

Public Disclosure Authorized

# OFFICIAL DOCUMENTS

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CREDIT NUMBER 6390-SN

## Financing Agreement

(First Africa Higher Education Centers of Excellence  
for Development Impact Project)

between

REPUBLIC OF SENEGAL

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

July 19, 2019

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**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF SENEGAL ("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 credit, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount of thirteen million one hundred thousand Euros (EUR 13,100,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule I to this Agreement ("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 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plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.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 Euro.

**ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall: (a) carry out Part 1 of the Project through the Higher Education Institutions; (b) collaborate with International Centre of Insect Physiology and Ecology (ICIPE) to carry out Part 2 of the Project; and (c) collaborate with the Association of African Universities (AAU) to carry out Part 3 of the Project, all in accordance with the provisions of Article V of the General Conditions and the Performance and Funding Agreements.

**ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Events of Suspension consist of the following:
- (a) the participating Higher Education Institutions' legislation have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Participating Universities to perform any of their obligations under the Performance and Funding Agreements;
  - (b) the AAU Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the AAU to perform any of its obligations under the Project; and
  - (c) the ICIPE Charter has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the Association, the ability of the ICIPE to perform any of its obligations under Part 2 of the Project.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) the Performance and Funding Agreements have been executed in form and substance satisfactory to the Association on behalf of the Recipient and the Higher Education Institutions.
  - (b) the Project Regional Operations Manual has been endorsed by the Recipient in form and substance satisfactory to the Association.
- 5.02. The Additional Legal Matter consists of the following, namely that the Performance and Funding Agreements have been duly authorized or ratified by the Recipient and the Higher Education Institutions and are legally binding upon the Recipient and the Higher Education Institutions in accordance with their terms.

- 5.03. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.
- 5.04. 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 VI — REPRESENTATIVE; ADDRESSES**

- 6.01. The Recipient's Representative is the minister responsible for finance.
- 6.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

*Ministère de l'Economie, du Plan et de la Coopération*  
*Rue René N'diaye Avenue Carde 6eme Etage*  
B.P. 4017  
Dakar  
Senegal; and

- (b) the Recipient's electronic address is:

Cable:                      Tel:  
MINIFINANCES          + (221) 33-889-2106

- 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.

REPUBLIC OF SENEGAL

By 

Authorized Representative

Name: Ministère de l'Économie,

Title: du Plan et de la Coopération  
Le Ministre

Date: Amadou HOTT  
July 19, 2019

INTERNATIONAL DEVELOPMENT ASSOCIATION

By 

Authorized Representative

Name: Louise J. Cori

Title: Country Director

Date: June 17, 2019



## SCHEDULE 1

### Project Description

The objective of the Project is to improve the quality, quantity and development impact of postgraduate education in selected universities through regional specialization and collaboration.

The Project consists of the following parts:

#### **Part 1: Establishing New and Scaling-up Well-performing Existing ACEs for Development Impact**

Strengthen the capacity of the Africa Centers of Excellence (ACEs) and the host institutions in West and Central Africa Higher Education Institutions, in particular to:

1. Establish new ACEs and increase the number of top quality centers and relevant programs offered in the region, and introduce new thematic areas that are not in existing ACEs through, *inter alia*, scaling up of student enrollment with a focus on recruitment of regional students, achieving international quality standards, introducing new academic programs, promoting project-based learning and innovative pedagogy; establishing new laboratories, enabling technology transfer and business/entrepreneurship; building linkages to the productive sector, academic partnerships, strengthening of the engineering technology programs within the respective colleges or schools of engineering, enhancing teaching and research capacity, and promoting institutional transformation.
2. Enhance capacity of the existing ACEs to scale-up their activities and deepen development impact, including, strengthening productive partnership with industry and other economic sectors, sectoral stakeholders, ministries and policymakers, boosting regional leadership of regional networks, leading efforts in training of quality postgraduate students and maintaining international accreditation, acting as drivers of research solutions to development challenges in the region, and strengthening of the engineering technology programs within the respective colleges or schools of engineering.

#### **Part 2: Fostering Regional Partnerships and Scholarships**

1. Expanding the regional impact of the ACEs, in particular, Financing of the Recipient's contribution to the Regional Scholarship and Innovation Fund (RSIF) the scholarship and research grants in the applied sciences, engineering and technology fields to, *inter alia*, enhance: (a) the provision of scholarships for 3-4 year PhD training programs on competitive selection basis, in priority areas for citizens of Sub-Saharan countries at the selected host universities; and (b) the provision of Research Grants to: (i) faculty of RSIF host institutions involved in a

PhD program, and (ii) RSIF graduates who obtain a post-doctoral or permanent position in an academic institution or research center.

**Part 3:           Enhancing Regional Project Facilitation, and Monitoring and Evaluation**

1.     Supporting regional facilitation by Association of African Universities (AAU) as the Regional Facilitation Unit (RFU) including: (a) planning, monitoring and evaluation activities related to ACE Impact Center, and activities of the regional centers; (b) regional exchange of information, knowledge and technologies; (c) relevant technical assistance and capacity building for facilitation of ACEs and regional centers; (d) facilitating the development of collaboration between the ACEs and with other national research and education networks, including creating digital networking platforms, through the provision of technical advisory services, approved training, conducting workshops, conferences, study tours and exchange programs; and (e) supporting regional policy making within higher education, including carrying out studies, all through the provision of technical advisory services, training and workshops.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

The Recipient shall maintain throughout the period of Project implementation:

1. Its representation at ministerial and government levels in the Project Steering Committee. The Project Steering Committee shall hold annual and semi-annual meetings respectively, and provide overall guidance and oversight for the Project, including advocating for regional collaboration in higher education, and to act as a liaison between the Project, regional leadership and the public at large.
2. The National Steering Committee to hold semi-annual reviews of performance and implementation support for the Project at national level, including approvals of Annual Work Programs and implementation planning.
3. The Project Implementation Teams in ACE Impact Center or Higher Education Institutions to run the day-to-day management of the Project.

All with the composition, staffing, and powers acceptable to the Association as further described in the Project Operational Manual, in the Project Implementation Plan or in the Performance and Funding Agreements.

##### B. Annual Work Programs

1. The Recipient shall, not later than November 1 in each calendar year during Project implementation, prepare, in cooperation with the Higher Education Institutions and furnish to the Association, a program of activities proposed for inclusion in the Project during the following fiscal year, including: (a) a detailed timetable and budget for the sequencing and implementation of said activities; (b) the types of expenditures required for such activities; and (c) the planned procurement methods for the expenditures.
2. The Recipient shall exchange views with the Association on each such proposed Annual Work Program, and shall thereafter cause the Higher Education Institutions and the ACEs to carry out such program of activities for such following fiscal 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 included in the Project. Notwithstanding the foregoing, the Annual Work Program might be amended from time to time to include new activities with the prior and written concurrence of the Association.



**C. Eligible Expenditure Programs and Technical Controls**

1. The Recipient shall cause the Higher Education Institutions to cooperate with the RFU and/or the Independent Verifiers, acting as third party monitoring and evaluation experts in order to assess the proper fulfillment of DLIs and DLRs as set forth in Schedule 4 to this Agreement and confirm the actual spending status of the EEPs, said assessment and confirmation to be included in the bi-annual EEP Spending Reports together with a proposal for disbursement under each Withdrawal, prepared in accordance with the Project Operational Manual.
2. The EEPs will comply with the eligibility criteria and procedures set forth in the Project Operational Manual.

**D. Performance and Funding Agreements**

1. To facilitate the carrying out of Part 1 of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Category (1) of the table set forth in Section III.A of this Schedule available to the Higher Education Institutions under a signed agreement between the Recipient and said Higher Education Institutions under terms and conditions satisfactory to the Association ("Performance and Funding Agreements").
2. The Recipient shall exercise its rights under the Performance and Funding Agreements 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 Performance and Funding Agreements or any of their provisions.

**E. Subsidiary Agreement**

1. To facilitate the carrying out of Part 2 of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Category (3) of the table set forth in Section III.A of this Schedule available to ICIPE under a signed agreement between the Recipient and said ICIPE under terms and conditions satisfactory to the Association ("Subsidiary Agreement").
2. The Recipient shall exercise its rights 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 provision thereof.

**F. External Controls**

1. The Recipient shall, by no later than three (3) months after the Effective Date, appoint external monitoring and evaluation experts ("Independent Verifiers"), to

act as third-party verifiers of the proper fulfillment of DLIs as set forth in Schedule 4 to this Agreement.

2. The Recipient shall cause the Independent Verifiers to carry out, prior to each Withdrawal an assessment of the performance of ACEs and Higher Education Institutions *vis-à-vis* the level of fulfillment of DLIs and DLRs set forth in Schedule 4 to this Agreement, and provide to the Recipient and the Association an EEP Spending Report containing, *inter alia*, said assessment on the DLIs and DLRs fulfillment and a proposal for disbursement under each Withdrawal.

**G. Project Implementation Plan**

1. The Recipient shall cause the ACEs to: (a) adopt not later than three (3) months after the Effective Date and, thereafter, maintain their respective Project Implementation Plans in form and substance satisfactory to the Association; and (b) carry out the Project in accordance with the Project Implementation Plan and the Environmental and Social Management Plan.
2. The Recipient shall cause the ACEs and the Higher Education Institutions not to amend the Project Implementation Plan without the prior written approval of the Association.

**H. Environmental and Social Safeguards**

1. The Recipient shall ensure that Part 1 of the Project is carried out in accordance with the ESMF and any ESMP ("Safeguards Instruments").
2. The Recipient shall, prior to any upgrade or construction of facilities in the respective ACEs and the Higher Education Institutions, cause the respective ACEs and the Higher Education Institutions in accordance with the provisions of the ESMF to:
  - (a) proceed to have such ESMP: (i) prepared and disclosed in accordance with the ESMF; (ii) consulted upon adequately with people affected by the Project as per the ESMF, and submitted to the Association for review and approval; and (iii) thereafter adopted, prior to implementation of the activity; and
  - (b) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP, in a manner satisfactory to the Association.
3. Except as the Association shall otherwise agree in writing, the Recipient shall ensure, that none of the provisions of the Safeguards Instruments shall be abrogated, amended, repealed, suspended or waived. In case of any inconsistencies

between the provisions of any of the Safeguards Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, on a semester basis as part of the Project Reports (or with more frequency or in a separate report whenever the circumstances warrant) collect, compile and furnish to the Association reports, in form and substance satisfactory to the Association, on the status of compliance with the ESMF, or any ESMPs, giving details of:
  - (a) measures taken in furtherance of the respective ESMPs;
  - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of ESMPs; and
  - (c) remedial measures taken or required to be taken to address such conditions.

**I. Grievance Redress Mechanism**

1. The Recipient shall, and shall cause the ACEs and Higher Education Institutions to maintain, throughout Project implementation, and publicize the availability of a grievance redress mechanism, in form and substance satisfactory to the Association, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Association.

**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 Expenditures; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in EUR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Eligible Expenditure Programs under Part 1 of the Project for ACE Impact Centers and Higher Education Institutions	11,400,000	100% of amounts spent and reported under the EEP Spending Reports for each Withdrawal
(2) RSIF grants and scholarships under Part 2 of the Project	1,700,000	100%
<b>TOTAL AMOUNT</b>	13,100,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:
  - (a) for payments made prior to the date of this Agreement; or
  - (b) for any DLI or DLR until and unless the Association has received from RFU or the Independent Verifiers, the EEP Spending Reports confirming that the DLI and DLR have been achieved and containing a proposal for disbursement under each Withdrawal; or
  - (c) for RSIF grants and scholarships under Category (2) unless: (i) the Subsidiary Agreement has been executed in form and substance satisfactory to the Association on behalf of the Recipient and ICYPE; and (ii) the Recipient has submitted a legal opinion, satisfactory to the Association, confirming that said Subsidiary Agreement has been duly authorized or ratified by the Recipient and ICYPE and is legally binding upon the Recipient and ICYPE in accordance with their terms.
2. With respect to the withdrawals under Category (1), payments shall be made on a bi-annual basis each year during Project implementation upon timely submission by the Recipient of a withdrawal request acceptable to the Association, such withdrawal request shall include evidence in form and substance acceptable to the Association of: (a) EEPs incurred for the period preceding the withdrawal request as presented in the EEP Spending Reports; and (b) supporting documentation

confirming that the Africa Centers of Excellence have complied with the respective DLIs and DLRs, as verified by RFU or the Independent Verifiers. To this end, the withdrawal request for the first year of the Project may be made on the basis of: (i) supporting documentation, acceptable to the Association, dated on or after January 1, 2019, confirming compliance with respective DLIs or DLRs, as verified by RFU or Independent Verifiers; and (ii) EEP Spending Reports incurred on or after the Signature Date.

3. Notwithstanding the provisions of paragraph 1 and 2 of this Section, if the Association is not satisfied that a particular DLI has been fully achieved, the Association may, at its discretion: (i) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds allocated to said DLI, which in the opinion of the Association corresponds to the degree of achievement of such DLI; (ii) authorize the unwithdrawn amount by which such disbursement has been reduced due to partial achievement of a DLI, be carried forward to subsequent Withdrawals; and/or (iii) cancel all or portion of the proceeds of the Financing allocated to such DLI.
4. If, at any time, the Association determines that any portion of the Financing under the Project was used for items improperly procured in violation of Section III to this Schedule, was not used for Eligible Expenditures or, in case of the Eligible Expenditure Programs of Part 1 of the Project, was not supported by evidence of actual spending by the Recipient or the Republic of Djibouti, West and Central African Higher Education Institutions under said Eligible Expenditure Programs and/or by evidence of satisfaction of other criteria set forth in this Agreement or in the Project Operational Manual, the Recipient shall refund any such portion to the Association as the Association shall specify by notice to the Recipient. The Association may, at its own discretion, cancel such refunded amount.
5. The Closing Date is December 31, 2023.

#### **Section IV. Other covenants**

##### **1. Specific Financial Management Covenants:**

- (a) The Recipient shall, within three (3) months of the Effectiveness Deadline:
  - (i) recruit dedicated accountants for new ACE Impact Centers under the Project in accordance with the provisions of the Procurement Regulations;
  - (ii) establish an adequate accounting and reporting system for the Project, in form and substance satisfactory to the Association; and

- (iii) recruit an internal auditor within the internal controller's office with qualifications, experience and terms of reference satisfactory to the Association.
- (b) The Recipient shall, within six (6) months of the Effectiveness Deadline, recruit an external auditor in accordance with the provisions of the Procurement Regulations.

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each April 15 and October 15, commencing April 15, 2025 to and including October 15, 2056	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.

SCHEDULE 4

Disbursement Linked Indicators

	DLI Total Financing (EUR)	DLI Baseline	DLRs and Indicative timeline for DLR achievement					Verification Protocol	Formula
			2019	2020	2021	2022	2023		
DLI 1: Institutional readiness results	1 188 000	0	4	0	0	0	0	Two results: (i) <b>Basic readiness:</b> This Financing Agreement is effective; The RFU has approved of the ACE Impact Center's Project Implementation Plan and the Procurement and Financial Management Manuals. Official designation of the core team members (ACE Impact Center leader, Deputy ACE Impact Center leader, FM responsible, procurement responsible, M&E responsible and sectoral liaison). Further, the ACE Impact Center has designated a non-staff student representative to the RFU, and (ii) <b>Full readiness:</b> Project Management certification for at least one leading team member; Functional center website (a link to the center's website); Student handbook on the website with policies for sexual harassment and scholarships; and Sectoral Advisory Board constituted and its endorsement of the Project Implementation Plan.	EUR 297,000 per milestone. Not scalable within each milestone.
Allocated amount:	1,188,000		1,188,000	0	0	0	0		



	DLI Total Financing (EUR)	DLI	DLRs and Indicative timeline for DLR achievement					Verification Protocol	Formula
		Baseline	2019	2020	2021	2022	2023		
<b>DLI 2:</b> Development Impact of ACE Center	698,560	0	0	8	8	16	0	Independent, external evaluation of the development impact of the ACE Impact Center conducted during Year 3 and end of Year 4. External evaluators assess and score development impact of the ACE Impact Center. In Year 3, score is based upon progress towards development impact. In Year 4, score is based upon development impact. The criteria for evaluation will include: (i) relevance and impact on society of graduates, including the share of graduates hired in the target sector and feedback from key employers; (ii) relevance and impact of research on society; (iii) progress on DLIs; (iv) SAB annual reports; and (v) interviews with ACE Impact Center graduates and sectoral stakeholders. The detailed scoring rubrics will be defined in the Project Regional Operations Manual.	Scalable based on the score of the center on the scale (1 to 5). EUR 21,830 per point in the score.
<i>Allocated amount:</i>	698,560		0	174,640	174,640	349,280	0		
<b>DLI 3:</b> Quantity of students with focus on gender and regionalization	1,872,340	0	10 PhD students 40 Master students 80 Short course professional students 0 first degree students	20 PhD students 50 Master students 80 Short course professional students 0 first degree students	24 PhD students 50 Master students 80 Short course professional students 0 first degree students	24 PhD students 50 Master students 120 Short course professional students 0 first degree students	32 PhD students 60 Master students 200 Short course professional students 0 first degree students	<b>Number of new eligible Doctorate and master students</b> as well as short-course professional students, of which at least 30% combined must be regional students. For institutions receiving support to Colleges of Engineering and Emerging Centers, first degree students in ACE Impact courses are eligible as well. The Project Regional Operations Manual and the approved Implementation Plan will define what constitutes an eligible student for each ACE.	Scalable per student. The number of students by type is indicative in this table for planning purpose. Unless otherwise agreed in the Project Regional Operations Manual, the Center can achieve the DLI through any combination of the student types (with the condition that 30 percent of students must be regional). For PhD students: EUR 8,730 per male national student, EUR 11,000 per female national student, EUR 11,000 per male regional student, and EUR 13,600 per female regional student. Master Students: EUR 1,750 per national student, EUR 2,200 per female student, EUR 3,750 per regional student and EUR 4,400 per regional female student. For short-course professional: EUR 350 per national student, EUR 435 per female student, EUR 700 per regional student, and EUR 870 per female regional student. For first degree Students: EUR 870 per national male student, EUR 1,305 per national female student

	DLI Total Financing (EUR)	DLI	DLRs and Indicative timeline for DLR achievement					Verification Protocol	Formula
		Baseline	2019	2020	2021	2022	2023		
Allocated amount:	1,872,340	0	227,100	347,530	385,950	405,160	506,600		
DLI 4: Quality of Education and research through international accreditation, research publications and improved teaching and research infrastructure	3,995,920	0	0 accreditation steps 24 published research articles 0 milestones for teaching and research infrastructure	2 accreditation steps 24 published research articles 0 milestones for teaching and research infrastructure	2 accreditation steps 24 published research articles 2 milestones for teaching and research infrastructure	6 accreditation steps 24 published research articles 2 milestones for teaching and research infrastructure	0 accreditation steps 24 published research articles 0 milestones for teaching and research infrastructure	There are three results: (i) <b>international accreditation</b> . Disbursement occurs when an accreditation or assessment step has been verified to have taken place through submission of accreditation/evaluation report and/or certification to the RFU; (ii) <b>ACE-relevant research articles</b> are published in internationally recognized peer reviewed journals. Verification is through internationally bibliometric databases. (iii) <b>Completion of milestones for improved learning and research infrastructure</b> specified in the approved Project Implementation Plan of each ACE Impact Center. This result will, in the majority of cases, be verified through onsite evaluation of the installation and operationalization of the civil works and equipment improvements.	For accreditation not scalable per accreditation step. Amount per step: EUR 262,000 per program internationally accredited by a pre-approved accreditation agency; EUR 87,320 per program nationally/regionally accredited; EUR 87,320 per gap-assessment/self-evaluation undertaken; EUR 43,660 for new/revamped courses meeting international standards and approved by the sector advisory board.  For research publication: Scalable per article. Amounts: EUR 8,730 per article co-authored by ACE Impact Center student/faculty; EUR 13,095 per article co-authored with regional partners.  For teaching and research infrastructure, the result is not scalable within each milestone. EUR 262,000 per milestone
	3,995,920		260,000	347,320	871,320	1,637,280	260,000		
DLI 5: Relevance of Education and Research through externally generated revenue, internships, and entrepreneurship	1,756,400	0	66,000 in revenue 30 Internships 0 Entrepreneur milestones	205,460 in revenue 60 Internships 0 Entrepreneur milestones	292,000 in revenue 60 Internships 2 Entrepreneur milestones	386,000 in revenue 60 Internships 0 Entrepreneur milestones	380,000 in revenue 80 internships 0 Entrepreneur milestones	Three results can be achieved: (i) <b>Externally generated revenue</b> , such as tuition and other student fees, research consultancies, fundraising and competitive grants earned by the ACE Impact Center. The funding must be in an account and under spending control of the center leadership. This is expected to be verified through financial auditors. (ii) <b>Number of students and faculty with at least 1-month period internship</b> in relevant sector institutions. The verifier validates the list of students/faculty that have participated in at	For external revenue, EUR 1 for each EUR 1 generated from national non-company sources or international sources; EUR 2 for each EUR 1 generated from regional sources or companies;  For internship, EUR 870 per period in country and EUR 1,305 per period in region



	DLI Total Financing (EUR)	DLI					Verification Protocol	Formula	
		Baseline	DLRs and Indicative timeline for DLR achievement						
			2019	2020	2021	2022	2023		
DLI 7: Institutional Impact	1,440,780	0	0 University regional strategy  0 Open and competitive selection of the head of university or dean  0 Institutional accreditation steps  0 PASET Benchmarking  0 Milestones on institutional impact	2 University regional strategy  0 Open and competitive selection of the head of university or dean  0 Institutional accreditation steps  2 PASET Benchmarking  0 Milestones on institutional impact	0 University regional strategy  0 Open and competitive selection of the head of university or dean  2 Institutional accreditation steps  0 PASET Benchmarking  0 Milestones on institutional impact	0 University regional strategy  0 Open and competitive selection of the head of university or dean  0 Institutional accreditation steps  2 PASET Benchmarking  3 Milestones on institutional impact	0 University regional strategy  0 Open and competitive selection of the head of university or dean  4 Institutional accreditation steps  0 PASET Benchmarking  0 Milestones on institutional impact	ACE Impact Center host institution: (i) endorses a meaningful university-wide regional strategy. (ii) undertakes open, merit-based competitive selection of the head of the university and/or the department heads related to the ACE. (iii) undertakes institutional wide international accreditation or a self-evaluation following an established methodology. (iv) participates in the PASET Regional Benchmarking initiative and submits data on the required indicators with an intervention plan to improve performance (v) Meeting milestones for promoting institutional impact. Each approved ACE Impact Center Project Implementation Plan contains milestone(s) of results and activities to improve institutional impact	Not scalable University-wide regional strategy: EUR 87,320  Open, merit-based competitive selection of the head of institution: EUR 174,640 and EUR 43,660 for an open and merit-based competitive selection of a dean;  EUR 174,640 for international accreditation; EUR 65,640 each for gap assessment/self-evaluation.  EUR 43,660 for each year the university participates (up to 2 years)  EUR 87,320 per institutional impact milestone
	1,440,780		0	261,960	130,980	349,280	698,560		
<b>Total IDA Financing</b>	<b>11,400,000</b>		<b>1,976,800</b>	<b>1,598,710</b>	<b>2,291,330</b>	<b>3,408,800</b>	<b>2,124,360</b>		

APPENDIX

**Definitions**

1. "Association of African Universities" or "AAU" means a regional entity established under the laws of the Republic of Ghana with membership consisting of African universities whose purpose is to promote collaboration among African universities of higher learning.
2. "AAU Legislations" means the law establishing the AAU.
3. "Africa Centers of Excellence" or "ACE" means the academic centers within the Higher Education Institutions in Republic of Djibouti, West and Central Africa region, essentially in the areas of science, technology, engineering and mathematics, as well as the agriculture and health sciences, applied statistics, education, or any other area as per the knowledge and education needs of the Republic of Djibouti, West and Central Africa region, as established in the Project Regional Operations Manual.
4. "ACE Impact Center" means a selected center hosted within a university or Higher Education Institution.
5. "Annual Work Program" means each annual work program, together with the related budget, for the Project approved by the Association pursuant to the provisions of Section I.B of Schedule 2 to this Agreement.
6. "Annual Work Plans and Budget" means the annual work program to be prepared by the Recipient during each calendar year, including a program of activities and budget proposed for inclusion in the Project during the following fiscal year.
7. "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,
8. "Basis Adjustment to the Interest Charge" means the Association's standard basis adjustment to the Interest 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.
9. "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.

10. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
11. "Disbursement-Linked Indicators" or "DLIs" means a set of indicators as specified in Schedule 4 to this Agreement.
12. "Disbursement-Linked Results" or "DLRs" means a set of quantitative results associated with each DLI as specified in Schedule 4 to this Agreement.
13. "EEP" or "Eligible Expenditure Programs" means a set of defined expenditures for goods, works, consulting and non-consulting services, Training and Operating Costs (including salaries and scholarships) made by the Recipient for the Higher Education Institutes under Parts 1 and 2 of the Project.
14. "EEP Spending Reports" means the bi-annual reports prepared by the Recipient or the Independent Verifiers in accordance with the details provided in the Project Operational Manual to make disbursement recommendations for each Withdrawal based on the spending status of the Eligible Expenditure Programs under Parts 1 and 2 of the Project and the compliance with the Disbursement-Linked Indicators.
15. "Environmental Management Framework" or "ESMF" means the framework dated November 2018, satisfactory to the Association, and disclosed on the Association's website on December 3, 2018, and by the Recipient on November 27, 2018, said framework setting out the modalities to be followed in assessing the potential adverse environmental and social impacts of Project activities including impacts and risks of gender-based violence and sexual exploitation and abuse and the measures to be taken to offset, reduce or mitigate such adverse impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse; as well as for the preparation of environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.
16. "Environmental and Social Management Plan" or "ESMP" means each plan, approved by the Association for Parts 1 and 2 of the Project, to be prepared by the respective ACE's and Higher Education Institutions and adopted by the Recipient, as required by the ESMF, setting out details of potential environmental and social risks, including risks of gender-based violence and sexual exploitation and abuse, and adverse impacts associated with any Project activities, together with an environmental and social management plan defining measures to manage such risks and impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse, and including any

schedules to such assessment, and as such assessment may be amended by the Recipient from time to time, with the prior written approval of the Association.

17. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018.
18. "Higher Education Institutions" means collectively the Dakar University Cheikh Anta Diop (*Université Cheikh Anta Diop de Dakar*) established in the city of Dakar and the Saint-Louis University Gaston Berger (*Université Gaston Berger de Saint Louis*) established in the Recipient's county of Saint-Louis located in the Recipient's territory which are among the selected universities in the region to produce highly skilled graduates and applied research to help address specific regional development challenges, and "Participating University" means any of these universities.
19. "Higher Education Institutions Legislations" means the Recipient's Law No. 67-45, dated July 13, 1967, creating the *Université Cheikh Anta Diop* and the Recipient's Law No. 90-03 dated January 2, 1990 creating the *Université Gaston Berger*.
20. "ICIPE Charter" means the charter dated November 27, 1986 establishing ICIPE.
21. "International Centre of Insect Physiology and Ecology" or "ICIPE" means the inter-governmental institution established and operating pursuant to the ICIPE Charter, dated November 27, 1986.
22. "Independent Verifiers" means the independent verifiers referred to in Section I.F of Schedule 2 to this Agreement, recruited by the Recipient to verify the reported results and prepare the EEP Spending Reports.
23. "National Steering Committee" means the committee established by the Recipient referred to in Section I.A of Schedule 2 to this Agreement and, established by the Recipient for the purpose of guiding the implementation of Africa Higher Education Centers of Excellent Project (Credit Number 5415-NG).
24. "International Center of Insect Physiology and Ecology" and ICIPE mean the inter-governmental institution established and operating pursuant to the ICIPE Charter dated November 27, 1986.
25. "Operating Costs" means recurrent costs of the Project: (i) operation and maintenance of vehicle, repairs, rental, 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) small office supplies; (v) rent and maintenance for office facilities; (vi) utilities

and insurances; (vii) travel, accommodation and *per diem* costs for technical staff carrying out training, preparatory, supervisory and quality control activities; and (viii) salaries of Higher Education Institutions' faculty and staff.

26. "Performance and Funding Agreements" means the subsidiary grant agreements to be signed between the Recipient and the Higher Education Institutions pursuant to which the Recipient shall make part of the proceeds of the Financing available to the Higher Education Institutions for the implementation of the Project.
27. "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.
28. "Project Implementation Plan" means the implementation plan for the Project to be adopted by the Higher Education Institutions through ACEs for the implementation of the Project, including, *inter alia*: (i) the education and research activities of the ACE; (ii) a budget and a time line for implementation; (iii) the terms of reference, functions and responsibilities for the members of the Project Implementation Teams and the personnel of the Higher Education Institutions working on the Project; (iv) the procurement and financial management procedures under the Project; (v) the results to be achieved and the indicators to be used in the monitoring and evaluation of the Project; (vi) the criteria, detailed rules and procedures for the EEPs; (vii) the detailed content of the EEP Spending Report, the customized statements of expenditures, the interim financial reports, and the Project Reports; (viii) the flow of funds and disbursement arrangements; and (ix) the Disbursement-Linked Indicators; as said plan may be amended from time to time with the Association's prior approval.
29. "Project Implementation Teams" means the teams within the administrative structure of the Higher Education Institutions, led by the Africa Centers of Excellence.
30. "Project Operational Manual" means the manual to be adopted by the RFU and communicated to the Recipient for the implementation of regional initiatives under Part 3 of the Project, including, *inter alia*: (i) the terms of reference, functions and responsibilities for the members or the personnel of the Regional Steering Committee and RFU; (ii) the procedures for procurement of goods, non-consulting services, consultants' services, Operating Costs, and training, financial management and audits; (iii) the indicators for monitoring and evaluation of the regional initiatives under Part 3 of the Project; (iv) the terms of reference for the Independent Verifiers; (v) the detailed content of the EEP Spending Reports; (vi) the DLIs and DLRs; and (vii) the grievance mechanisms, as said manual may be amended from time to time with the Association's prior and written approval.



31. "Project Steering Committee" means the steering committee for the Project, established by the Participating Countries to provide overall guidance and oversight for regional level initiatives, and operating in cooperation with the RFU.
32. "RFU" means the regional facilitation unit for the corresponding regional level activities, and for the purpose of this Project, the Association of African Universities (AAU) acting in that capacity.
33. "Regional Scholarship and Innovation Fund" or "RSIF" means a fund to be established and managed by International Center of Insect Physiology and Ecology (ICIPE) as a sustainable mechanism to finance PhD level scholarships, research and innovation grants in Sub-Saharan African universities.
34. "Training" means the reasonable cost of training of persons involved in Project-supported activities, based on the Annual Work Program approved by the Association, such term including scholarships, seminars, workshops, and study tours, and costs associated with such activity including travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation, acquisition and reproduction of training materials, and other costs directly related to training preparation and implementation.
35. "Safeguards Instruments" means collectively, the ESMF, and any ESMP, and "Safeguard Instrument" means any of such Safeguards Instruments.
36. "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.
37. "Subsidiary Agreement" means the subsidiary agreement to be signed between the Recipient and ICIPE pursuant to which the Recipient shall make the part of the proceeds of the Financing available to ICIPE for the implementation of Part 2 of the Project.
38. "Withdrawal" means each withdrawal under Category (1) of the table in Section III of Schedule 2 to this Agreement.