

**REPUBLIC OF RWANDA**



**MINISTRY OF FINANCE AND ECONOMIC PLANNING**

**P.O. Box 158 Kigali Tel: +250-575756 Fax: +250-252-577581**

**PERFORMANCE AND FUNDING AGREEMENT**

**BETWEEN**

**THE REPUBLIC OF RWANDA REPRESENTED BY THE MINISTRY OF FINANCE  
AND ECONOMIC PLANNING**

**AND**

**THE UNIVERSITY OF RWANDA**

**REGARDING**

**PROVISION OF THE PROCEEDS OF AN INTERNATIONAL DEVELOPMENT  
ASSOCIATION CREDIT**

**FOR**

**EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTERS OF  
EXCELLENCE PROJECT – ACE II  
(Credit Number 5796-RW)**

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This Performance and Funding Agreement (“Agreement”) dated October 13<sup>th</sup>, 2016 between the Republic of Rwanda, represented by the Ministry of Finance and Economic Planning hereinafter referred to as (“Recipient”), and the University of Rwanda (UR) representing the Eastern and Southern Africa Higher Education Institutions hereinafter referred to as (“Project Implementing Entity”) is made in connection with the Financing Agreement of 17 June 2016 (“Financing Agreement”) between the Recipient and the International Development Association (“Association”) for the Eastern and Southern Africa Higher Education Centers of Excellence Project – ACE II (“Project”).

WHEREAS, pursuant to the Financing Agreement above mentioned, the Association has agreed to make available to the Recipient a Credit (Credit Number 5796-RW) in an amount equivalent to fourteen million five hundred thousand Special Drawing Rights (SDR 14,500,000) to strengthen selected Eastern and Southern African Higher Education Institutions (Collectively *UR-College of Science and Technology (CST)*: ACE in Internet of Things (ACEIOT) and ACE in Energy for Sustainable Development (ACEESD), *UR-College of Business and Economics (CBE)*: ACE for Data Science (ACE - DS), and *UR-College of Education (CE)*: ACE in Innovative Teaching and Learning Mathematics and Science (ACEITLMS)) in support of the Project;

WHEREAS, the Recipient has agreed to make available the financing provided in Article 2 of this Agreement to the Project Implementing Entity upon the terms and conditions set forth in this Agreement and the Financing Agreement;

**THEREFORE**, the Recipient and the Project Implementing Entity hereby agree as follows:

### Article 1

#### **Definition**

Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, or in the Appendix to the Financing Agreement.

### Article 2

#### **The Financing**

The Recipient agrees to make available to the Project Implementing Entity on a grant basis and on terms and conditions set forth or referred to in this Agreement, an amount equivalent to fourteen million five hundred thousand Special Drawing Rights (SDR 14,500,000) to assist in financing the Part I of the Project described in scheduled I to the Financing Agreement.

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### Article 3

#### **Implementation Arrangements**

- 1) The Recipient shall maintain through the Period of Project implementation:
  - a) Its representative in the Regional Steering Committee to provide overall guidance and oversight for the Project at regional level and to participate in the semi-annual meetings.
  - b) 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.
- 2) UR shall maintain through the period of project implementation, the Project Implementation Teams in the Eastern and Southern African 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, or in the Project Implementation Plan.

### Article 4

#### **Project Implementation**

The Project Implementing Entity shall:

- a) Implement the Project with due diligence and efficiency and in conformity with appropriate administrative, technical, financial, economic, environmental and social standards and practices, and in accordance with the provisions of the Financing Agreement;
- b) Through its constituent colleges, appoint a Center Leader, Deputy Center Leader and a Project Implementation Team of appropriately qualified academic, technical and administrative personnel for each of the ACEs.
- c) Ensure that all facilities relevant to the Project shall at all times be properly operated and maintained and that all necessary repairs and renewals of such facilities shall be made promptly as needed;

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## Article 5

### **Annual Work Programs**

The Project Implementing Entity shall:

- a) Not later than March 31 in each calendar year during Project implementation, prepare and furnish to the Association, a program of activities proposed for inclusion in Part I of the Project during the following fiscal year, including: (i) a detailed timetable and budget for the sequencing and implementation of said activities; (ii) the types of expenditures required for such activities; and (iii) the planned procurement methods for the expenditures.
  
- b) Exchange views with the Recipient and the Association on each such proposed Annual Work Program and carry out such program of activities for such following fiscal year as shall be agreed between the Recipient and the Association.

Only those activities, which are included in an Annual Work Program, shall be included in the Project. Not with standing 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 Recipient and Association.

## Article 6

### **Project Monitoring, Reporting and Evaluation**

The Project Implementing Entity shall Monitor and evaluate the progress of the Project and prepare Project Reports in accordance with provisions of Section 4.08 of the General Conditions and on the basis of indicators set forth in the Project Implementation Plan and found acceptable to the Association. Each Project Report shall cover the period of six (6) months, and shall be furnished to the Recipient, the Association and the Inter-University Council for East Africa not later than forty-five (45) days after the end of the period covered by such report.

## Article 7

### **Project Implementation Plan and Environmental and Social Management Plan**

The Project Implementing Entity shall:

- a) Adopt not later than one (1) month after the Effective Date and, there after maintain the Project Implementation Plan of each selected Eastern and Southern African Higher Education Institutions in form and substance satisfactory to the Association; and carry out the Project in accordance with the Project Implementation Plan and the Environmental and Social Management Plan;

- b) Not amend the Project Implementation Plan or the Environmental and Social Management Plan without the prior written approval of the Association.
- c) In the event of any conflict between the provisions of the Project Implementation Plan or the Environmental and Social Management Plan with the Financing Agreement, the provisions of the Financing Agreement shall prevail.

### Article 8

#### **Eligible Expenditure Programs, Technical Control and Withdrawal conditions**

The Project Implementing Entity shall:

- a) Cooperate with IUCEA or the Independent Verifiers, acting as third party monitoring and evaluation expert in order to assess the proper fulfillment of Disbursement-Linked Indicators (DLIs) and Disbursement-Linked Results (DLRs) as set forth in Schedule 4 of the Financing 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. The EEPs shall comply with the eligibility criteria and procedures in the Project Operational Manual.
- b) No withdrawal will be made for any DLI or DLR until and unless the Association has received from the Independent Verifiers, the EEP Spending Reports confirming that DLI and DLR have been achieved and containing a proposal for disbursement under each withdrawal.
- c) Payments will be made on a bi-annual basis each year during Project implementation upon timely submission to the Association of a withdrawal request acceptable to the Association, such withdrawal request shall include evidence in form and substance acceptable to the Association of: (i) Eligible Expenditure Programs (EEPs) incurred for the period preceding the withdrawal request as presented in the EEP Spending Reports; and (ii) supporting documentation confirming that selected Eastern and Southern African Higher Education Institutions have complied with the respective DLIs and DLRs as verified by the Independent Verifiers.
- d) 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 the Schedule III to the Financing Agreement, was not used for Eligible Expenditures or, in case of Eligible Expenditure Programs of Part I of the Project, was not supported by evidence of actual spending by selected Eastern and Southern African Higher Education Institutions under Eligible Expenditures Programs and/or by evidence of satisfaction of other criteria set forth in the Financing Agreement or in the Project Operational Manual,

UR shall refund any such portion to the Recipient as the Recipient shall specify by notice to UR.

### **Article 9**

#### **Financial Management, Financial Reports, and Audits**

The Project Implementing Entity shall:

- a) Maintain a financial management system and prepare financial statements in accordance with the provisions of Section 4.09 of the General Conditions;
- b) Without limitation on the provisions of Article 6, prepare and furnish to the Recipient, the Association and the Inter-University Council for East Africa not later than forty-five (45) days after the end of each calendar six (6) months period, interim unaudited financial reports for the Project covering six (6) months, in form and substance satisfactory to the Association.
- c) Have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Said Financial Statements shall include notes to the Financial Statements on the sources and uses of funds of the Eastern and Southern African Higher Education Institution's Africa Center of Excellence. Each audit of said Financial Statements shall cover the period of one fiscal year commencing with the fiscal year in which the first withdrawal was made under the Project. The audited Financial Statements for each such period shall be furnished to the Recipient, the Association and the Inter-University Council for East Africa not later than ten (10) months after the end of such period.

### **Article 10**

#### **Procurement**

The Project Implementing Entity shall procure all goods, works and non- consulting services to be financed out of the proceeds of the Financing in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.

### **Article 11**

#### **Anti-Corruption**

The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

## **Article 12**

### **Other Undertakings**

The Project Implementing Entity through the Project Implementation Team shall by June 30, 2019, or such other dates as the Association shall agree upon, (i) carry out jointly with the Recipient, the Association, the Regional Steering Committee, the Eastern and Southern African Higher Education Institutions, the Inter-University Council for East Africa, and the National Steering Committee, a mid-term review of the implementation of operations under the Project, which shall cover the progress achieved in the implementation of the Project; and (ii) following such mid-term review, act promptly and diligently to take any corrective action as shall be agreed by the Association.

## **Article 13**

### **Settlement of Disputes**

Any dispute arising under this Agreement, which cannot be amicably settled between the parties to this Agreement, shall be referred to arbitration in accordance with the laws of the Recipient.

## **Article 14**

### **Representatives; Addresses**

The Recipient's Representative is its Minister at the time responsible for finance.

The Recipient's Address is:  
Ministry of Finance and Economic Planning  
P. O. Box 158  
Kigali, Rwanda  
Facsimile: (250)-252-57-75-81

The Project Implementing Entity's Representative is its Vice Chancellor

The Project Implementing Entity's Address is:  
University of Rwanda (UR)  
P.O. Box 4285  
Kigali, Rwanda

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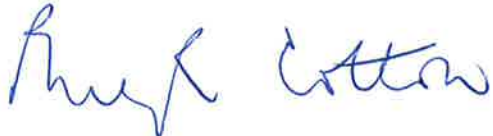
IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in Kigali, Rwanda as of the day and year first above written.

**FOR THE REPUBLIC OF RWANDA**

**FOR THE UNIVERSITY OF RWANDA**

  
**Claver GATETE**  
Minister of Finance and  
Economic Planning





**Prof Phil Cotton**  
Vice Chancellor

