreement, and required for the CER Component.

9. "Emergency Expenditures" means the eligible expenditures required to finance the cost of the approved list of goods, works, services and operating costs necessary to support emergency mitigation, response and recovery under Component 5 of the Project and set forth in the CER Manual.

10. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated March 25, 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.

11. “Environmental and Social Standards” or “ESSs” means, collectively:


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

14. “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.

15. “National Steering Committee on Health” or “Comité National de Pilotage” means the steering committee for the health sector established and operating under the Recipient’s Decree No. 13/048 dated October 6, 2013, referred to in section I.A. 2(b) of Schedule 2 to this Agreement, and further described in the Project Implementation Manual.

16. “National Technical COVID-19 Committee” means the Recipient’s committee established for the preparedness and response to COVID-19 referred to in Section I.A.2(a) of Schedule 2 to this Agreement, and further described in the PIM.
17. "Operating Costs" means the reasonable incremental expenses incurred by the Recipient on account of Project implementation, including costs related to 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 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.

18. "PDSS-PIU" means the Project Implementing Unit within the MoH referred to in Section I.A. 1 of Schedule 2 to this Agreement.

19. "Project Implementation Manual" or "PIM" means the Recipient's manual satisfactory to the Association which contains, inter alia: (i) the terms of reference, functions and responsibilities for the members or personnel of PDSS-PIU, National Steering Committee on Health and National Technical COVID-19 Committee and any other additional institutional arrangements under the Project; (ii) the procedures for procurement of goods, non-consulting services, consultants' services, Operating Costs, Training, as well as for financial management and audits under the Project; (iii) the indicators to be used in the monitoring and evaluation of the Project; and (iv) flow and disbursement arrangements of Project funds; as said manual may be amended from time to time with the Association's prior approval.

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. "Selected Provinces" means the Recipient's provinces agreed between the Recipient and the Association for purposes of Project implementation and listed in the PIM.

22. "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.

23. "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.