
GRANT NUMBER E1280-BI

Financing Agreement

(Burundi Transport Resilience Project)

between

REPUBLIC OF BURUNDI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER E1280-BI

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF BURUNDI ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of assisting in financing the project described in Schedule 1 to this Agreement ("Project"). 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, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to ninety-two million and three hundred thousand Special Drawing Rights (SDR 92,300,000) (variously, "Grant" and "Financing"), to assist in financing the Project.
- 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 Payment Dates are April 15 and October 15 in each year.
- 2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through MIELS, 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 Additional Conditions of Effectiveness consist of the following:
- (a) the Recipient has established the PIU and the Project Steering Committee, in form and substance satisfactory to the Association;
 - (b) the Recipient has appointed, within the Project Implementation Unit, key staff, including a project coordinator, two engineers, an administrative and financial officer, an accountant, a social specialist, an environmental specialist, and a procurement specialist; all with qualification and terms of reference acceptable to the Association and hired in a manner satisfactory to the Association; and
 - (c) the Recipient has prepared and adopted the Project Implementation Manual, in form and substance satisfactory to the Association.
- 4.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.
- 4.03. 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 in charge of Finance, Budget and Economic Planning.
- 5.02. For purposes of Section 11.01 of the General Conditions:
- (a) the Recipient's address is:
- Minister of Finance, Budget and Economic Planning
Bujumbura, Republic of Burundi; and
- (b) the Recipient's Electronic Address is:
- Telex: MINIFINBDI E-mail: finances@finances.gov.bi

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

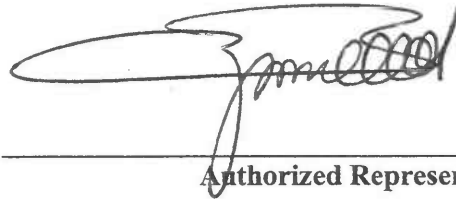
(b) the Association's Electronic Address is:

Telex:	Facsimile:	E-mail:
248423 (MCI)	1-202-477-6391	azeufack@worldbank.org

AGREED as of the Signature Date.

REPUBLIC OF BURUNDI

By



Authorized Representative

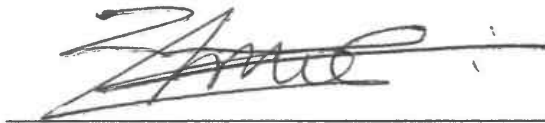
Name: NDUVAZE NIYONZIMA

Title: MINISTER OF FINANCE, BUDGET & ECONOMIC PLANNING

Date: 10/13/2022

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: ALBERT G. ZEUFACK

Title: COUNTRY DIRECTOR

Date: 10/13/2022

SCHEDULE 1

Project Description

The objectives of the Project are to provide efficient, safe and climate resilient road connectivity along the main corridor linking the Recipient with Tanzania, and to strengthen the Recipient's institutional capacity to sustainably plan, develop, and preserve climate resilient road assets.

The Project consists of the following parts:

Part 1: Climate Resilient Road Rehabilitation and Social Services

1.1 Upgrading of Selected Critical Roads to Climate-Resilient Standards

Support the design studies, supervision and control of civil works together with social management plans, through the:

- (a) **Rehabilitation of Bujumbura-Gitaza Road Section:** (i) carry out the design studies as well as the rehabilitation and upgrading to a paved road of 2x1 lanes with climate-resilient standard of the Bujumbura-Gitaza section along the NR-3; and (ii) inclusion of separative, emergency and bus stop points at regular intervals to be determined by the design studies.
- (b) **Provision of Non-Motorized Transport Facilities:** (i) carry out the rehabilitation and upgrading of a 2x2 lanes of urban road for the implementation of a non-motorized transport along the Boulevard Mwambutsa and the Boulevard Ndadaye in Bujumbura; and (ii) carry out works necessary for ducting and acquiring equipment for public utilities connectivity, including fiber optic infrastructure along the length of intervening roads.

1.2 Social Services for Climate-Resilient Communities

- (a) Carry out the construction and equipment of socioeconomic infrastructure to enhance the climate resilience of communities living in neighborhoods in the catchment area of the roads to be improved under Part 1.1. above, paying particular attention to the needs of people most hit by floods and other natural disasters, and groups in a situation of vulnerability, especially women and people with disabilities.
- (b) Carry out a needs assessment as well as consultations, studies, implementation of nature-based solutions, and complementary activities, such as financial literacy and business skills.

Part 2: Non-Motorized Transport and Road Safety Improvements

2.1 Road Safety Management

Support the improvement of road safety management capacity in transport and road safety regulatory agencies, through the:

- (a) **Institutional Framework** for the establishment of the National Road Safety Agency.
- (b) **Road Safety Analysis** including road safety data collection, processing, analysis, and dissemination, disaggregated by motorized and non-motorized transport.
- (c) **Enhancement of Road Safety Legal Framework** and speed enforcement, including regulatory, technical assistance; training and equipment.
- (d) **Capacity Strengthening** for road safety agencies in the form of targeted in-country training.
- (e) **Preparation and Implementation of a Road Safety Strategy and Action Plan** with short, medium and long-term goals, including specific targets and activities to promote NMT and their users' safety.
- (f) **Road Safety Advocacy**, as well as awareness and communications campaigns at the policy-maker level, civil society level, and at the community level.

2.2 Safer Roads and Mobility

Support the assessment of roads from a road safety perspective and provide decision makers and implementers with the tools needed to ensure the safety of all road users, through the:

- (a) **Assessment of some 3,500 km of the Road Networks** of the Recipient's territory, with the aim of establishing a baseline, and identifying high-risk spots and locations, including schools and hospitals, using recognized network assessment tools and taking into account multiple criteria including natural hazards hot spots like landslides and flooding.
- (b) **Technical Assistance and Capacity Building** in VRU's safety including NMT facilities, including: (i) the preparation of guidelines and the provision of training to ensure NMT facilities under Part 1.1 are done following the highest road safety standards and promote the increase of

NMT modal share; and (ii) the carrying out of an analysis on the barriers for women and groups in a situation of vulnerability to use NMT to provide with recommendations to be tested in an NMT pilot.

- (c) **Carrying out of a Design and Postconstruction Road Safety Audit** for all road sections under the Project, and the development of design and implementation guidelines, including for NMT infrastructure, to be mainstreamed into the new Road Safety Strategy and Action Plan to be developed under Part 2.1 of the Project.
- (d) **Establishment of a Sustainable Accreditation System** based on the road safety audit carried out under Part 2.2(c) above, within the main road agencies to promote capacity building and accreditation of road and transportation agencies.
- (e) **Pilot Roads-to-School Safety Program:** (i) Carry out a roads-to-school safety assessment in 25 high-risk zones identified by the road network assessment and implement road safety improvements for school in selected high-risk school zones in the Project area; and (ii) design safer school zone guidelines incorporating pilot initiatives to prevent violence against women and girls.

2.3 **Pilot Post Trauma Care Program**

Implement a pilot post-crash response system along Project roads through the:

- (a) **Provision of Universal Toll-free Emergency Number** with the necessary legal change, including a first aid training for bus drivers, first respondents, police and health workers.
- (b) **Carrying out of Activities for a Harmonized Injury Surveillance System** and victim rehabilitation support across Projects roads.

Part 3: Institutional Strengthening for Climate-Resilient Road Infrastructure and Logistics Planning

3.1 **Climate-Resilient Road Infrastructure and Logistics Planning**

Ensure the sustainability of the road network taking into consideration climate-change resilient and low-carbon infrastructure and services, through a diagnostic of the road transportation system and the following complementing activities:

- (a) **Road Infrastructure and Logistics Strategy** with the preparation of the CR-RILMP, the CR-IRILS, the CR-RDPS, the CR-RTLS and action plan, and the CR-TCD, and adequate solutions to sustainably mitigate flood risks, all aligned with the Recipient's PND.

- (b) **Climate Resilient Transport Priority Investments** with the preparation of the CR-TPIP to be mainstreamed into the Recipient's PND and to contain a database of prioritized road transport investments and associated climate resilience measures derived from the CR-IRILS.
- (c) **Development of a Framework for the Establishment of a Transport Sector Regulatory Agency**, which will be responsible for regulating all transport sector related policy issues and ensuring compliance with legislation and operations.

3.2 **Climate-Resilient Low-Carbon Transport Sector Policy and Planning Support**

Support the Recipient to carry out its obligations and continue dialogue with neighboring counties regarding low-carbon modes of transport, through training, technical assistance, equipment and knowledge exchange, for the implementation of the CR-IRILS, including, *inter alia*:

- (a) **Data Collection and Set up of a Comprehensive, Integrated and Functional RITL Database** covering key aspects of road network preservation.
- (b) **Training for Sector Staff** on the use of the road database and model, including on techniques of data collection, compilation and updating climate and natural hazard data, data management and analysis, reporting, further development, and deployment, operating the road database to deliver on various functions.
- (c) **Acquisition and Installation of Servers** and other computer equipment to facilitate the use of the database and model.
- (d) **Preparation of Legal Instruments and Provision of Advisory Support** towards the reform of the road transportation system, including on mainstreaming climate change considerations in road transport systems, and on the reform of road and transport institutions.
- (e) **Preparation of Legal Instruments and Provision of Advice and Tools** to support the implementation of the new Road Safety Strategy and Action Plan developed under Part 2.1 (e) of the Project.

3.3 **Next Generation of Climate-Resilient Transport Specialists and Engineers Registration Board Support**

Strengthen the transport sector from the human capital and institutional creation perspective and develop a professional educational program, through the:

- (a) **Development and Implementation of a Two-year Master's Degree Program** in climate resilient transport planning and logistics within the University of Burundi and in partnership with an internationally renowned university; said program to include at least 20% of women.
- (b) **Development and Implementation of a Six-month Paid Internship Program** for women who have graduated from this master's degree taking into account the barriers for their exposure into the sector and enhance future aspirations.
- (c) **Carrying out of a Gender Analysis** of the human resources processes to ensure that the internship addresses barriers that women could face to participate such as transportation fees, inflexible schedules and sexual harassment.
- (d) **Assessment of Training Needs and the Design of Short-Term Courses** for in-service sector staff in various aspects of transport and Project management, taking into account the strategic planning tools (database and models) produced in this Project and with special attention to topics related to climate change and its impact on the road network, as well special consideration for female candidates through the *Femmes Ingénieures Actives Pour le Développement Inclusif* and Women in Construction and Trade (WCT).
- (e) **Carrying out a Special Package to Promote On-the-Job Short-term Courses** for sector staff, in various aspects of transport infrastructure and logistics, policy and regulation, road safety, contract management, road supervision, results-based contracting, internal controls, procurement, financial management and auditing, environmental and social safeguards, economic analysis, and conflict management in projects.
- (f) **Develop a framework for the Establishment of an ERB** according to best practices in the world, including adequate representation for women engineers.

3.4 **Strengthening of Climate Monitoring Prediction and Forecasting of Hazards for Road Sector Resilience and Vulnerability Assessments**

Strengthen the capacity of transport related institutions to prevent and respond to climate-related disaster, through the:

- (a) **Development of a User Interface Platform and Technical Coordination Platform** between IGEBU and transport ministries and agencies technical staff to periodically monitor climate related risks to infrastructure assets and include in seasonal/yearly road safety and

transport planning (including annual work program and budgeting activities).

- (b) **Trainings for Coordination Entities** at local and national levels.
- (c) **Capacity-building Activities for MIDCSP and the GDCPDM** in establishing a database system to improve the collection, capture, analyze, and archive past disasters.
- (d) **Training and Facilitation of the Use of Natural Hazard and Climate Change Data** and vulnerability assessments for transport policy and planning activities, including from relevant information in CR-RILMP, CR-IRILS, CR-RDPS, CR-RTLS, CR-TCDS, CR-TPIP, to inform the dialogue between the Recipient and its neighboring countries on the development of complementary low-carbon resilient transport modes.
- (e) **Capacity-Building on Emergency Preparedness and Contingency Planning.**

Part 4: Project Implementation Support

Support Project management for MIELS as well as for Project Partners including: (a) procurement, financial management, monitoring and evaluation, audit, as well as environmental and social safeguards management; (b) operating costs, training and office equipment; (c) financing of Performance Premia; (d) establishment of a grievance redress mechanism and activities related to capacity building to manage the day-to-day work and improve evidence-based decision making as well as the creation of a road asset management systems, and the development and implementation of an impact evaluation.

Part 5: Contingent Emergency Response Component

Provide immediate response to an Eligible Crisis or Emergency, as needed.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee

- (a) The Recipient shall maintain, at all times during the implementation of the Project, a Project steering committee with a mandate, composition and resources satisfactory to the Association (“Project Steering Committee”).
- (b) Without limitation upon the provisions of paragraph (a) of Section I.A.1 of this Schedule 2, the Project Steering Committee shall be co-chaired by MCTIT and MIELS, and comprise other Project Partners as further detailed in the Project Implementation Manual.
- (c) The Project Steering Committee shall meet at least once every semester and shall be responsible for Project oversight, including *inter alia*: (i) reviewing the proposed Annual Work Plans and Budgets for the Project, reviewing the draft annual implementation and audit reports, as well as the Procurement Plan prepared by the Project Implementation Unit; (ii) overseeing overall implementation and performance of the Project and providing strategic guidance; and (iii) identifying necessary Project adjustments based on monitoring and evaluation results.

2. Project Implementation Unit

- (a) The Recipient shall establish and maintain, at all times during Project implementation, a Project implementation unit, under the administrative authority of MIELS, with composition, terms of reference and resources satisfactory to the Association (“PIU”).
- (b) Without limitation upon the provisions of Paragraph (a) of this Section I.A.2 of this Schedule 2, the PIU shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers, and to this end, the Recipient shall maintain throughout the Project implementation all the key staff referred to in Section 4.01(b) of Article IV of this Agreement; and no later than three (3) months after the Effective Date, or any later date as agreed by the Association, appoint or hire and thereafter maintain, throughout Project implementation a communications specialist; an internal auditor; a gender and GBV specialist; a junior accountant and one M&E specialist, as well as all the necessary support personnel as further detailed in the Project Implementation Manual; all with experience

and terms of reference acceptable to the Association, as per the Project Implementation Manual; and (ii) be responsible for day-to-day Project coordination and implementation, including, *inter alia*: (A) preparing proposed annual work plans of activities for inclusion in the Project, and updating the procurement plan and related budgets and consolidating Project reports for the Project Steering Committee's review; (B) carrying out all Project financial management, procurement activities and contract execution; and (C) monitoring and evaluating the Project.

B. Project Implementation Manual

1. The Recipient shall prepare, in accordance with terms of reference acceptable to the Association, a Project implementation manual, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) monitoring, evaluation, reporting and communication; (e) environmental and social management; (f) model forms for Cooperation Agreements; and (g) such other administrative, financial, technical, institutional and organizational arrangements and procedures as shall be required for the Project.
2. The Recipient shall afford the Association a reasonable opportunity to review and approve such manual and shall thereafter adopt such manual as it applies to the Project overall implementation; as shall have been approved by the Association ("Project Implementation Manual").
3. The Recipient shall carry out the Project in accordance with the Project Implementation Manual and shall, not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision of either one thereof, without the prior written consent of the Association.
4. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

C. Performance Premia

1. Prior to the provision of any Performance Premium under the Project, the Recipient shall, through MIELS, and in accordance with Section III.B.1(c) of this Schedule 2 to this Agreement:
 - (a) (i) prepare a manual acceptable to the Association ("PP Manual") and, upon approval by the Association, disclose and publish said PP Manual; and (ii) immediately thereafter and throughout Project implementation, comply

with the provisions of said PP Manual for purposes of providing Performance Premia; and

- (b) select and hire an independent auditor under terms of reference and with qualifications, relevant professional experience, integrity and with roles and responsibilities acceptable to the Association and as further described in the PP Manual.
- 2. Without limitations to the provisions of paragraph 1 above, the Recipient shall, through MIELS, review and approve, applications for Performance Premia, in accordance with the eligibility criteria and procedures, and in an amount, as set forth in the PP Manual.
- 3. The Recipient shall ensure that each proposed Performance Premium is made to its intended beneficiary as set forth in the PP Manual and pursuant to a PP Agreement between the Recipient and each beneficiary under terms and conditions acceptable to the Association and set forth in the PP Manual.
- 4. The Recipient shall exercise its rights and carry out its obligations under each PP Agreement in such manner as to protect its interests and those of the Association in order to accomplish the purposes of the Performance Premia, and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, any of the PP Agreements, or any provision thereof.

D. Internship Program

- 1. Prior to the provision of any Internship Payment under Part 3.3 (b) of the Project, the Recipient shall, through MIELS, and in accordance with Section III.B.1(d) of this Schedule 2 to this Agreement:
 - (a) (i) prepare a manual acceptable to the Association ("IP Manual) and, upon approval by the Association, disclose and publish said IP Manual; and (ii) immediately thereafter and throughout Project implementation, comply with the provisions of said IP Manual for purposes of providing Internship Payments; and
 - (b) select and hire an independent auditor under terms of reference and with qualifications, relevant professional experience, integrity and with roles and responsibilities acceptable to the Association and as further described in the IP Manual.
- 2. Without limitations to the provisions of paragraph 1 above, the Recipient shall, through MIELS, review and approve, applications for Internship Payments, in

accordance with the eligibility criteria and procedures, and in an amount, as set forth in the IP Manual.

3. The Recipient shall ensure that each proposed Internship Payment is made to its intended beneficiary as set forth in the IP Manual and pursuant to a IP Agreement between the Recipient and each beneficiary under terms and conditions acceptable to the Association and set forth in the IP Manual.
4. The Recipient shall exercise its rights and carry out its obligations under each IP Agreement in such manner as to protect its interests and those of the Association in order to accomplish the purposes of the Internship Program, and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, any of the IP Agreements, or any provision thereof.

E. Cooperation Agreements

1. To facilitate the carrying out of the Project, the Recipient may during the implementation of the Project, enter into Cooperation Agreements with Project Partners, and thereafter maintain said Cooperation Agreements during the implementation of the Project, on terms and conditions acceptable to the Association, including, *inter alia*: the Recipient's obligation to make parts of the proceeds of the Financing allocated to Category (1) available to Project Partners in order to assist the Recipient in the carrying out of the Project in accordance with the Anti-Corruption Guidelines, the Procurement Regulations, the Environmental and Social Standards and the Project Implementation Manual.
2. The Recipient shall exercise its rights or carry out its obligations under the Cooperation Agreements in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Project. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive, terminate or fail to enforce the Cooperation Agreements, or any of their provisions.

F. Annual Work Plans and Budgets

1. Without limitation to the obligations set forth in Section I.B above, the Recipient shall carry out the Project in accordance with Annual Work Plans and Budgets to be prepared and furnished to the Association not later than November 30 of each year during the implementation of the Project (the first such Annual Work Plan and Budget being due one month after the Effective Date), or any later date as agreed upon with the Association, and containing all activities proposed for inclusion in the Project for the next calendar year, including: (a) detailed timetables for the sequencing and implementation of proposed Project activities; (b) types of expenditures required for such activities and a proposed financing plan; and (c) any Operating Costs,

Performance Premium, Internship Payment or Training that may be required under the Project.

2. The Recipient shall afford the Association a reasonable opportunity to exchange views on each such proposed Annual Work Plan and Budget; and thereafter ensure that the Project is implemented with due diligence during said following year in accordance with such Annual Work Plan and Budget as shall have been approved by the Association.
3. The Annual Work Plans and Budgets may only be amended from time to time in consultation with, and after approval of, the Association. In case of any conflict between the terms of the Annual Work Plans and Budgets and those of this Agreement, the terms of this Agreement shall prevail.

G. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 5 of the Project ("Emergency Response Part"), the Recipient shall:
 - (a) prepare and furnish to the Association for its review and approval, a Contingency Emergency Response Manual ("CER Manual") which shall set forth detailed implementation arrangements for the Emergency Response Part, including: (i) any additional institutional structures or arrangements for coordinating and implementing the Emergency Response Part; (ii) specific activities which may be included in the Emergency Response Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the Emergency Response Part; (iv) procurement methods and procedures for the Emergency Response Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social management arrangements and instruments for the Emergency Response Part adopted in accordance with the Environmental and Social Standards of Section I.H of this Schedule 2; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the Emergency Response Part;
 - (b) afford the Association a reasonable opportunity to review the proposed CER Manual;
 - (c) promptly adopt the CER Manual for the Emergency Response Part as shall have been approved by the Association and integrate it as an annex to the Project Implementation Manual;

- (d) ensure that the Emergency Response 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 the prior written approval by the Association.
- 2. The Recipient shall, throughout the implementation of the Emergency Response Part, 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 Emergency Response Part 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 Emergency Response Part 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 as may be required for said activities in accordance with the CER Manual, the Association has approved all said instruments, and the Recipient has ensured the implementation of any actions which are required to be taken under said instruments.

H. 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, as 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.

7. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are safeguard measures and actions which will not be completed by the Closing Date, the Recipient shall: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions; and (b) thereafter, carry out, or cause to be carried out (as the case may be), said action plan in accordance with its terms and in a manner acceptable to the Association.
8. Not later than twelve (12) months after the Effective Date, or any other such date agreed by the Association, the Recipient shall prepare, consult upon, adopt and disclose the BMP in form and substance satisfactory to the Association.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than one month after the end of each calendar semester, covering the calendar semester.

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 Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for the Project	79,900,000	100%
(2) Resettlement Costs under Part 1 of the Project	4,600,000	100% of amounts disbursed
(3) Performance Premia under Part 4 (c) of the Project	3,900,000	100% of amounts disbursed
(4) Internship Payments under Part 3.3(b) of the Project	800,000	100% of amounts disbursed
(5) Emergency Expenditures under Part 5 of the Project (CER Part)	0	100%
(6) Refund of Preparation Advance	3,100,000	Amount payable pursuant to Section 2.07 (a) of the General Conditions
TOTAL AMOUNT	92,300,000	

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 (2), until and unless the Recipient has prepared, consulted upon, adopted and disclosed the resettlement action plans, in accordance with the ESCP; or

- (c) for payments under Category (3) until and unless the Recipient has: (i) prepared and adopted the PP Manual; (ii) hired the auditor in accordance with the provisions of Section I.C of this Schedule; and (iii) signed at least one PP Agreement; all in form and substance acceptable to the Association;
- (d) for payments under Category (4) until and unless the Recipient has: (i) prepared and adopted the IP Manual; (ii) hired the auditor in accordance with the provisions of Section I.D of this Schedule; and (iii) signed at least one IP Agreement; all in form and substance acceptable to the Association;
- (e) for Emergency Expenditures under Category (5), unless and until all of the following conditions have been met in respect of said expenditures:
 - (i) (A) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw Financing amounts under Category (5); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CER Manual (including an emergency action plan) in form and substance acceptable to the Association.

2. The Closing Date is December 31, 2027.

APPENDIX

Definitions

1. “Annual Work Plan and Budget” or “Annual Work Plans and Budgets” means any or all the annual work plans and budgets approved by the Association and adopted by the Recipient in accordance with the provisions of Section I.F of Schedule 2 to this Agreement, as said annual work plans and budgets may be modified from time to time with the written agreement of the Association.
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. “ARB” means *Agence Routière du Burundi*, the Recipient’s road agency, established and operating pursuant to the Recipient’s Decree N°100/080 dated May 22, 2019, or any successor thereto acceptable to the Association.
4. “BMP” means a Biodiversity Management Plan, the document to be prepared, consulted upon, adopted and disclosed by the Recipient for the Project, as set out in the ESCP and in accordance with the Environmental and Social Standards.
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 I.G.1(a) of Schedule 2 to this Agreement, as may be revised from time to time with the Association’s prior and written approval.
7. “Cooperation Agreement” or “Cooperation Agreements” means any or all agreements signed or proposed to be signed between MIELS and the Project Partners for the implementation of the Project, as further detailed in the Project Implementation Manual.
8. “CR-IRILS” means Climate Resilient Integrated Road Infrastructure and Logistics Strategy, the Recipient’s strategy to be developed under Part 3 of the Project.
9. “CR-RDPS” means Climate Resilient Road Development and Preservation Strategy, the Recipient’s strategy to be developed under Part 3 of the Project.
10. “CR-RILMP” means Climate Resilient Road Infrastructure and Logistics Master Plan, the Recipient’s plan to be developed under Part 3 of the Project.

11. “CR-RTLS” means Climate Resilient Road Transport and Logistics Strategy, the Recipient’s strategy to be developed under Part 3 of the Project.
12. “CR-TCDS” means Climate Resilient Transport Capacity Development Strategy, the Recipient’s strategy to be developed under Part 3 of the Project.
13. “CR-TPIP” means Climate Resilient Transport Priority Investment Program, the Recipient’s program to be developed under Part 3 of the Project.
14. “Emergency Expenditure” means any of the eligible expenditures set forth in the CER Manual in accordance with the provisions of Section I.G.1(a)(ii) of Schedule 2 to this Agreement and required for the Emergency Response Part.
15. “Emergency Response Part” means Part 5 of the Project, as further described in Section I.G of Schedule 2 to this Agreement.
16. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated September 6, 2022, 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.
17. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
18. “ERB” means Engineers Registration Board (*Ordre National des Ingénieurs*) the Recipient’s board for engineer registration as established under the Project, or any successor thereto acceptable to the Association.

19. « *Femmes Ingénieures Actives Pour le Développement Inclusif* » means the non-profit association operating under the Recipient's laws that gathers active women engineers for inclusive development as established on October 30, 2018.
20. "GBV" means gender-based violence.
21. "GDCPDM" means *Direction Générale de la Protection Civile et Gestion des Catastrophes*, the Recipient's General Directorate for Civil Protection and Disaster Management under the administrative authority of MIDCSP, or any successor thereto acceptable to the Association.
22. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020, April 1, 2021, and January 1, 2022).
23. "IGEBU" means *Institut Géographique du Burundi*, the Recipient's National Hydromet Service, as established and operating under the Recipient's Decree No. 100/241 dated October 29, 2014, or any successor thereto acceptable to the Association.
24. "Internship Payment" or "Internship Payments" means any or all payments related to the Internship Program made or proposed to be made out of the proceeds of the Financing to a beneficiary under a IP Agreement, in connection with the carrying out of the Project activities, calculated on the basis of a unit cost defined pursuant to a formula set forth in the IP Manual.
25. "Internship Program" means the program established by the Recipient under Part 3.3 (b) of the Project and as further detailed in the IP Manual.
26. "IP Agreement" means an agreement between the Recipient and an individual beneficiary, setting forth the terms and conditions governing Internship Payments, as referred to in Section I.D of Schedule 2 to this Agreement.
27. "IP Manual" means the Recipient's manual to be prepared and adopted in form and substance acceptable to the Association governing the Internship Program and the Internship Payments which shall contain, *inter alia*: (a) eligibility criteria and procedures for the selection of the beneficiaries; (b) payment processes and supporting documentation required; (c) amounts to be paid under the Internship Program for the Internship Payments; (d) procedures for complaints or claims; and (e) the model template of the IP Agreement; as said manual may be amended from time to time with the Association's prior written consent.
28. "M&E" means monitoring and evaluation.

29. “MIDCSP” means *Ministère de L'Intérieur, du Développement Communautaire et de la Sécurité Publique*, the Recipient’s Ministry of Interior, Community Development and Public Safety, or any successor thereto acceptable to the Association.
30. “MIELS” means *Ministère des Infrastructures, de l'Équipement et des Logements Sociaux*, the Recipient’s Ministry of Infrastructure, Equipment and Social Housing, or any successor thereto acceptable to the Association.
31. “MCTIT” means *Ministère du commerce, de transport, de l'industrie et du tourisme*, the Recipient’s Ministry of Trade, Transport, Industry and Tourism, or any successor thereto acceptable to the Association.
32. “National Road Safety Agency” means *Agence Nationale de Sécurité Routière*, the Recipient’s national agency for road safety, to be established by the Recipient, or any successor thereto acceptable to the Association.
33. “NMT” means non-motorized transport.
34. “NR-3” means National Road 3, the Recipient’s national road which starts in Bujumbura, Place de l'Independence and ends at Mugina in the Makamba Province, at the Tanzania border.
35. “OBPE” means *Office Burundais de Protection de l'Environnement*, the Recipient’s office for the protection of environment, as established and operating under the Recipient’s Decree No. 100/240 dated October 29, 2014, or any successor thereto acceptable to the Association.
36. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient, other relevant institutions of the Recipient, the PIU or the Project Partners in connection with Project implementation and as defined in the Project Implementation Manual, including consumable materials and supplies, utilities, fuel and oil, communication and insurance costs, administrative fees, surveys and census costs, mass media and printing services, vehicle rental, operation and maintenance, charges for the opening and operation of bank accounts required for the Project, travel, lodging, *per diem* and supervision costs, as well as salaries of contracted employees, but excluding salaries of officials of the Recipient's civil service and Training.
37. “PND” means *Plan National de Développement 2018-2027*, the Recipient’s national development plan as adopted and published on the website: <http://www.presidence.gov.bi/wp-content/uploads/2018/08/PND-Burundi-2018-2027-Version-Finale.pdf>

38. "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 signed on behalf of the Association on December 21, 2021, and on behalf of the Recipient on December 21, 2021.
39. "Procurement Regulations" means, for purposes of paragraph 85 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated November 2020.
40. "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.
41. "Performance Premium" or "Performance Premia" means any or all premia made or proposed to be made out of the proceeds of the Financing to a beneficiary under a PP Agreement, in connection with the carrying out of the Project activities, calculated on the basis of a unit cost defined pursuant to a formula set forth in the PP Manual.
42. "PP Agreement" means an agreement between the Recipient and an individual beneficiary, setting forth the terms and conditions governing Performance Premia, as referred to in Section I.C of Schedule 2 to this Agreement.
43. "PP Manual" means the Recipient's manual to be prepared and adopted in form and substance acceptable to the Association governing the Performance Premia which shall contain, *inter alia*: (a) eligibility criteria and procedures for the selection of the beneficiaries; (b) payment processes and supporting documentation required; (c) amounts to be paid under Performance Premia; (d) procedures for complaints or claims; and (e) the model template of the PP Agreement; as said manual may be amended from time to time with the Association's prior written consent.
44. "Project Implementation Manual" means the manual referred to in Section I.B of Schedule 2 to this Agreement, as may be revised from time to time with the Association's prior and written approval.
45. "Project Implementation Unit" or "PIU" means the Project's coordination unit within the administrative authority of MIELS established and referred to in Section I.A.2(a) of Schedule 2 to this Agreement, or any successor thereof acceptable to the Association.
46. "Project Partner" or "Project Partners" means any or all entities collaborating under the Project with MIELS, including civil society and private sector organizations, the Recipient's ministries and agencies, *Femmes Ingénieures Actives Pour le Développement Inclusif*, WCT, University of Burundi, GDPCDM,

ARB, National Road Safety Agency, IGEBU, and OBPE, as well as any other entity legally operating in the Recipient's territory which have signed or are to sign a Cooperation Agreement with MIELS, as further detailed in the Project Implementation Manual.

47. "Project Steering Committee" means the Recipient's committee referred to in Section I.A.1(a) of Schedule 2 to this Agreement, or any successor thereof acceptable to the Association.
48. "Resettlement Costs" means the expenditures incurred in financing the cost of providing resettlement compensation and assistance in cash under the Project in accordance with the pertinent involuntary resettlement and compensation plan, as set out in the ESCP and in accordance with the Environmental and Social Standards.
49. "Road Safety Strategy and Action Plan" means the action plan to be developed by the Recipient under Part 2 of the Project.
50. "Safer School Zone Guideline" means the guidelines to be developed by the Recipient under Part 2 of the Project.
51. "Tanzania" means the United Republic of Tanzania.
52. "Training" means expenditures incurred by the Recipient in connection with carrying out training activities under the Project (excluding consulting services), including travel costs and *per diem* for local trainees, study tours, workshops, conferences, scholarships and stipends, rental of facilities and equipment and training materials and related supplies.
53. "University of Burundi" means *Université du Burundi*, a public university in the Recipient's territory established and operating under the Recipient's Decree No. 100/07 dated January 22, 2019, or any successor thereto acceptable to the Association.
54. "VRU" means Vulnerable Road Users.
55. "WCT" means "Women in Construction and Trades", the non-profit association operating under the Recipient's laws that gathers women active in construction and trades as established on November 21, 2021.