Financing Agreement

(Sahel Irrigation Initiative Support Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

PERMANENT INTERSTATE COMMITTEE FOR DROUGHT CONTROL IN THE SAHEL
GRANT NUMBER D255

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date, entered into between the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and the PERMANENT INTERSTATE COMMITTEE FOR DROUGHT CONTROL IN THE SAHEL ("Recipient" or "CILSS", as further defined in Section I of the Appendix to this Agreement).

WHEREAS: (A) on October 31, 2013, Burkina Faso, the Republic of Chad, the Republic of Mali, the Islamic Republic of Mauritania, the Republic of Niger, and the Republic of Senegal ("Participating Countries" as further defined in Section I of the Appendix to this Agreement) and the Recipient adopted the Declaration of Dakar laying out their collective commitment to the expansion and the improvement of the irrigation sector in the Sahel while ensuring that all hydro-agricultural development is based on appropriate sector policies and strategies following a value chain approach and based on the rational and sustainable use of available resources, and recognizing the critical need for the sustained strengthening of capacities at regional, national, and local level for each category of key actors in the sector;

(B) the Recipient, having satisfied itself as to the feasibility and priority of the project ("Project" as described in Schedule I hereto), has requested the Association to assist in the financing of the Project;

(C) by a financing agreement to be entered into between Burkina Faso ("Burkina Faso") and the Association ("Burkina Faso Financing Agreement"), the Association will extend to Burkina Faso a grant in an amount equivalent to four million five hundred thousand Special Drawing Rights (SDR 4,500,000) and a credit in an amount of fifteen million nine hundred thousand Euro (EUR 15,900,000) to assist Burkina Faso in financing part of the cost of activities related to the Project on the terms and conditions set forth in the Burkina Faso Financing Agreement;

(D) by a financing agreement to be entered into between the Republic of Chad ("Chad") and the Association ("Chad Financing Agreement"), the Association will extend to Chad a grant in an amount equivalent to seventeen million seven hundred thousand Special Drawing Rights (SDR 17,700,000) to assist Chad in financing part of the cost of activities related to the Project on the terms and conditions set forth in the Chad Financing Agreement;

(E) by a financing agreement to be entered into between the Republic of Mali ("Mali") and the Association ("Mali Financing Agreement"), the Association will extend to Mali a grant in an amount equivalent to five million nine hundred thousand Special Drawing Rights (SDR 5,900,000) and a credit in an amount of fourteen million two hundred thousand Euro (EUR 14,200,000) to assist Mali in financing part of the cost of
activities related to the Project on the terms and conditions set forth in the Mali Financing Agreement;

(F) by a financing agreement to be entered into between the Islamic Republic of Mauritania ("Mauritania") and the Association ("Mauritania Financing Agreement"), the Association will extend to Mauritania a grant in an amount equivalent to seventeen million seven hundred thousand Special Drawing Rights (SDR 17,700,000) to assist Mauritania in financing part of the cost of activities related to the Project on the terms and conditions set forth in the Mauritania Financing Agreement;

(G) by a financing agreement to be entered into between the Republic of Niger ("Niger") and the Association ("Niger Financing Agreement"), the Association will extend to Niger a grant in an amount equivalent to four million five hundred thousand Special Drawing Rights (SDR 4,500,000) and a credit in an amount of fifteen million nine hundred thousand Euro (EUR 15,900,000) to assist Niger in financing part of the cost of activities related to the Project on the terms and conditions set forth in the Niger Financing Agreement; and

(H) by a financing agreement to be entered into between the Republic of Senegal ("Senegal") and the Association ("Senegal Financing Agreement"), the Association will extend to Senegal a credit in an amount of twenty-one million two hundred thousand Euro (EUR 21,200,000) to assist Senegal in financing part of the cost of activities related to the Project on the terms and conditions set forth in the Senegal Financing Agreement;

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to extend the grant provided for in Article II of this Agreement to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Association and the Recipient hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in Section I of 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 Preamble or in Appendix to this Agreement.

ARTICLE II — GRANT

2.01. The Association agrees to extend to the Recipient, a grant, deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement, in an amount equivalent to fourteen million two hundred thousand
Special Drawing Rights (SDR 14,200,000) ("Grant"), to assist in financing the Project.

2.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV 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 Grant Balance.

2.04. The Payment Dates are March 15 and September 15 in each year.

2.06. The Payment Currency is the Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out Parts A.2, B.2 and C.1 of the Project in accordance with the provisions of Article IV of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Events of Suspension consist of the following:

(a) None of the Participating Country Financing Agreements shall have become effective by June 30, 2018.

(b) The Association has suspended in whole or in part the right of one or more Participating Countries to make withdrawals under the respective Participating Country Financing Agreement.

(c) The CILSS Enabling Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Recipient to perform any of its obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Recipient shall have adopted the Project Implementation Manual in form and substance satisfactory to the Association.

5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
5.03. For purposes of Section 10.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its Executive Secretary.

6.02. For purposes of Section 10.01 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

    E-mail:
    Rbenmessouaoud@worldbank.org

6.03. For purposes of Section 10.01 of the General Conditions, (a) the Recipient’s address is:

    Comité Permanent Inter-États De Lutte Contre La Sècheresse dans le Sahel
    P.O Box 7049
    Boulevard Mouamar Khaddafi, 2754
    Ouaga 2000
    Ouagadougou 03
    Burkina Faso; and

(b) the Recipient’s Electronic Address is:

    Telephone: Facsimile: E-mail:
    (226) 25 49 96 00 (226) 25 37 41 32 cilss@cilss.int
AGREED as of the Signature Date.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:

Authorized Representative

Name: Siaka Bakayoko
Title: Country Manager for Niger
Date: February 5, 2018

PERMANENT INTERSTATE COMMITTEE FOR DROUGHT CONTROL IN THE SAHEL

By:

Authorized Representative

Name: Djimé Adoum
Title: Executive Secretary
Date: February 5, 2018
SCHEDULE 1

Project Description

The objectives of the Project are to improve stakeholders' capacity to develop and manage irrigation and to increase irrigated areas using a regional Solutions approach in the Participating Countries across the Sahel.

The Project consists of the following parts:

Part A: Modernizing the Institutional Framework

1. National Level

Carrying out by the Participating Countries of a program of assessments of land, water resources and local production systems within the Project Intervention Areas and of organizational strengthening of the sector with a view to provide a basis for viable and sustainable irrigation development using the different Types of Irrigation System, and encompassing:

(a) the provision of consultants' services and training required to carry out:
   (i) diagnosis studies on use of prior land tenure and the strengthening of local land management bodies; (ii) surface and groundwater resources assessment and the strengthening of local water resources management bodies in charge of water resources monitoring and water allocation procedures; and (iii) analysis of farmers production systems and identification of market opportunities for a sound agricultural development planning process at local level; and

(b) the provision of goods, consultants' services and the financing of Operating Costs for the national and decentralized government services, irrigation agencies and producers' umbrella organizations required:
   (i) to carry out inventories and monitoring of existing irrigation schemes in the Project Intervention Areas;
   (ii) to supervise the implementation of the local development planning under this Part A.1 of the Project and of the Irrigation Solutions under Part B of the Project; and
   (iii) to train and advise the Beneficiaries on irrigation scheme management and onward irrigated agricultural development.

2. Regional Level

Carrying out by the Recipient of a program of technical assistance and cross-learning activities for local development planning and organizational strengthening under Part A.1 of the Project, through the provision of goods, consultants' services and the financing of Operating Costs necessitated for:
   (i) the preparation of tools and guidelines (technical, contractual, organizational, legal);
(ii) the provision of training of trainers; (iii) the organization of exchange of experience through study tours and the delivery of cross learning events; and (iv) the facilitation of regional thematic working groups on specific topics, including land tenure and integrated water resources management.

Part B: Financing Irrigation Investment Solutions

1. National Level

Carrying out by the Participating Countries of a program aimed to design and implement irrigation Solutions based on emerging best practices identified in the Participating Countries, and encompassing:

(a) Preparation or update of bankable investment proposals, including the carrying out of feasibility studies and assistance to mobilize funding for Type 4 Irrigation Systems and Type 5 Irrigation Systems, through the provision of consultants’ services; and

(b) Design and implementation of irrigation Solutions for: (i) the revitalization and/or modernization of existing schemes and the construction of new schemes for Type 1 Irrigation Systems, Type 2 Irrigation Systems and Type 3 Irrigation Systems; (ii) the rehabilitation of Type 4 Irrigation Systems; and (iii) the construction of multipurpose service and storage buildings and rehabilitation of access roads, all located within the Project Intervention Areas, through the carrying out of studies and construction works and the provision of the associated goods, consultants’ services and training.

2. Regional Level

Carrying out by the Recipient of a program aimed to organize the exchange of experience among the Participating Countries on the various Solutions with the view to strengthen the capacity of stakeholders involved in the implementation of Part B.1 of the Project, and encompassing the delivery of cross learning events through the provision of consultants’ services, training and study tours.

Part C: Knowledge Management and Coordination

1. Regional Level

Carrying out by the Recipient of a program aimed: (i) to collect, produce, and disseminate useful knowledge and allow irrigation stakeholders to communicate with one another around Solutions; and (ii) to allow efficient coordination of the Project’s activities, encompassing the provision of works, goods, non-consulting services, consultants’ services, training and the financing of Operating Costs required for:
the development by the Recipient of an integrated information and knowledge management system including: (i) a cloud-based database to monitor the irrigation sector linked to existing data resources on, *inter alia*, land use, water resources, and climate and agricultural markets; (ii) data collection and dissemination tools using information and communications technology (*inter alia*, smartphone applications and other communication tools); (iii) targeted research activities focused on Solution implementation issues; and (iv) outreach activities for decision-makers, irrigation financiers, stakeholders and the general public with a view to showcasing Project results, mainstreaming and institutionalizing the Solutions, and pooling additional resources for investments in the sector; and

(b) the refurbishing of the Recipient’s office premises, the strengthening of the Recipient’s institutional and fiduciary capacity, and the carrying out by the Recipient of the Project management and coordination functions at the regional level, including for the fiduciary and safeguards aspects, monitoring and evaluation, the carrying out of audits, and the preparation of the Project, mid-term and Completion Reports.

2. **National Level**

Carrying out by the Participating Countries of a program to contribute to the knowledge management program under Part C.1(a) of the Project, encompassing the provision of goods, consultants’ services, training and the financing of Operating Costs required for:

(a) the collection of data and the implementation of research activities in the fields of information and communications technology, economic surveys, ex-post evaluation and other selected topics of national interest in the territory of the Participating Countries; and

(b) strengthening of the technical ministry for the Project management and coordination functions at the national level, including for the fiduciary and safeguards aspects, monitoring and evaluation, the carrying out of audits, and the preparation of the Project, mid-term and Completion Reports.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements and Implementation Modalities

1. Regional Level

(a) The Regional Steering Committee for CILSS Projects and Programs shall be responsible for general oversight of the Project. The RSC shall be presided by the head of ECOWAS’s agriculture, environment and water resources commission (or his/her representative) and shall comprise a composition at all times acceptable to the Association and comprising, inter alia, the head of the WAEMU’s rural development, natural resources and environment department or his/her representative serving as vice-president, the Recipient’s Executive Secretary acting as secretary, a representative of ROPPA, the general director of AGRHYMET, the general director of INSAH, a representative of each of the presiding ECOWAS’ member state and two permanent secretaries of the CONACILSS. The RSC shall meet at least once each Fiscal Year to ensure the coherence of the Project activities with the Recipient’s vision and its programs and projects. To this end, the Recipient shall maintain the RSC throughout Project implementation with a mandate and membership at all times satisfactory to the Association.

(b) The Recipient shall establish, not later than three (3) months after the Effective Date, and thereafter maintain, the Regional Technical Committee within the Recipient’ Secretariat based in Ouagadougou. The RTC shall be chaired by the Recipient’s Executive Secretary or his/her representative and shall be composed of, inter alia, the Regional Project Coordinator, the national project coordinators of each Participating Country, the permanent secretary of the CONACILSS of each Participating Country, representatives of ROPPA, and donors, and shall meet at least twice each Fiscal Year to undertake, inter alia: (i) the review and approval of the draft AWP&B; (ii) the assessment of Project progress against the current AWP&B and the approval of the semi-annual Project Reports; and (iii) the validation of any modification or update to the PIM. To this end, the Recipient shall maintain the RTC throughout Project implementation at all times supported by qualified and experience staff in adequate numbers and under terms of reference satisfactory to the Association.
(c) The Recipient shall maintain, throughout Project implementation, the Regional Project Coordination Unit within its Executive Secretariat based in Ouagadougou and attached to the operations of the Regional Support Program for Water Management. The RPCU shall be headed by the Regional Project Coordinator and shall comprise the team of the permanent staff and contractual experts of the Regional Support Program for Water Management, all retained under terms of reference and with qualifications and experience satisfactory to the Association. Furthermore, the RPCU shall rely on the capabilities of the RTC to monitor the Project and for advisory services, and shall delegate to the Recipient’s technical centers specific tasks as it deemed appropriate and conducive to the efficient carrying out of the Project. In addition, the Recipient shall, not later than three (3) months after the Effective Date, appoint an internal auditor and an accountant in a manner and with experience and qualifications satisfactory to the Association. The RPCU shall be responsible for: (i) day-to-day coordination of the Project and all aspects of management, procurement, environmental and social safeguards, monitoring, evaluation and reporting; and (ii) the consolidation of the AWP&B's and reports from all contracted parties at the local level with a view to submit consolidated documents to the RSC.

2. In-Country Level

The Recipient shall retain, pursuant to the provisions of Section III of this Schedule, the services of strategic partners to provide technical assistance to the Participating Countries, in particular as required to train and support local entities in charge of carrying out Parts A.1 and B.1 of the Project.

B. Safeguards

The Recipient shall take all action necessary on its behalf: (i) to ensure that environmental and social concerns identified in the ESMF, RPF and PMP are appropriately addressed in the regional and in-country specific technical assistance activities provided to the Participating Countries under the Project; (ii) to ensure that the relevant mitigation and monitoring provisions of the ESMF, RPF and PMP, as the case may be, are appropriately included in the works, goods, services and training contracts to be concluded under Parts A.2, B.2 and C.1 of the Project and that they are implemented in the carrying out of said Parts A.2, B.2 and C.1; and (iii) to cooperate with, and support, the Participating Countries, in the carrying out of the in-country specific activities in compliance with their ESMF, RPF and PMP and in maintaining the Recipient and the Association suitably informed of the progress in the implementation of the ESMF, RPF and PMP, as the case may be, through the information to be prepared and furnished to the Recipient pursuant to the provisions of Section II.A of this Schedule.
C. Training

For the purposes of the training to be provided under Parts A.2, B.2 and C.1 of the Project and to be delivered through courses, study tours, workshops and conferences, the Recipient shall:

(a) furnish to the Association for its approval, not later than November 30 of each calendar year, a training program including an explanation of how such training is consistent and conducive to the objectives of the Project and whether it offers the best price/quality ratio, as well as the schedule for its implementation;

(b) select the trainees in accordance with a transparent process and criteria satisfactory to the Association; and

(c) furnish to the Association a report of such scope and detail as the Association shall reasonably request, on the results of each training and the benefits to be derived therefrom.

D. Project Implementation Manual

The Recipient shall: (i) take all action required to carry out Parts A.2, B.2 and C.1 of the Project in accordance with the provisions and requirements set forth or referred to in the Project Implementation Manual; (ii) submit recommendations to the Association for its consideration for changes and updates of the Project Implementation Manual as they may become necessary or advisable during Project implementation in order to achieve the objectives of out Parts A.2, B.2 and C.1 of the Project; and (iii) not assign, amend, abrogate or waive the Project Implementation Manual or any of its provisions without the Association’s prior agreement. Notwithstanding the foregoing, if any of the provisions of the Project Implementation Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail and govern.

E. Annual Work Plans and Budgets

1. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association not later than November 30 in each calendar year, for the Association’s consideration, an AWP&B setting forth the activities to be included under Parts A.2, B.2 and C.1 of the Project for the following calendar year, such AWP&B to include an implementation schedule and budget and financing plan therefor.
2. The Recipient shall afford the Association a reasonable opportunity to review and exchange views with the Recipient on such proposed AWP&B and, thereafter, shall implement the AWP&B with due diligence and efficiency as shall have been approved by the Association.

F. Financial Management Undertakings

1. The Recipient shall prepare and furnish to the Association not later than six (6) months after the end of each Fiscal Year, annual entity audited accounts of CILSS covering the period of one Fiscal Year, and prepared by an auditor acceptable to the Association.

2. The Recipient shall ensure that the RPCU: (i) not later than three (3) months after the Effective Date, install a computerized system acceptable to the Association to support the accounting under the Project and train its staff to effectively use said system; and (ii) not later than six (6) months after the Effective Date, recruit an external auditor, under terms of reference and with qualifications and experience satisfactory to the Association, to oversee the accounting functions of the RPCU.

3. Upon the Association’s request, the Recipient shall promptly arrange for an in-depth review on risky Project expenditures to be carried out by a consultant (other than the external auditor) satisfactory to the Association.

4. The Recipient shall, not later than three (3) months after the Effective Date:

   (a) prepare and furnish to the Association its institutional financial statement covering the Fiscal Years 2010-2016 audited by an external auditor acceptable to the Association;

   (b) submit evidence, satisfactory to the Association, that the Recipient has taken all action required: (i) to reconcile its fixed asset register to its general ledger; and (ii) to review the accounts receivable and accounts payable balances such that they are accurate and complete;

   (c) finalize the carrying out of a risk mapping exercise, satisfactory to the Association, which shall in the future facilitate risk based internal auditing;

   (d) approve, through its Council of Ministers, and thereafter promptly adopt for its operations, an updated internal audit charter and internal audit manual consistent with applicable international standards, both satisfactory to the Association;

   (e) approve, through its Council of Ministers, an audit committee charter, and thereafter promptly set up a functional audit committee that ensures audit issues are addressed by the Recipient’s management and that the Recipient maintains records of its meetings documented in minutes;
(f) adopt an institutional risk management policy and anti-fraud policy and procedures aimed to improve governance arrangements, both satisfactory to the Association, and promptly thereafter establish suitable associated monitoring mechanisms therefor; and

(g) strengthen its Internal Audit and Finance and Accounting Departments in a manner acceptable to the Association.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall furnish to the Association each Project Report for Parts A.2, B.2 and C.1 of the Project not later than one (1) month after the end of each calendar semester, covering the calendar semester.

B. Mid-Term Review

The Recipient, shall:

(a) maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with the Monitoring and Evaluation Indicators, the carrying out of Parts A.2, B.2 and C.1 of the Project and the achievement of the objectives thereof;

(b) prepare, under terms of reference satisfactory to the Association, and furnish to the Association, on or about September 30, 2020, a report integrating the results of the monitoring and evaluation activities and setting out the measures recommended to ensure the efficient carrying out of Parts A.2, B.2 and C.1 of Project and the achievement of the objectives thereof during the period following such date; and

(c) review with the Association, on or about December 31, 2020, or such later date as the Association shall request, the report referred to in the preceding paragraph (b), and, thereafter, take all measures required to ensure the efficient completion of Parts A.2, B.2 and C.1 of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Association’s views on the matter.
Section III. Procurement

A. General

1. Goods, Works, and Non-Consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. Consultants' Services. All consultants' services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-Consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Works and Non-Consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (i) Limited International Bidding; (ii) National Competitive Bidding, subject to the additional provisions and modifications set forth below in the following paragraph 3 of this Section III.B; (iii) Procurement from United Nations Agencies; (iv) Shopping; (v) Direct Contracting; and (vi) Community Participation procedures which have been found acceptable to the Association.

3. The following provisions shall apply to the procurement of goods, works and non-consulting services under National Competitive Bidding procedures, which shall comprise collectively the domestic procurement legislation of all and each of the Recipient's country members.
(a) **Advertising.** The General Procurement Notice shall be advertised in the United Nations Development Business ("UNDB") online and on the Association’s external website. Specific procurement Notices for all works and goods to be procured under International Competitive Bidding and Expressions of Interest for all consulting services to cost the equivalent of US$300,000 and above shall also be published in the UNDB as well as in the national press of each of the Recipient’s country members. The Procurement Plan and its subsequent updates shall be published on the Association’s external website and in at least one national widely circulated newspapers or on a widely-used website or electronic portal of each of the Recipient’s country members, with free national and international access.

(b) **Standard Bidding Documents.** All Standard Bidding Documents to be used for the Project shall be found acceptable to the Association before their use during the implementation of the Project.

(c) **Eligibility.** Foreign bidders shall not be subject to any unjustified requirement, which would affect their ability to participate in the bidding process. The Participating Countries’ government-owned enterprises or institutions shall be eligible to participate in the bidding process only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not dependent agencies of the Participating Countries.

(d) **Preferences.** No preference shall be given to domestic and/or the Recipient’s member countries’ bidders; to domestically or manufactured goods in the area of the Recipient’s member countries; and to bidders forming a joint venture with a national firm or proposing national subcontractors or carrying out economic activities in the territory of any of the Recipient’s country members.

(e) **Publication of contracts award and Debriefing.** The publication of contract award information is required for all contracts financed from the proceeds of the Grant in accordance with the Procurement Guidelines' provisions.

(f) **Fraud and corruption.** In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the Association’s policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the paragraph 1.16(a) of the Procurement Guidelines.
(g) **Right to inspect and audit.** In accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed from the proceeds of the Grant shall provide that: (i) the bidders, suppliers, and contractor and their subcontractors, agents personnel, consultants, service providers or suppliers, shall permit the Association, at its request, to inspect their accounts, records and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

(h) **Suspension and debarment.** The cases of suspension/debarment under the national system shall result from fraud and corruption as set forth in paragraph 1.16(a) of the Procurement Guidelines and approved by the Association, provided that the particular suspension/debarment procedure afforded due process and that the suspension/debarment decision is final.

C. **Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan: (i) Quality-based Selection; (ii) Selection under a Fixed Budget; (iii) Least Cost Selection; (iv) Selection based on Consultants’ Qualifications; (v) Single-source Selection of consulting firms; (vi) Selection from United Nations Agencies; (vii) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (viii) Single-source procedures for the Selection of Individual Consultants.

D. **Review by the Association of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Association’s Prior Review. All other contracts shall be subject to Post Review by the Association.

Section IV. **Withdrawal of the Proceeds of the Grant**

1. 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 Grant to: (i) finance Eligible
Expenses; and (ii) repay each Preparation Advance in the amount allocated and, if applicable, up to the percentage set forth against each category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works, goods, non-consulting services, consultants’ services, Training and Operating Costs under Parts A.2, B.2 and C.1 of the Project</td>
<td>12,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Refund of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Preparation Advance No. V0160</td>
<td>800,000</td>
<td>Amount payable pursuant to Section 2.07(a) of the General Conditions</td>
</tr>
<tr>
<td>(ii) Preparation Advance No. V1300</td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>14,200,000</td>
<td></td>
</tr>
</tbody>
</table>

2. For the purposes of the table set forth in paragraph 1 above, the term “Training” means the expenditures incurred by the Recipient to finance the cost of: (i) delivering training courses to selected individuals for the purpose of developing their skills in implementing Solutions; (ii) technical assistance to be provided for other activities which contribute to the enhancement of the overall performance of the irrigation sector; and (iii) pedagogical materials and travel-related arrangements for both the trainers and trainees (including the costs for transportation, the visa request, accommodations, *per diem* and insurance), and which Training is hereby deemed an Eligible Expenditure for purposes of Section 2.05 of the General Conditions.

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

4. The Closing Date is March 31, 2024.
APPENDIX

Section I. Definitions

1. "AGRHYMET" means the Centre régional d'agriculture, de hydrologie et de météorologie, or the CILSS Regional Center for Agriculture, Hydrology and Meteorology.

2. "Annual Work Plans and Budgets" or "AWP&BS" means, each, collectively the annual work plans and budgets for the Project approved by the Association in accordance with the provisions of paragraph 2 of Section I.E of Schedule 2 to this Agreement, and "Annual Work Plan and Budget" or "AWP&B" means any of the Annual Work Plans and Budgets.


4. "Beneficiary" means a woman or man farmer, a commune, a farmers' group, a cooperative, an association or another entity selected in accordance with the provisions of the Project Implementation Manual (as hereinafter defined) for the purposes of preparing and carrying out a Subproject (as hereinafter defined); and the term "Beneficiaries" means more than one Beneficiary, collectively and indistinctively.

5. "Category" means a category of items set forth in the table in Section IV of Schedule 2 to this Agreement.

6. "CILSS Enabling Legislation" means the Convention portant création du Comité Permanent Inter-Etats de lutte contre la sécheresse dans le Sahel, dated September 12, 1973, and revised on April 22, 1994, pursuant to which the Recipient has been established and is operating, as amended to the date of this Agreement.

7. "CONACILSS" means any and each of the Recipient’s Comité national established in each of the Recipient’s member states.


9. "Dam Safety Plan" or "DSP" means, each, a safety plan for an existing dam on which one or more Subprojects (as hereinafter defined) rely upon, to be prepared by a Participating Country (as hereinafter defined) pursuant the provisions of the ESMF (as hereinafter defined) and the relevant provisions of the respective Participating Country Financing Agreement (as hereinafter defined), and which
includes, as applicable: (i) a plan for construction supervision and quality assurance encompassing the organization, staffing levels, procedures, equipment, and qualifications for supervision of the remedial work on the existing dam or a set of generic dam safety measures designed by qualified engineers to address potential adverse impacts; (ii) an operation and maintenance plan covering: (A) the organizational structure, staffing, technical expertise, and training required; (B) the equipment and facilities needed to operate and maintain the dam; (C) the operation and maintenance procedures and the funding arrangements therefor (including long-term maintenance and safety inspections); and (iii) an emergency preparedness plan, as necessary, specifying the roles of responsible parties when dam failure is considered imminent, or when expected operational flow release threatens downstream life, property, or economic operations that depend on river flow levels.

10. “Displaced Person” means a person who as a result of: (i) the involuntary taking of land under the Project is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood.


12. “Environmental and Social Impact Assessment” or “ESIA” means, each, a site-specific report to be prepared by a Participating Country (as hereinafter defined) in accordance with the parameters laid down in the ESMF (as hereinafter defined) and acceptable to the Association, identifying and assessing the potential environmental and social impacts of the activities to be undertaken under the Project, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures.

13. “Environmental and Social Management Framework” or “ESMF” means, each, the environmental and social management framework adopted and disclosed by a Participating Country (as hereinafter defined), which: (i) sets forth the standards, methods and procedures specifying how activities under the Project whose location, number and scale are presently unknown shall systematically address environmental and social issues in the screening and categorization, siting, design, implementation and monitoring phases during Project implementation; (ii) systematizes the environmental and social impact assessments, be they limited impact assessments or full impact assessments, required for such activities before Project execution; and (iii) stipulates the procedures to be used for the preparation and approval of: (A) a site-specific Environmental and Social Impact Assessment and a site-specific Environmental and Social Management Plan (as hereinafter defined) for any site where there exists environmental and social issues of a type
and scale sufficient to trigger safeguard concerns; and (B) a Dam Safety Plan to address the safety of a dam on which a Subproject (as hereinafter defined) may rely upon.

14. “Environmental and Social Management Plan” or “ESMP” means, each, a site-specific environmental and social management plan to be prepared by a Participating Country (as hereinafter defined) in accordance with the parameters laid down in the ESMF and acceptable to the Association, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the activities under the Project to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.

15. “Fiscal Year” means the twelve (12) month period corresponding to any of the Recipient's fiscal years, which period commences on January 1 and ends on December 31 in each calendar year.


17. “INSAH” means the Institut du Sahel, the public inter-state institution established in Bamako, Mali, on September 11, 1976.

18. “Monitoring and Evaluation Indicators” means the agreed monitoring and evaluation indicators set forth in the Project Implementation Manual (as hereinafter defined) to be utilized by the Recipient to measure the progress in the implementation of Parts A.2, B.2 and C.1 of the Project and the degree to which the objectives thereof are being achieved.

19. “Operating Costs” means incremental recurrent expenditures incurred by the Recipient on account of implementation of Parts A.2 and C.1 of the Project, and which consist of the costs of dissemination of Project related information, travel, lodging and per diem for field trips, vehicle rent, supplies and utilities, salaries of contractual staff, mail, advertisement, translation, commercial bank charges, insurance, communication, office equipment and maintenance, hardware and software, and rent of premises, and which Operating Costs are hereby deemed an Eligible Expenditure for purposes of Section 2.05 of the General Conditions.

20. “Operator” means an individual, non-governmental organization, governmental entity or structure, firm or legal entity selected in accordance with the provisions of the project implementation manual of a Participating Country (as hereinafter defined) to assist a Beneficiary in the preparation and carrying out of a Subproject (as hereinafter defined).
21. “Participating Countries” means, collectively and indistinctively, the Participating Countries, being Burkina Faso, Chad, Mali, Mauritania, Niger and Senegal, and “Participating Country” means individually each and any of the Participating Countries.

22. “Participating Country Financing Agreement” means the Burkina Faso Financing Agreement, the Chad Financing Agreement, the Mali Financing Agreement, the Mauritania Financing Agreement, the Niger Financing Agreement or the Senegal Financing Agreement; and “Participating Country Financing Agreements” means, collectively and indistinctively, all or any one Participating Country Financing Agreement.

23. “Permanent Interstate Committee for Drought Control in the Sahel” or “CILSS”, means, each, the Comité Permanent Inter-États de Lutte Contre la Sécheresse dans le Sahel, an intergovernmental organization consisting of countries in the Sahel region and whose mandate is to invest in research for food security and the fight against the effects of drought and desertification for a new ecological balance in the Sahel.

24. “Pest and Management Plan” or “PMP” means, each, the pest management plan adopted and disclosed by a Participating Country and setting forth the mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the activities under the Project to promote and support safe, effective, and environmentally sound pest management aimed at controlling primarily the use of pesticides for agriculture purposes.

25. “Preparation Advance” means, collectively and individually: (i) the advance No. V0160 granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on March 28, 2016, and on behalf of the Recipient on March 30, 2016; and (ii) the advance No. V1300 granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on September 28, 2017, and on behalf of the Recipient on September 29, 2017, as each advance is referred to in Section 2.07(a) of the General Conditions.


27. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 14, 2017, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
28. "Project Implementation Manual" or "PIM" means, each, the manual to be adopted by the Recipient for the purposes of defining the detailed implementation arrangements for the Project, and including: (i) the operational manual describing the Project activities and implementation arrangements; (ii) the procurement manual; (iii) the financial management manual; and (iv) the monitoring and evaluation manual, as the same may be amended from time to time with the agreement of the Association.

29. "Project Intervention Area" means a geographic area where a Subproject (as hereinafter defined) may be carried out, and which area: (i) has been identified and included as such in the Annual Work Plan and Budget; and (ii) has been pre-selected by a Participating Country for carrying out Project activities on the basis, inter alia, of its development potential, and approved by the Association for inclusion under the Project.

30. "Regional Project Coordination Unit" or "RPCU" means, each, the unit vested with the responsibility for Project implementation pursuant to the provisions of paragraph (c) of Section I.A.1 of Schedule 2 to this Agreement.

31. "Regional Project Coordinator" means the coordinator appointed by the Recipient to head the RPCU.

32. "Regional Steering Committee for CILSS Projects and Programs" and "RSC" means, each, the Comité Régional de Pilotage des Programmes et Projets du CILSS, the committee established and operating pursuant to the Recipient’s Decision dated December 9, 2013, as amended March 11, 2016, and which oversees the implementation of the Recipient’s projects and programs.

33. "Regional Support Program for Water Management" means the working group within the Recipient vested with the core responsibility for coordination of resource mobilization, regional programming and monitoring and evaluation services, regional capacity development and technical assistance, regional data generation, and knowledge management, and communication.

34. "Regional Technical Committee" or "RTC" means, each, the advisory body to be established by the Recipient pursuant to the provisions of paragraph (b) of Section I.A.1 of Schedule 2 to this Agreement.

35. "Resettlement" means: (i) the involuntary (i.e., an action that may be taken without a person’s informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the
livelihoods of the affected persons, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.

36. "Resettlement Action Plan" or "RAP" means a site-specific resettlement and rehabilitation action plan to be prepared by in accordance with the parameters laid down in the RPF (as hereinafter defined), acceptable to the Association, and to be developed by a Participating Country for the Displaced Persons located permanently or temporarily in a Project Intervention Area which involves Resettlement, and covering the following: (i) a baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of Resettlement sites and programs for improvement or restoration of livelihoods and standards of living; an implementation schedule for Resettlement activities; and detailed cost estimate; (ii) measures designed to ensure that the Displaced Persons: (A) are informed about their options and rights pertaining to Resettlement, consulted on, offered choices among, and provided with technically and economically feasible Resettlement alternatives; and (B) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (iii) if the impacts include physical relocation, that the displaced persons are: (A) provided assistance (such as moving allowances) during relocation; (B) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; and (C) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; (iv) affordable and accessible grievance procedures, taking into account the availability of judicial recourse and community and traditional dispute settlement mechanisms; and (v) provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training, or job opportunities.

37. "Resettlement Policy Framework" or "RPF" means the resettlement policy framework adopted by each of a Participating Country setting forth, inter alia, a description of the Project and components for which land acquisition and Resettlement are required, the principles and objectives governing Resettlement preparation and implementation, and a description of the process for preparing and approving a site-specific Resettlement Action Plan.

38. "ROPPA" means the Réseau des Organisations Paysannes et de Producteurs de l'Afrique de l'Ouest, or the Network of Farmers' Organizations and Producers of West Africa.
39. "Sahel" means the eco climatic and biogeographic zone of transition in Africa between the Sahara to the north and the Sudanian Savanna to the south.

40. "Signature Date" means the latest of the two dates on which the Recipient and the Association signed this Agreement and such definition applied to all references to "the date of the Financing Agreement" in the General Conditions.

41. "Solution" means a process which combines: (i) institutional models and organizational arrangements for the development and management of the irrigation system; (ii) financing mechanisms for the development and management of the irrigation system using an appropriate mix of public expenditure, equity, fees, in-kind contributions, smart subsidies, credit and guarantees; (iii) sound selection and design of adapted technologies and related infrastructures, with appropriate quality control mechanisms, and (iv) skilled and empowered stakeholders able to implement the various components of the process in a coordinated manner.

42. "Subproject" means a specific development project, selected in accordance with the provisions of the respective Participating Country Financing Agreement, which is proposed to be carried out by a Beneficiary under Part B.1 of the Project.

43. "Subproject Financing Agreement" means an agreement to be concluded between a Participating Country and a Beneficiary: (i) pursuant to which a Participating Country shall make a portion of the proceeds of the grant or credit it receives from the Association available to a Beneficiary for the purpose of carrying out a Subproject; and (ii) stipulating the management and performance obligation of the Beneficiary for irrigated agriculture and its contribution to the investment.

44. "Type of Irrigation System" means a typology of irrigation schemes which reflects one of the five main business lines that structure the irrigation sector in the Sahel region.

45. "Type 1 Irrigation System" means the Type of Irrigation System which comprises rainwater harvesting in lowland areas, including inner valleys (bas-fonds) and flood recession plains, based on partial water control using the following infrastructure: (i) small embankments; (ii) gated structures; and (iii) access structures.

46. "Type 2 Irrigation System" means the Type of Irrigation System which comprises small-scale private irrigation systems for individuals or small groups of producers using pumping equipment and water distribution by various types of canals or pipes.

47. "Type 3 Irrigation System" means the Type of Irrigation System which comprises small-scale community based irrigation for villages or large groups of producers
organized in users’ organization using pumping equipment and water distribution by various types of canals or pipes as well as access roads and related structures.

48. “Type 4 Irrigation System” means the Type of Irrigation System which comprises large-scale public irrigation schemes managed by public authorities, usually supplied from large rivers regulated by dams, involving a combination of pump stations, gated structures, large canal and drainage systems, service roads and a complex governance structure using users’ organizations.

49. “Type 5 Irrigation System” means the Type of Irrigation System which comprises medium to large scale irrigation schemes involving a partnership between the government, a private party and the communities surrounding the scheme for the development and management of the irrigation system, and including the same technical features as those of the Type 4 Irrigation System.

50. “WAEMU” means the Union Economique et Monétaire Ouest Africaine, or the West African Economic and Monetary Union.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 2.06 is modified to read as follows:

“Section 2.06. Financing Taxes

The use of any proceeds of the Grant to pay for Taxes levied by, or in the territory of, the Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply, if permitted by the Legal Agreements, is subject to the Association’s policy of requiring economy and efficiency in the use of the proceeds of its credits and grants. To that end, if the Association at any time determines that the amount of any such Tax is excessive, or that such Tax is discriminatory or otherwise unreasonable, the Association may, by notice to the Recipient, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Grant.”

2. Paragraphs (b) and (c) of Section 3.18 are modified to read as follows:

“(b) All Financing Payments shall be paid without restrictions of any kind imposed by, or in the territory of, the Member Country, and without deduction for, and free from, any Taxes levied by, or in the territory of, the Member Country.

(c) The Legal Agreements shall be free from any Taxes levied by, or in the territory of the Member Country, or in connection with their execution, delivery or registration.”
3. In Section 5.11, paragraph (a) is modified to read as follows:

"Section 5.11. Visits

(a) The Recipient shall take all action necessary or useful to ensure that the Member Country affords all reasonable opportunity for representatives of the Association to visit any part of their territories for purposes related to the Grant or the Project."

4. Section 5.13 (Procurement) is deleted in its entirety and the remaining section in Article V is renumbered accordingly.

5. Section 6.01 is deleted in its entirety and the remaining section in Article VI is renumbered accordingly.

6. Section 8.02 is modified as follows:

(a) Paragraph (j) on Membership is modified to read as follows:

(j) Membership. The Member Country or any member of the Recipient: (i) has been suspended from membership in or ceased to be a member of the Association; or (ii) has ceased to be a member of the International Monetary Fund.”

(b) Paragraph (m) is renumbered as paragraph (n), and a new paragraph (m) is added to read as follows:

“(m) Interference. The Member Country: (i) has taken or permitted to be taken any action which would prevent or interfere with the execution of the Project or the performance by the Recipient of its obligations under the Financing Agreement; or (ii) has failed to afford a reasonable opportunity for representatives of the Association to visit any part of its territory for purposes relating to Grant or the Project.”

7. The Appendix (Definitions) is modified as follows:

(a) Paragraph 79 (Member Country) is modified to read as follows:

“79. “Member Country” means the member of the Association in whose territory the Project is carried out or any such member’s political or administrative subdivisions. If such activity is carried out in the territory of more than one such member, “Member Country” refers separately to each such member.”
(b) Paragraphs 86 (Procurement Plan) and 87 (Procurement Regulations) are deleted in their entirety and the subsequent paragraphs are renumbered accordingly.

(c) Renumbered paragraph 92 (Recipient) is modified to read as follows:

"92. "Recipient" means the party to the Financing Agreement to which the Grant is extended."