
CREDIT NUMBER 6665-ZR
GRANT NUMBER D6420-ZR

Financing Agreement

(Second Additional Financing for the Eastern Recovery Project)

between

DEMOCRATIC REPUBLIC OF THE CONGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 6665-ZR
GRANT NUMBER D6420-ZR

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between DEMOCRATIC REPUBLIC OF THE CONGO (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of assisting in financing the project described in Schedule 1 to this Agreement (“Project”). The Association has decided to provide this financing on the basis, among other things, of the existence of an adequate refugee protection framework. 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:
 - (a) an amount equivalent to one hundred sixteen million six hundred thousand Special Drawing Rights (SDR 116,600,000) (“Grant”); and
 - (b) an amount equivalent to two hundred eighty-five million Dollars (USD285,000,000) (“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plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.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. To this end, the Recipient shall cause the Project to be carried out by the *Fonds Social de la République Démocratique du Congo* (“FSRDC”) 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 Events of Suspension consist of the following:
 - (a) the FSRDC’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the FSRDC to perform any of its obligations under this Agreement; and
 - (b) the Recipient no longer has an adequate refugee protection framework.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) the Subsidiary Agreement has been executed on behalf of the Recipient and the FSRDC;
 - (b) the Project Implementation Manual has been updated in a manner acceptable to the Association; and
 - (c) the Association is satisfied that the Recipient has an adequate refugee protection framework.
- 5.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of this Agreement.
- 5.03. For purposes of Section 8.05(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 date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its Minister of Finance.

6.02. 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:

Email:
cabfinances@minfinrdc.com

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.

DEMOCRATIC REPUBLIC OF THE CONGO

By



Authorized Representative

Name: SELE YALAGHULI

Title: MINISTER OF FINANCE

Date: 2 JUNE 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: E. Arnot

Title: Country Director

Date: 2 June 2020

SCHEDULE 1

Project Description

The objective of the Project is to improve access to livelihoods and socio-economic infrastructures in selected vulnerable communities in the Democratic Republic of the Congo.

The Project consists of the following parts:

Component 1: Community Support

Support the Recipient (with, *inter alia*, information, consultation, preparation, training, community infrastructure, conflict-sensitivity analysis, mediation, conflict-management training and support, technical assistance and supervision) to strengthen community resilience in vulnerable communities of the Recipient through participatory Community Subprojects aimed at:

- (a) improving access to community social and economic infrastructure;
- (b) facilitating and improving inclusive community participation processes; and
- (c) strengthening local conflict prevention and resolution mechanisms.

Component 2: Livelihoods and Employment Generation

Support the Recipient to promote livelihoods and employment creation through:

- (a) Labor-Intensive Public Works Activities through: (i) the elaboration of Work Plans; (ii) the provision of materials, tools, and equipment; (iii) the management of works, storage locations and sites, as well as quality control; and (iv) payment of Stipends to approximately 100,000 LIPW Beneficiaries participating in Labor Intensive Public Works Activities;
- (b) Agricultural Value Chain Subprojects to increase food security and incomes of agricultural households by addressing constraints all along the selected value chains (on-farm productivity, post-harvest handling, storage and processing), organizing and strengthening farmers groups and/or cooperatives, delivering training and agricultural extension, establishing and managing improved storage and agro-processing facilities as well as small hydro-electric plants to power irrigation and processing equipment, *inter alia*;

- (c) (i) the identification, registration, and case management of approximately 200,000 CT Beneficiaries; (ii) the payment of Cash Transfers to CT Beneficiaries; and (iii) as applicable, financial fees associated with the payment of Cash Transfers; and
- (d) accompanying measures consisting of: (i) training and/or technical assistance to promote human capital and productive inclusion to LIPW Beneficiaries and CT Beneficiaries; and (ii) the provision of investment grants (“Investment Grants”) to LIPW Beneficiaries, based on selected investment plans developed by LIPW Beneficiaries under (d)(i) above.

Component 3: Capacity Building

Support the Recipient to:

- (a) design and develop a national social safety net program, including through: (i) the preparation of national guidelines for the development of the key building blocks of the program, including a targeting system, a registry, a payment system and a case management system; (ii) the establishment of a social registry; and (iii) the provision of technical assistance and training to MINAS;
- (b) (i) provide relevant technical assistance and training for the FSRDC’s organizational reform; (ii) develop a beneficiary operations management system; and (iii) carry out capacity building activities for the benefit of local authorities, including local development committee; and
- (c) expand the national safety net programming to include refugees, through *inter alia*: (i) the carrying out of capacity building activities regarding data management for the CNR; (ii) the design and coordination of sectorial plans; (iii) the preparation of contingency plans for surge in forced displacement; and (iv) the carrying out of capacity-building activities for the benefit of CNR.

Component 4: Project Management

Support the Recipient to ensure efficient, effective, transparent and accountable Project management, implementation, monitoring and evaluation through the provision of goods, consultant services (including audits) training and the financing of Operating Costs.

Component 5: Contingency Emergency Response

Support the Recipient to immediately respond to an Eligible Crisis or Emergency, as needed.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall cause the FSRDC to maintain, at all times during the implementation of the Project, the Project Implementation Unit (including its sub-offices at the provincial level) 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 maintain or cause to be maintained throughout the period of Project implementation the Project Provincial Consulting Committees in charge of examining proposals for funding for Community Subprojects and make recommendations on said proposals to ensure consistency with sectoral policies and other planned investments, and with staffing and powers acceptable to the Association as further described in the Project Implementation Manual.
3. The Recipient shall maintain or cause to be maintained throughout the period of Project implementation, the Development Local Committees in charge of the day-to-day management of the Community Subprojects and with staffing and powers acceptable to the Association as further described in the Project Implementation Manual.
4. The Recipient shall ensure the coordination between the FSRDC and other relevant Recipient's ministries and entities, including MINAS and CNR for purposes of assisting the FSRDC in the technical implementation of the activities under Component 3 of the Project pursuant to partnership agreements under terms and conditions acceptable to the Association and set forth in the Project Implementation Manual.
5. The Recipient shall cause the FSRDC to: (a) update the Project Implementation Manual ("Project Implementation Manual" or PIM") in a manner acceptable to the Association; (b) immediately thereafter, implement the Project in accordance with PIM; and (c) not assign, amend, abrogate, or waive the PIM or any of its provisions, except with the prior written approval of the Association. In case of any conflict between the terms of the PIM and those of this Agreement, the terms and conditions of this Agreement shall prevail.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project the Recipient shall make the proceeds of the Financing available to the FSRDC on grant terms under a subsidiary agreement between the Recipient and the FSRDC, under terms and conditions approved by the Association, which shall include the FSRDC's obligation to carry out the Project in accordance with the provisions set forth in this Agreement, including the PIM, the Safeguards Instruments and the Anti-Corruption Guidelines ("Subsidiary Agreement").
2. The Recipient shall exercise its rights and carry out its obligations under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Labor-Intensive Public Works

In order to carry-out the Labor-Intensive Public Works under Component 2(a) of the Project, the Recipient shall cause the FSRDC to:

1. conclude an agreement ("LIPW Agreement") with each LIPW Beneficiary under terms and conditions acceptable to the Association and based upon the template included in the Project Implementation Manual, including the obligation to ensure that LIPW Beneficiaries can benefit from the accompanying measures provided under Component 2(d)(i) of the Project;
3. ensure that each such LIPW 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 LIPW Agreement;
4. ensure that payment under each LIPW Agreement is subject to a verification process satisfactory to the Association and set forth in the Project Implementation Manual; and
5. exercise its rights and carry out its obligations under each LIPW Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

D. Cash Transfers

In order to carry out Component 2(c)(ii) of the Project, the Recipient shall cause the FSRDC to:

1. provide Cash Transfers to CT Beneficiaries in accordance with eligibility criteria and procedures acceptable to the Association and described in the Project Implementation Manual;
2. ensure that each Cash Transfer is in an amount acceptable to the Association as established in the Project Implementation Manual;
3. ensure that each Cash Transfer is paid for its intended CT Beneficiary, and that CT Beneficiaries can benefit from the accompanying measures provided under Component 2(d)(i) of the Project;
4. conclude and thereafter implement payment service agreement(s) (“Payment Service Agreement”), in form and substance satisfactory to the Association and in accordance with criteria and procedures set forth in the Project Implementation Manual, with one or more payment service providers (“Payment Service Provider”), selected on the basis of terms of reference, qualifications and experience satisfactory to the Association and described in the PIM, for the payment of Cash Transfers to Beneficiaries as appropriate. Each Payment Agreement shall include, *inter alia*, the obligation of the Payment Service Provider(s) to provide the payment services 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 other recipient of the Financing proceeds other than the Recipient; and
5. exercise its rights and carry out its obligations under each Payment Service Agreement in such manner as to protect the interests of the Recipient, the FSRDC and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall cause the FSRDC to not assign, amend, abrogate or waive any Payment Service Agreement or any of its provisions.

E. Investment Grants

In order to carry out Component 2(d)(ii) of the Project, the Recipient shall cause the FSRDC to, upon selection of an investment plan developed by a LIPW Beneficiary pursuant to the criteria and procedures established in the PIM, provide an Investment Grant to the LIPW Beneficiary under terms and conditions acceptable to the Association and defined further in the PIM.

F. Safeguards

1. The Recipient shall cause the FSRDC to carry out the Project in accordance with the provisions of the Environmental and Social Management Framework (and any subsequent environmental and social management plan, as applicable), the Resettlement Policy Framework (and any subsequent resettlement action plan, as applicable); and the Indigenous Peoples Planning Framework (and any subsequent indigenous people plan, as applicable).
2. Except as the Association shall otherwise agree, the Recipient shall not amend or waive the Environmental and Social Management Framework (and any subsequent environmental and social management plan), the Resettlement Policy Framework (and any subsequent resettlement action plan) or the Indigenous Peoples Planning Framework (and any subsequent indigenous people plan), or any provision thereof, or permit any such provision to be amended or waived. In case of any conflict between the provisions of the Environmental and Social Management Framework, the Resettlement Policy Framework or the Indigenous Peoples Planning Framework and the provisions of this Agreement, the provisions of this Agreement shall prevail.

G. 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.

H. Other Undertakings

1. Without limitation to Section 5.09(b) of the General Conditions, the Recipient shall cause the FSRDC to:
- (a) have its financial statements periodically audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, to reflect the operations of the FSRDC; and
 - (b) not later than six (6) months after the end of the fiscal year (or any other period as shall be agreed by the Association), furnish to the Association its financial statements as so audited, and such other information

concerning the audited financial statements, as the Association may from time to time reasonably request.

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: (a) finance Eligible Expenditures; and (b) repay the Preparation Advance; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Credit Allocated (expressed in USD)	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services (including Training), consulting services (including financial fees under component 2(c)(iii)) under Components 1, 2 and 3 of the Project	186,000,000	80,100,000	100%
(2) Stipends to LIPW Beneficiaries under Component 2(a) of the Project; Cash Transfers to CT Beneficiaries under Component 2(c)(ii) of the Project; and Investment Grants under Component 2(d)(ii) of the Project	50,000,000	36,500,000	100%
(3) Goods, non-consulting services (including Training), consulting services and Operating Costs under Component 4 of the Project	44,900,000	0	100%
(4) Refund of Preparation Advance	4,100,000	0	Amount payable pursuant to Section 2.07 (a) of the General Conditions
(5) Emergency Expenditures	0	0	100%
TOTAL AMOUNT	285,000,000	116,600,000	

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; or
 - (b) for payments under Category (5) 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 G.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 G.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 February 26, 2024.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 15 and October 15, commencing October 15, 2026 to and including April 15, 2058	1.5625%

* 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. "Agricultural Value Chain Subprojects" means a small scale agricultural or related activity to be carried out by a Beneficiary under Component 2(b) of the Project.
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. "Cash Transfer" means any of the cash payments to be made to a CT Beneficiary under Component 2(c)(ii) of the Project; and "Cash Transfers" means more than one Cash Transfer.
5. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. "CER Manual" means the manual referred to in Section G.1 of Schedule 2 to this Agreement, to be adopted by the Recipient for the CER Component and form part of the PIM.
7. "Code of Conduct" means the code of conduct applicable to LIPW Beneficiaries hired for Labor Intensive Public Works under Component 2(a) of the Project, detailing standards and procedures relevant to work sites, including expected behaviors, as well as information on the GRM; such Code of Conduct shall also be included in the Temporary Employment Agreement to be concluded with LIPW Beneficiaries.
8. "Community" means an eligible community from the Recipient's rural or urban areas to which the FSRDC proposes to carry out a Community Subproject.
9. "Local Community Committee" or "Local Community Committees" means the community committees in charge of monitoring the implementation of Community Subprojects, as further detailed in the Project Implementation Manual.
10. "Community Subprojects" means a small-scale activity to be carried out by the FSRDC in a Community under Component 1 of the Project selected pursuant to the criteria and procedures established in the Project Implementation Manual.

11. “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 5 of the Project.
12. “CT Beneficiary” means any individual eligible to receive a Cash Transfer under Component 2(c)(i) of the Project in accordance with eligibility criteria and procedures set forth in the PIM; and “CT Beneficiaries” means more than one CT Beneficiary.
13. “Democratic Republic of the Congo” means the Member Country, the Recipient for purposes of this Agreement.
14. “Eligible Crisis or Emergency” means any of the eligible expenditures set forth in the CER Manual in accordance with the provisions of Section G.1 of Schedule 2 to this Agreement, and required for the CER Component.
15. “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.
16. “Environmental and Social Management Framework” means the framework adopted by the FSRDC dated November 28, 2014, and revised and published in the Recipient’s territory and on the Associations’ external website on March 16, 2020, which: (i) sets out the modalities to be followed by the FSRDC in assessing the potential adverse environmental and social impacts of the Project, and the measures to be taken to offset, reduce or mitigate such adverse impacts; and (ii) consists, *inter alia*, of sections dealing with environmental and social screening processes for the Project as well as for the preparation of environmental and social management plans, as published and available to the public on the website www.fondsocial.cd, as the same may be amended from time to time with the Association prior written approval.
17. “Fonds Social de la République Démocratique du Congo” or “FSRDC” means the Recipient’s Social Fund acting as the Project Implementing Entity, a public entity established pursuant to the FSRDC’s Legislation for the purpose of, *inter alia*, improving the conditions of living of the population and of access to social services as well as to support income generation and employment to alleviate poverty and promote social and economic development.
18. “FSRDC’s Legislation” means the Presidential Decree No. 009/2002 dated February 5, 2002, as amended by Presidential Decree No. 05/063 dated July 22, 2005

19. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018.
20. “GRM” means the Grievance Redress Mechanism established under the Project and maintained throughout the period of Project implementation, including a secured toll-free telephone number, whereby grievances from LIPW Beneficiaries and CT Beneficiaries and other stakeholders can be communicated for resolution as necessary.
21. “Indigenous Peoples Planning Framework” means the framework adopted by the FSRDC dated September 8, 2014, revised and published in the Recipient’s territory and on the Associations’ external website on March 16, 2020, which: (i) outlines measures to ensure culturally appropriate social and economic benefits under the Project and avoid, minimize, or mitigate or compensate for any potential adverse effects associated with activities to be implemented under the Project, including the Community Subprojects and the Agricultural Value Chain Subprojects; and (ii) consists, *inter alia*, of sections dealing with social screening processes for the Project as well as for the preparation of indigenous peoples plans, as published and available to the public on the www.fondsocial.cd, as the same may be amended from time to time with the Association prior written approval.
22. “Investment Grant” means a grant to be made to a LIPW Beneficiary to carry out the activities approved under the selected investment plan, in an amount and under terms and conditions acceptable to the Association and defined in the PIM.
23. “Management Fee” means the amount of the operating costs up to a percentage amount defined in the Subsidiary Agreement and the PIM, incurred by the FSRDC in connection with Project management, monitoring and evaluation calculated on the basis of a unit cost defined pursuant to a formula established in the PIM for the delivery of its services as outputs under the terms and conditions acceptable to the Association and the Subsidiary Agreement.
24. “Labor-Intensive Public Works Activities” means the activities referred to in Component 2(a) of the Project consisting of minor works and maintenance of public infrastructure (e.g. vegetation clearing, debris removal, side drains cleaning, or minor surface repairs) and carried out using a labor-based methodology, as further described in the PIM.
25. “LIPW Agreement” means a simple agreement executed between the FSRDC and LIPW Beneficiaries for purposes of implementing Component 2(a) of the Project, based on a template to be included in the Project Implementation Manual and to include all relevant criteria and procedures included in the Project Implementation Manual. Such an agreement shall also include the Project’s Code of Conduct,

which describes required behaviors on the work sites and provides information on the Project's GRM.

26. "LIPW Beneficiary" means an individual selected through a Public Lottery administered by the FSRDC at the level of the community, who is retained by the FSRDC for temporary employment under a Temporary Employment Agreement. "Beneficiaries" means, collectively, all such individuals.
27. "Operating Costs" means recurrent costs incurred on account of the Project by the FSRDC including: (i) purchase (if applicable), operation and maintenance of vehicle, repairs, fuel and spare parts; (ii) computer maintenance, including hardware and software; (iii) communication costs and shipment costs (whenever these costs are not included in the cost of goods); (iv) office supplies; (v) rent and maintenance for office facilities; (vi) utilities and insurances, including health insurances and health-related services; (vii) travel and per diem costs for technical staff carrying out training, supervisory and quality control activities; (viii) salaries of support staff of the Project Implementation Unit recruited by the FSRDC to carry out the Project; and (ix) a Management Fee; but excluding salaries of the Recipient's civil servants.
28. "Payment Service Agreement" means the agreement referred to in Section I.D.4 of Schedule 2 to this Agreement.
29. "Payment Service Provider" means a person or entity that has entered into a Payment Service Agreement with the Recipient in accordance with the provisions of Section I.D.4 of Schedule 2 to this Agreement.
30. "Preparation Advance" means the advance referred to in Section 2.07 (a) of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement between the Association and the Recipient dated July 17, 2018, as amended throughout the date of this Agreement.
31. "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.
32. "Project Implementation Unit" means the team within the administrative structure of the FSRDC referred to in Section I.A.1 of Schedule 2 to this Agreement responsible for the day-to-day implementation, monitoring and evaluation of the Project.
33. "Project Implementing Entity" means the FSRDC.
34. "Project Implementation Manual" means the manual adopted by the Recipient and the FSRDC and found satisfactory to the Association and which shall contain, *inter*

alia: (i) the terms of reference, functions and responsibilities for the members or personnel of the Project Implementation Unit, FSRDC personnel contributing to the execution of the Project, Provincial Consulting Committee and the Community Management Committees; (ii) the criteria, detailed rules and procedures for the selection and the financing of the Community Subprojects; (iii) the Project's procurement plan; (iv) the indicators to be used in the monitoring and evaluation of the Project; (v) flow and disbursement arrangements of Project funds; (vi) the model form for the Community Grant Agreements; (vii) the TORs for the financial audit, the internal audit and other audits for the Project; (viii) the eligibility criteria, detailed rules and procedures for identification, registration and selection of CT Beneficiaries and LIPW Beneficiaries; (ix) the model form of the Temporary Employment Agreement; (x) the model form of the Payment Service Agreement for the Cash Transfers; (xi) the Anti-Corruption Guidelines; and (xii) the Environmental and Social Management Framework, the Indigenous Peoples Planning Framework and the Resettlement Policy Framework; as said manual may be amended from time to time with the Association's prior approval.

35. "Provincial Consulting Committee" means the committees comprising, *inter alia*, representatives of provincial ministries and civil society in charge of ensuring the consistency of Community Subprojects with sectoral policies and other planned or ongoing investments, as further detailed in the Project Implementation Manual.
36. "Public Lotteries" means the drawing events open to the general public, to be held in public spaces in order to select LIPW Beneficiaries.
37. "Resettlement Policy Framework" means the framework adopted by the FSRDC and published in the Recipient's territory and the Association's external website on March 17, 2020, which: (i) sets out the modalities to be followed by the FSRDC in assessing the potential adverse social impacts related to involuntary resettlement of the Project, and the measures to be taken to offset, reduce or mitigate such adverse impacts; and (ii) consists, *inter alia*, of sections dealing with social screening processes for the Project as well as for the preparation of resettlement action plans, as published and available to the public on the website www.fondsocial.cd, as the same may be amended from time to time with the Association prior written approval.
38. "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.
39. "Stipend" means the monetary remuneration paid by the FSRDC to a LIPW Beneficiary participating in the Labor-Intensive Public Works Activities. "Stipends" means collectively all such monetary remunerations.

40. "Subsidiary Agreement" means the agreement referred to in Section I.B of Schedule 2 to this Agreement as updated, pursuant to which the Recipient shall make the proceeds of the Financing available to the FSRDC on grant terms.
41. "Training" means expenses incurred by FSRDC 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.
42. "Work Plans" means the plans referred to in Component 2 of the Project governing the organization and scheduling of works.