Development Credit Agreement

(Development of the National Statistical System Project)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated April 1, 2004
CREDIT NUMBER 3878 BUR

DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated April 1, 2004, between BURKINA FASO (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS (A) the Borrower, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested the Association to assist in the financing of the Project;

(B) the Borrower has prepared a *Schéma directeur de la Statistique*, dated June 2003, describing a program of actions, objectives and policies designed to enhance the national statistical system (the Program) and declaring the Borrower’s commitment to the execution of the Program; and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to extend the Credit to the Borrower upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

General Conditions; Definitions

Section 1.01. The “General Conditions Applicable to Development Credit Agreements” of the Association, dated January 1, 1985 (as amended through October 6, 1999) (the General Conditions), constitute an integral part of this Agreement.

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions and in the Preamble to this Agreement have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) “Arrêté portant émission d'avis sur la faisabilité environnementale de la construction du nouveau siège de l’INSD à Ouaga 2000” or “Arrêté” means the Borrower’s decree No. 03-037 MECV/CAB of October 28, 2003, which sets out
environmental protection measures to be applied for implementation of Part D.1 of the Project, and referred to in paragraph 5 of Schedule 4 to this Agreement;

(b) “CFAF” means \textit{Franc de la Communauté Financière Africaine}, the currency of the Borrower;

(c) “CNCS” means “\textit{Conseil national de la coordination statistique}”, the Borrower’s specialized authorized executive body responsible for the inter-agency coordination, quality and control of statistical activity in the Borrower’s territory, established and operating pursuant to Law/Decree No. 97-371/PRES/PM/MEF of 1997 and referred to in paragraph 2 of Schedule 4 to this Agreement;

(d) “\textit{Comité de pilotage}” means the special committee to be set up within the CNCS to monitor and evaluate the Project, referred to in paragraph 3 of Schedule 4 to this Agreement;

(e) “INSD” means “\textit{Institut national de la statistique et de la démographie}”, the Borrower’s national institute of statistics and demography, the agency responsible for the implementation of the Project, operating under the Borrower’s Ministry of Economy and Development, and referred to in paragraph 2 of Schedule 4 to this Agreement;

(f) “Faso Baara” means the autonomous procurement agency referred to in paragraph 5 of Schedule 4 to this Agreement, established and operating under the laws of the Borrower;

(g) “Faso Baara Agency Agreement” or “Agency Agreement” means the agreement to be signed between the Borrower and Faso Baara pursuant to the provisions of Section 6.01 (c) of this Agreement;

(h) “Financial Monitoring Report” or “FMR” means each report prepared in accordance with Section 4.02 of this Agreement;

(i) “Fiscal Year” means the twelve month period corresponding to any of the Borrower’s fiscal years, which period commences on January 1 and ends on December 31 in each calendar year;

(j) “\textit{Loi Statistique}”, means the “\textit{Statistical Law}”, the primary legal reference for statistical systems and operations as set in Law No. 0040/ADP of November 8, 1996;
(k) “Manual of Procedures” means the manual to be adopted pursuant to the provisions of Section 6.01 (b) of this Agreement for the implementation of all the components of the Project, in form and substance satisfactory to the Association, and referred to in paragraph 4 of Schedule 4 to this Agreement and containing, inter alia, disbursement and procurement arrangements, work plans, training plans, the monitoring and performance indicators set forth in Schedule 6 to this Agreement, and procedures to be used for the purposes of implementation of the Project, as they may be amended from time to time, and such term includes any schedules to the Manual of Procedures;

(l) “Project Account” means the project account referred to in Section 3.03 (a) of this Agreement;

(m) “Project Implementation Unit” or “PIU” means the unit to be established by the Borrower within INSD, and referred to in paragraph 3 of Schedule 4 to this Agreement;

(n) “Project Preparation Advance” means the project preparation advance granted by the Association to the Borrower pursuant to the letter agreement signed on behalf of the Association on February 4, 2004, and on behalf of the Borrower on February 12, 2004;

(o) “Project Year” means the twelve-month period beginning from the Effective Date and ending twelve months thereafter (the First Project Year), and any twelve-month period beginning at the end of the First Project Year, or at the end of subsequent Project Years;

(p) “Schéma directeur de la statistique” or “SDS” means the statistical master plan prepared by the Borrower in June 2003, and referred to in Preamble 2 of this Agreement; and

(q) “Special Account” means the account referred to in Section 2.02 (b) of this Agreement.

ARTICLE II

The Credit

Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions set forth or referred to in the Development Credit Agreement, an amount in various currencies equivalent to six million seven hundred thousand Special Drawing Rights (SDR 6,700,000).
Section 2.02. (a) The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement for expenditures made (or, if the Association shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project and to be financed out of the proceeds of the Credit.

(b) The Borrower may, for the purposes of the Project, open and maintain a special deposit account in CFAF in a commercial bank on terms and conditions satisfactory to the Association, including appropriate protection against set-off, seizure or attachment. Deposits into, and payments out of, the Special Account shall be made in accordance with the provisions of Schedule 5 to this Agreement.

(c) Promptly after the Effective Date, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and pay to itself the amount required to repay the principal amount of the Project Preparation Advance withdrawn and outstanding as of such date and to pay all unpaid charges thereon. The unwithdrawn balance of the authorized amount of the Project Preparation Advance shall thereupon be canceled.

Section 2.03. The Closing Date shall be July 31, 2009 or such later date as the Association shall establish. The Association shall promptly notify the Borrower of such later date.

Section 2.04. (a) The Borrower shall pay to the Association a commitment charge on the principal amount of the Credit not withdrawn from time to time at a rate to be set by the Association as of June 30 of each year, but not to exceed the rate of one-half of one percent (1/2 of 1%) per annum.

(b) The commitment charge shall accrue: (i) from the date sixty days after the date of this Agreement (the accrual date) to the respective dates on which amounts shall be withdrawn by the Borrower from the Credit Account or canceled; and (ii) at the rate set as of the June 30 immediately preceding the accrual date and at such other rates as may be set from time to time thereafter pursuant to paragraph (a) above. The rate set as of June 30 in each year shall be applied from the next date in that year specified in Section 2.06 of this Agreement.

(c) The commitment charge shall be paid: (i) at such places as the Association shall reasonably request; (ii) without restrictions of any kind imposed by, or in the territory of, the Borrower; and (iii) in the currency specified in this Agreement for the purposes of Section 4.02 of the General Conditions or in such other eligible currency or currencies as may from time to time be designated or selected pursuant to the provisions of that Section.
Section 2.05. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one percent (3/4 of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

Section 2.06. Commitment charges and service charges shall be payable semiannually on April 1 and October 1 in each year.

Section 2.07. (a) Subject to paragraphs (b), (c) and (d) below, the Borrower shall repay the principal amount of the Credit in semiannual installments payable on each April 1 and October 1 commencing April 1, 2014 and ending October 1, 2043. Each installment to and including the installment payable on October 1, 2023 shall be one percent (1%) of such principal amount, and each installment thereafter shall be two percent (2%) of such principal amount.

(b) Whenever: (i) the Borrower's per capita gross national product (GNP), as determined by the Association, shall have exceeded for three consecutive years the level established annually by the Association for determining eligibility to access the Association's resources; and (ii) the Bank shall consider the Borrower creditworthy for Bank lending, the Association may, subsequent to the review and approval thereof by the Executive Directors of the Association and after due consideration by them of the development of the Borrower's economy, modify the repayment of installments under paragraph (a) above by:

(A) requiring the Borrower to repay twice the amount of each such installment not yet due until the principal amount of the Credit shall have been repaid; and

(B) requiring the Borrower to commence repayment of the principal amount of the Credit as of the first semiannual payment date referred to in paragraph (a) above falling six months or more after the date on which the Association notifies the Borrower that the events set out in this paragraph (b) have occurred, provided, however, that there shall be a grace period of a minimum of five years on such repayment of principal.

(c) If so requested by the Borrower, the Association may revise the modification referred to in paragraph (b) above to include, in lieu of some or all of the increase in the amounts of such installments, the payment of interest at an annual rate agreed with the Association on the principal amount of the Credit withdrawn and outstanding from time to time, provided that, in the judgment of the Association, such revision shall not change the grant element obtained under the above-mentioned repayment modification.
(d) If, at any time after a modification of terms pursuant to paragraph (b) above, the Association determines that the Borrower’s economic condition has deteriorated significantly, the Association may, if so requested by the Borrower, further modify the terms of repayment to conform to the schedule of installments as provided in paragraph (a) above.

Section 2.08. The currency of the French Republic is hereby specified for the purposes of Section 4.02 of the General Conditions.

ARTICLE III

Execution of the Project

Section 3.01. (a) The Borrower declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement, and, to this end, shall carry out the Project with due diligence and efficiency and in conformity with appropriate administrative, engineering, environmental, financial, fiscal, statistical and technical practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section and except as the Borrower and the Association shall otherwise agree, the Borrower shall carry out the Project in accordance with the Implementation Program set forth in Schedule 4 to this Agreement.

Section 3.02. Except as the Association shall otherwise agree, procurement of the goods, works and consultants’ services required for the Project and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 3 to this Agreement.

Section 3.03. Without limitation upon its obligations under Section 3.01 of this Agreement, the Borrower shall:

(a) open and maintain in FCFA, until the completion of the Project, a Project Account, in the Borrower’s Treasury, under terms and conditions satisfactory to the Association;

(b) promptly thereafter make an initial deposit into the Project Account in an amount equivalent to FCFA 60,000,000 to finance the Borrower’s initial contributions to the expenditures under the Project;
Section 3.04. For the purposes of Section 9.06 of the General Conditions and without limitation thereto, the Borrower shall:

(a) prepare, on the basis of guidelines acceptable to the Association, and furnish to the Association not later than six (6) months after the Closing Date or such later date as may be agreed for this purpose between the Borrower and the Association, a plan designed to ensure the continued achievement of the objective of the Project; and

(b) afford the Association a reasonable opportunity to exchange views with the Borrower on said plan.

ARTICLE IV

Financial Covenants

Section 4.01. (a) The Borrower shall maintain a financial management system, including records and accounts, and prepare financial statements in a format acceptable to the Association, adequate to reflect the operations, resources and expenditures related to the Project.

(b) The Borrower shall:

(i) have the records and accounts referred to in paragraph (a) of this Section, including those for the Special Account, for each Fiscal Year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Association;

(ii) furnish to the Association as soon as available, but in any case not later than six months after the end of each such Fiscal Year: (A) certified copies of the financial statements referred to in paragraph (a) of this Section for such year as so audited; and (B)
an opinion on such statements, records and accounts and report of such audit, by said auditors, of such scope and in such detail as the Association shall have reasonably requested; and

(iii) furnish to the Association such other information concerning said records and accounts and the audit thereof as the Association shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the Credit Account were made on the basis of statements of expenditure, the Borrower shall:

(i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and accounts reflecting such expenditures;

(ii) retain, until at least one year after the Association has received the audit report for the Fiscal Year in which the last withdrawal from the Credit Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;

(iii) enable the Association’s representatives to examine such records; and

(iv) ensure that such records and accounts are included in the annual audit referred to in paragraph (b) of this Section and that the report of such audit contains an opinion by said auditors as to whether the annual statements and financial expenditures submitted during such fiscal year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related transactions.

Section 4.02. (a) Without limitation upon the Borrower’s progress reporting obligations set out in paragraph 7 of Schedule 4 to this Agreement, the Borrower shall prepare and furnish to the Association a Financial Monitoring Report, in form and substance satisfactory to the Association, which:

(i) sets forth sources and uses of funds for the Project, both cumulatively and for the period covered by said report, showing separately funds provided under the Credit, and explains variances between the actual and planned uses of such funds;
(ii) describes physical progress in Project implementation, both cumulatively and for the period covered by said report, and explains variances between the actual and planned Project implementation; and

(iii) sets forth the status of procurement under the Project, as at the end of the period covered by said report.

(b) The first FMR shall be furnished to the Association not later than 45 days after the end of the first calendar quarter after the Effective Date, and shall cover the period from the incurrence of the first expenditure under the Project through the end of such first calendar quarter; thereafter, each FMR shall be furnished to the Association not later than 45 days after each subsequent calendar quarter, and shall cover such calendar quarter.

ARTICLE V

Remedies of the Association

Section 5.01. Pursuant to Section 6.02 (l) of the General Conditions, the following additional events are specified:

(a) that a situation has arisen which shall make it improbable that the Program, or a significant part thereof, will be carried out;

(b) that the Borrower or Faso Baara shall have failed to comply with the provisions of the Agency Agreement in such manner as to affect materially and adversely the ability of the Borrower to carry out the Project.

ARTICLE VI

Effective Date; Termination

Section 6.01. The following events are specified as additional conditions to the effectiveness of the Development Credit Agreement within the meaning of Section 12.01 (b) of the General Conditions:

(a) the Project Account has been duly opened, and the amount of the initial advance deposited therein in accordance with Section 3.03 (b) of this Agreement;
(b) the Borrower has established a financial management and accounting system acceptable to the Association and has finalized the Manual of Procedures;

(c) the Borrower has entered into an Agency Agreement with Faso Baara under terms and conditions satisfactory to the Association; and

(d) the Borrower has appointed an external auditing firm acceptable to the Association and in accordance with Section II of Schedule 3 to this Agreement.

Section 6.02. The date one hundred and twenty (120) days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

Section 6.03. The obligations of the Borrower under Articles III and IV of this Agreement shall cease and determine on the date on which the Development Credit Agreement shall terminate or on the date fifteen years after the date of this Agreement, whichever shall be the earlier.

ARTICLE VII

Representative of the Borrower; Addresses

Section 7.01. The Minister of the Borrower at the time responsible for finance is designated as representative of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 7.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Ministère des Finances et du Budget
03 B.P. 7008
Ouagadougou 03
BURKINA FASO

Cable address: SEGEGOUV
Telex: 5555
Facsimile: (226) 31 27 15 (226) 31 54 09
For the Association:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address: Telex: Facsimile:
INDEVAS 248423 (MCI) (202) 477-6391
Washington, D.C. 64145 (MCI)

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

BURKINA FASO

By /s/ Tertius Zongo
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Nils Tcheyan
Authorized Representative
**SCHEDULE 1**

**Withdrawal of the Proceeds of the Credit**

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each Category and the percentage of expenditures for items so to be financed in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Credit Allocated (Expressed in SDR Equivalent)</th>
<th>Amount of the % of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works</td>
<td>650,000</td>
<td>100% of foreign expenditures and 80% of local expenditures</td>
</tr>
<tr>
<td>(2) Goods</td>
<td>1,050,000</td>
<td>100% of foreign expenditures and 80% of local expenditures</td>
</tr>
<tr>
<td>(3) Consultants’ services and audits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) consulting firms</td>
<td>600,000</td>
<td>80%</td>
</tr>
<tr>
<td>(b) individual consultants</td>
<td>1,600,000</td>
<td>100% of foreign expenditures and 80% of local expenditures</td>
</tr>
<tr>
<td>(4) Training and workshops</td>
<td>1,550,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Operating costs</td>
<td>900,000</td>
<td>80%</td>
</tr>
<tr>
<td>(6) Refunding of Project</td>
<td>250,000</td>
<td>Amount due pursuant to Section 2.02 (c)</td>
</tr>
<tr>
<td>Preparation Advance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(7) Unallocated</td>
<td>100,000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>6,700,000</td>
<td></td>
</tr>
</tbody>
</table>
2. For the purposes of this Schedule:

(a) the term “foreign expenditures” means expenditures in the currency of any country other than that of the Borrower for goods or services supplied from the territory of any country other than that of the Borrower;

(b) the term “local expenditures” means expenditures in the currency of the Borrower or for goods or services supplied from the territory of the Borrower, provided, however, that, if the currency of the Borrower is also that of another country from the territory of which goods or services are supplied, expenditures in such currency for such goods or services shall be deemed to be “foreign expenditures”; and

(c) the term “Operating costs” means the incremental operating costs arising under the Project on account of local contractual support staff salaries, travel expenditures and other travel-related allowances; equipment rental and maintenance; office rental and maintenance, materials and supplies; utilities and communications expenses; and bank charges; but excluding salaries of the Borrower’s civil servants.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of payments made for expenditures prior to the date of this Agreement.

4. The Association may require withdrawals from the Credit Account to be made on the basis of statements of expenditure for expenditures under contracts for: (a) goods costing less than $100,000 equivalent per contract; (b) works costing less than $200,000 equivalent per contract; (c) for services of individual consultants costing less than $50,000 equivalent per contract; (d) for services of consulting firms under contracts costing less than $100,000 equivalent per contract, and (e) training and operating costs; all under such terms and conditions as the Association shall specify by notice to the Borrower.
SCHEDULE 2

Description of the Project

The objective of the Project is to build a sustainable statistical system which would efficiently and effectively collect, process and disseminate accurate, timely, coherent and reliable statistical data concerning the economy and social conditions of the Borrower, through: (i) the improvement of the statistical policy and the regulatory and institutional framework; (ii) the establishment of a system for human resource development for the statistical system; (iii) the development of statistical data and dissemination; and (iv) the development of statistical infrastructure.

The Project consists of the following parts, subject to such modifications thereof as the Borrower and the Association may agree upon from time to time to achieve such objectives:

Part A: Organizational Development

1. Strengthening of the legal framework, through: (i) establishing a mechanism to monitor the enforcement of the Loi Statistique with a view to have the statistical production and dissemination in line with the norms and standards defined by law; and (ii) carrying out a study to formulate a strategy to pursue legal reform in the areas encompassing the legal status of INSD, INSD’s financial autonomy, the organization and operations of CNCS, and the standardization of official statistics production and dissemination.

2. Strengthening of the institutional framework, through increased guidance for statistical operations and inter-agency cooperation with a view to: (i) creating a decentralized statistical system; (ii) redefining the role of CNCS; and (iii) setting up the Comité de pilotage to monitor regularly and evaluate the Project progress and results.

Part B: Human Resources Development

1. Strengthening of human resource management for the statistical system, through: (i) developing a strategy for human resource management; (ii) establishing job profiles; and (iii) defining and setting up a system of internal promotion and merit based remuneration.

2. Training of staff who produce statistics in the areas of statistical planning, statistical methods, data analysis, data management and information technology through: (i) the award of scholarships, (ii) training, (iii) organization of study trips to renowned
statistical institutions, (iv) staff exchange, and (v) workshops to collect, process and analyze data.

3. Training of statistical users, through: (i) setting up a panel of target users and developing awareness programs to the use of statistics; (ii) organizing workshops to explain the results and use of published statistical indicators; and (iii) training of staff in line ministries in data analysis.

Part C: Data Development

1. Strengthening the production of timely, reliable and internationally accepted methodologies in the following sectors: (i) national accounts statistics; (ii) poverty and living conditions monitoring statistics, including the development of social and poverty monitoring indicators; (iii) general census, development of a data base for demographic statistics and collection of administrative data on vital statistics; (iv) improvement of data collection, technology and infrastructure for health statistics; (v) education statistics; (vi) agricultural statistics; (vii) labor market statistics; and (viii) transportation statistics.

2. Strengthening the information technology infrastructure and development of a comprehensive and long-term strategy for the statistical system with a view to bringing statistical operations and dissemination in line with international standards.

Part D: Infrastructure and Equipment

1. Construction of a new building for INSD headquarters, including construction costs and civil engineering work.

2. Acquisition of information technology equipment, vehicles, office furniture and supplies, and any other equipment essential to carry out Project activities.

Part E: Project Management

Strengthening of the PIU, especially in the areas of procurement and financial management, to enable it to properly coordinate and promote Project activities, and carry out monitoring and evaluation studies, project reviews and audits, including the acquisition of office furniture and equipment and accounting software.

* * *

The Project is expected to be completed by January 31, 2009.
SCHEDULE 3

Procurement

Section I. Procurement of Goods and Works

Part A: General

Goods and works shall be procured in accordance with the provisions of Section I of the “Guidelines for Procurement under IBRD Loans and IDA Credits” published by the Bank in January 1995 and revised in January and August 1996, September 1997 and January 1999 (the Guidelines), and the following provisions of Section I of this Schedule.

Part B: International Competitive Bidding

1. Except as otherwise provided in Part C of this Section, goods and works shall be procured under contracts awarded in accordance with the provisions of Section II of the Guidelines and paragraph 5 of Appendix 1 thereto.

2. The following provisions shall apply to goods and works to be procured under contracts awarded in accordance with the provisions of paragraph 1 of this Part B.

   Grouping of contracts

   To the extent practicable, contracts for goods shall be grouped in bid packages estimated to cost $100,000 equivalent or more each.

Part C: Other Procurement Procedures

1. National Competitive Bidding

   Goods estimated to cost less than $100,000 equivalent per contract may be procured under contracts awarded in accordance with the provisions of paragraphs 3.3 and 3.4 of the Guidelines.
2. International or National Shopping

Goods estimated to cost less than $35,000 equivalent per contract may be procured under contracts awarded on the basis of international or national shopping procedures in accordance with the provisions of paragraphs 3.5 and 3.6 of the Guidelines.

Part D: Review by the Association of Procurement Decisions

1. Procurement Planning

Prior to the issuance of any invitations to bid for contracts, the proposed procurement plan for the Project shall be furnished to the Association for its review and approval, in accordance with the provisions of paragraph 1 of Appendix 1 to the Guidelines. Procurement of all goods and works shall be undertaken in accordance with such procurement plan as shall have been approved by the Association, and with the provisions of said paragraph 1.

2. Prior Review

With respect to each contract for works and goods estimated to cost the equivalent of $200,000 and $100,000 or more, respectively, the procedures set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines shall apply.

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Guidelines shall apply.

Section II. Employment of Consultants

Part A: General

Consultants’ services shall be procured in accordance with the provisions of Sections I and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in January 1997 and revised in September 1997, January 1999 and May 2002 (the Consultant Guidelines), paragraph 1 of Appendix 1 thereto, Appendix 2 thereto and the following provisions of Section II of this Schedule.
Part B:  Quality- and Cost-based Selection

1. Except as otherwise provided in Part C of this Section, consultants’ services shall
be procured under contracts awarded in accordance with the provisions of Section II of
the Consultant Guidelines, and the provisions of paragraphs 3.13 through 3.18 thereof
applicable to quality- and cost-based selection of consultants.

2. The following provision shall apply to consultants’ services to be procured under
contracts awarded in accordance with the provisions of the preceding paragraph: the short
list of consultants for services estimated to cost less than $100,000 equivalent per
contract, may comprise entirely national consultants in accordance with the provisions of
paragraph 2.7 and footnote 8 of the Consultant Guidelines.

Part C: Other Procedures for the Selection of Consultants

1. Least-cost Selection

   Services for audits and other standard services estimated to cost less than
$100,000 equivalent per contract may be procured under contracts awarded in accordance
with the provisions of paragraphs 3.1 and 3.6 of the Consultant Guidelines.

2. Selection Based on Consultants’ Qualifications

   Services estimated to cost less than $50,000 equivalent per contract may be
procured under contracts awarded in accordance with the provisions of paragraphs 3.1
and 3.7 of the Consultant Guidelines.

3. Single Source Selection

   Services as agreed in the procurement plan, with the Association’s prior
agreement, may be procured in accordance with the provisions of paragraphs 3.8 through
3.11 of the Consultant Guidelines.

4. Individual Consultants

   Services under Parts A, B, C and E for tasks that meet the requirements set forth
in paragraph 5.1 of the Consultant Guidelines shall be procured under contracts awarded
in accordance with the provisions of paragraphs 5.1 through 5.4 of the Consultant
Guidelines.
Part D: Review by the Association of the Selection of Consultants

1. Selection Planning

A plan for the selection of consultants, which shall include contract cost estimates, contract packaging, and applicable selection criteria and procedures, shall be furnished to the Association for its review and approval prior to the issuance to consultants of any requests for proposals. Such plan shall be updated every 6 months during the execution of the Project, and each such updating shall be furnished to the Association for its review and approval. Selection of all consultants’ services shall be undertaken in accordance with such selection plan (as updated from time to time) as shall have been approved by the Association.

2. Prior Review

(a) With respect to each contract for the employment of consulting firms estimated to cost the equivalent of $100,000 or more, the procedures set forth in paragraphs 2, 3 and 5 of Appendix 1 to the Consultant Guidelines shall apply.

(b) With respect to each contract for the employment of individual consultants to be selected on a sole source basis, or estimated to cost the equivalent of $50,000 or more, the report on the comparison of the qualifications and experience of candidates, the qualifications, experience, terms of reference and terms of employment of the consultants shall be furnished to the Association for its prior review and approval. The contract shall be awarded only after the said approval shall have been given. The provisions of paragraph 3 of Appendix 1 to the Consultant Guidelines shall also apply to such contracts.

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Consultant Guidelines shall apply.
SCHEDULE 4

Implementation Program

Section I. Institutional Arrangements

1. The Borrower shall maintain the PIU under INSD throughout Project implementation, under terms of reference satisfactory to the Association and with human, financial and technical resources adequate to enable it to effectively coordinate and manage the Project. The composition of the PIU shall include, inter alia: (i) one Project coordinator; (ii) one procurement specialist; (iii) one financial management specialist; and (iv) one accountant.

   The PIU shall be responsible for the day-to-day management, for managing, reporting and auditing activities and ensuring compliance with the procurement, disbursement and financial management policies and procedures. The PIU shall conduct monitoring and evaluation activities through quarterly Financial Management Reports and annual technical audits, mid-term reviews, and impact studies and other reports on an annual basis.

2. INSD will be responsible for the overall implementation of the Project. It will work in close collaboration with CNCS, which is chaired by the Minister of the Economy and Development, and is composed of representatives of all the ministries and organizations involved in the production and use of statistics.

3. A Comité de pilotage to be set up at CNCS will supervise and coordinate the monitoring and evaluation activities, and evaluate the Project progress and results.

Section II. Implementation Arrangements

4. The Borrower, through INSD: (i) shall take all action required to ensure that the Manual of Procedures is applied and followed at all times in the implementation, monitoring and evaluation of the Project, (ii) except as the Association shall otherwise agree, shall not amend, abrogate or waive any provision of the Manual of Procedures which, in the opinion of the Association, may materially and adversely affect the implementation of the Project or the achievement of the objectives thereof.
5. **Procurement of Works**

The Borrower shall maintain at all times during the implementation of Part D.1 of the Project, the Faso Baara Agency Agreement, including the obligation of Faso Baara to: (i) carry out procurement for works and consulting services under Part D.1 of the Project in accordance with Schedule 3 to this Agreement; (ii) monitor, supervise and evaluate Part D.1 of the Project; (iii) have any contractor implement the mitigation measures under the Borrower’s *Arrêté* regarding the impact of the INSD building construction on the environment; and (iv) financial management and disbursement in accordance with the provisions of this Agreement. No modifications to the Faso Baara Agency Agreement shall be made without the Association’s prior approval.

6. **Annual Work Program**

The Borrower, through INSD, shall: (i) prepare and submit for the Association’s comments and approval, not later than October 1 of each Fiscal Year, a draft annual work program for the following Fiscal Year including, *inter alia*, a detailed description of planned activities for procurement of works, goods and technical services and selection and employment of consultants’ services and sources and uses of funds; and (ii) adopt and carry out the annual work program in the form and substance approved by the Association.

7. **Monitoring and Reporting Arrangements**

(a) The Borrower shall maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with the indicators set forth in Schedule 6 to this Agreement, the carrying out of the Project and the achievement of the objectives thereof.

(b) **Progress Reports and Reviews**

(i) The Borrower shall prepare under terms of reference satisfactory to the Association, and furnish to the Association, semiannually beginning on or about the date six (6) months after the Effective Date, a report integrating the results of the monitoring and evaluation activities performed pursuant to Paragraph (a) of this Section, on the progress achieved in the carrying out of the Project during the period preceding the date of said report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date.
(ii) The Borrower shall review, jointly with the Association, the reports referred to in Paragraph (b) (i) of this Section, on or about the date one month after the submission of said reports, or such later date as the Association shall request, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of said reports and the Association’s views on the matter.

(c) Mid-Term Review

(i) The Borrower shall carry out, jointly with the Association, a comprehensive mid-term review on or about the date thirty (30) months after the Effective Date, aimed at: (A) documenting progress toward Project objectives; (B) identifying and resolving obstacles to Project implementation; and (C) adjusting, in agreement with the Association, targets and corresponding programs to reflect progress achieved in the implementation of the Project as of the date of the review.

(ii) The Borrower shall, not later than four weeks prior to the review referred to in Paragraph 3 (a) of this Section, furnish to the Association a mid-term report, in such detail as the Association shall reasonably request, including an evaluation of the progress achieved in Project implementation.

(iii) Promptly after completing the mid-term review, the Borrower shall take all measures required to fulfill the recommendations arising out of said review, with due diligence and efficiency and in accordance with appropriate practices, taking into account the Association’s comments thereon.
SCHEDULE 5

Special Account

1. For the purposes of this Schedule:

   (a) the term “Eligible Categories” means Categories (1) through (5) set forth in the table in paragraph 1 of Schedule 1 to this Agreement;

   (b) the term “Eligible Expenditures” means expenditures in respect of the reasonable cost of goods, works and services required for the Project, and to be financed out of the proceeds of the Credit allocated from time to time to the Eligible Categories in accordance with the provisions of Schedule 1 to this Agreement; and

   (c) the term “Authorized Allocation” means an amount equivalent to CFAF 400,000,000, to be withdrawn from the Credit Account and deposited into the Special Account pursuant to paragraph 2 (a) of this Annex, provided, however, that unless the Association shall otherwise agree, the Authorized Allocation shall be limited to an amount equivalent to CFAF 200,000,000, until the aggregate amount of withdrawals from the Credit Account, plus the total amount of all outstanding special commitments entered into by the Association pursuant to Section 5.02 of the General Conditions, shall be equal to or exceed the equivalent of SDR 2,000,000.

2. Payments out of the Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Association has received evidence satisfactory to it that the Special Account has been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the Special Account shall be made as follows:

   (a) For withdrawals of the Authorized Allocation, the Borrower shall furnish to the Association a request or requests for deposit into the Special Account of an amount or amounts which do not exceed the aggregate amount of the Authorized Allocation. On the basis of such request or requests, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Account such amount or amounts as the Borrower shall have requested.

   (b) (i) For replenishment of the Special Account, the Borrower shall furnish to the Association requests for deposits into the Special Account at such intervals as the Association shall specify.
(ii) Prior to or at the time of each such request, the Borrower shall furnish to the Association the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or payments in respect of which replenishment is requested. On the basis of each such request, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Account such amount as the Borrower shall have requested and as shall have been shown by said documents and other evidence to have been paid out of the Special Account for eligible expenditures. All such deposits shall be withdrawn by the Association from the Credit Account under the respective Eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Borrower out of the Special Account, the Borrower shall, at such time as the Association shall reasonably request, furnish to the Association such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Association shall not be required to make further deposits into the Special Account:

   (a) if, at any time, the Association shall have determined that all further withdrawals should be made by the Borrower directly from the Credit Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement;

   (b) if the Borrower shall have failed to furnish to the Association, within the period of time specified in Section 4.01 (b) (ii) of this Agreement, any of the audit reports required to be furnished to the Association pursuant to said Section in respect of the audit of the records and accounts for the Special Account;

   (c) if, at any time, the Association shall have notified the Borrower of its intention to suspend in whole or in part the right of the Borrower to make withdrawals from the Credit Account pursuant to the provisions of Section 6.02 of the General Conditions; or

   (d) once the total unwithdrawn amount of the Credit allocated to the Eligible Categories, minus the total amount of all outstanding special commitments entered into by the Association pursuant to Section 5.02 of the General Conditions with respect to the Project, shall equal the equivalent of twice the amount of the Authorized Allocation.
Thereafter, withdrawal from the Credit Account of the remaining unwithdrawn amount of the Credit allocated to the Eligible Categories shall follow such procedures as the Association shall specify by notice to the Borrower. Such further withdrawals shall be made only after and to the extent that the Association shall have been satisfied that all such amounts remaining on deposit in the Special Account as of the date of such notice will be utilized in making payments for eligible expenditures.

6. (a) If the Association shall have determined at any time that any payment out of the Special Account: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule; or (ii) was not justified by the evidence furnished to the Association, the Borrower shall, promptly upon notice from the Association: (A) provide such additional evidence as the Association may request; or (B) deposit into the Special Account (or, if the Association shall so request, refund to the Association) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Association shall otherwise agree, no further deposit by the Association into the Special Account shall be made until the Borrower has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Association shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from the Association, refund to the Association such outstanding amount.

(c) The Borrower may, upon notice to the Association, refund to the Association all or any portion of the funds on deposit in the Special Account.

(d) Refunds to the Association made pursuant to paragraphs 6 (a), (b) and (c) of this Schedule shall be credited to the Credit Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.
SCHEDULE 6

Performance Indicators

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<th><strong>Outcome Indicators</strong></th>
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| 1. Rate of user satisfaction increases (accessibility, timeliness, periodicity)  
  -National accounts  
  -Social statistics  
  2. Targeted statistical products are easily accessible in relevant media with metadata and interpretation of findings, etc.  
  3. Reduction in time lag between data collection and dissemination for targeted statistical products  
  4. Targeted statistical products are released within the time limits and with frequency meeting GDDS requirements |

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<th><strong>Results Indicators for Each Component</strong></th>
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| 1.1 Statistical legislation and regulations provided for adequate institutional and regulatory framework and efficient and coordinated statistical operations are respected  
  1.2 Mechanisms for effective inter-agency coordination are established and operational and duplication of data collection among agencies is eliminated at national and regional level  
  1.3 Mechanisms for effective dialogue between the data users and producers are operational  
  2.1 Ratio of statisticians to non-statisticians  
  2.2 Number of training days per working days  
  2.3 Staff turnover ratio  
  3.1 Internationally accepted standards and methodologies are used in data production (GDDS recommendations  
  -Macroeconomic statistics  
  -Social statistics  
  3.2 Sound and well-accepted statistical techniques are used for data collection, compilation, and validation  
  -Macroeconomic statistics  
  -Social statistics  
  4.1 % of INSD staff who feels physical working environment has improved  
  4.2 Ratio of computers less than 3 years old to technical staff  
  4.3 Ratio of workstations connected to network to workstations (less than 3 years old)  
  5.1 New internal regulation for administrative and financial management adopted at INSD  
  5.2 Salary scales and TORs for positions adopted at INSD |
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<th><strong>Outcome Indicators</strong></th>
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<tr>
<td>5.3 Adoption by INSD of price schedules for goods and services delivered by INSD</td>
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