Least Developed Country Fund (LDCF) Grant Agreement

(Disaster Risk Management and Urban Development Project)

between

REPUBLIC OF NIGER

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
(acting as the Implementing Agency of the Least Developed Country Fund)

Dated December 16, 2013
LEAST DEVELOPED COUNTRY FUND
GRANT AGREEMENT

AGREEMENT dated December 16, 2013, entered into between the REPUBLIC OF NIGER ("Recipient"); and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Least Developed Country Fund ("LDCF").

TheRecipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The Standard Conditions (as defined in the Appendix to this Agreement) constitute an integral 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 Standard Conditions or in this Agreement.

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule I to this Agreement ("Project"). To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

Article III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to six million six hundred and forty nine thousand three hundred and fifteen United States Dollars ($6,649,315) ("Grant") to assist in financing Part 1.2(a)(ii) and Part 1.3(e) of the Project described in Schedule 1 to this Agreement ("Project").
3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Effectiveness; Termination

4.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the following condition has been satisfied:

(a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

(b) The Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals thereunder (other than the effectiveness of this Agreement) have been fulfilled.

4.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 of this Agreement (‘Effective Date’). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

4.03. Termination for Failure to Become Effective. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.
Article V
Recipient's Representative; Addresses

5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Recipient's Minister responsible for planning.

5.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

Ministère du Plan, de l'Aménagement du Territoire et du Développement Communautaire
B.P. 862
Niamey
Republic of Niger

Telephone:
+227 20 73 69 87 (General Secretariat)
+227 20 72 36 17 (Cabinet Minister)

5.03. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: INTBAFRAD
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
AGREED at Niamey, Republic of Niger, as of the day and year first above written.

REPUBLIC OF NIGER

By

Authorized Representative

Name: H.E. Amadou Boubacar Cisse
Title: Minister of State, Minister of Planning, Territorial Improvement and Community Development

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
(acting as an Implementing Agency of the Least Developed Country Fund)

By

Authorized Representative

Name: Ousmane Diagana
Title: Country Director for Niger
SCHEDULE 1

Project Description

The objective of the Project is to improve the Recipient’s resilience to natural hazards through (i) selected disaster risk management interventions in targeted project sites and (ii) strengthening of the Recipient’s capacity to respond promptly and effectively to an eligible crisis or emergency.

The Project consists of the following parts:

**Part 1: Flood Risk Management Investments**

1.1 Drainage, irrigation and socio-economic priority infrastructure, including:

   (a) Construction and/or rehabilitation of drainage canals and collectors, development of waste management systems; (b) rehabilitation of drinking water supplies and social infrastructures; and (c) rehabilitation of irrigated perimeters.

1.2 Flood protection infrastructure, including: (a) improvement of river bank protection through (i) mechanical and (ii) biological processes; (b) stabilization of sandy intermittent streams (“koris”); and (c) rehabilitation and upgrading of dikes.

1.3 Rehabilitation of watersheds, including: (a) development of sustainable land and water management practices; (b) rehabilitation and development of pond control structures; (c) sand dune fixation; (d) reshaping or re-profiling of drainage canals; and (e) land restoration measures.

**Part 2: Capacity Building for Urban Development and Disaster Risk Management**

2.1 Support to elected officials, municipal services and civil society, including: (a) strengthening of local government’s fiduciary and technical capacity, collaboration frameworks (inter-government management), information management systems and capacity; and (b) development of regional and municipal development, sanitation and land use master plans.

2.2 Development of national capacities with a crosscutting approach focusing on institutional collaboration and integration of Project activities into the Recipient’s relevant institutions through, inter alia: (a) the development of a national sanitation policy on storm water, wastewater, basic sanitation, and solid waste; (b) capacity strengthening for planning in urban and rural areas; and (c) provision of equipment and training to monitor river water levels and flows and maintain irrigated perimeters.
2.3 Strengthen disaster risk management capacities at the national and local levels, through, *inter alia*, risk evaluation, risk reduction, emergency preparedness and response, through activities such as the development of risk atlas (hazard exposure, vulnerability and loss probability information), development of real-time multi-hazard information systems for proper monitoring of risk and available resources, provision of equipment and training for emergency response, preparation of standard operating procedures for early warning and response, and preparation of guidelines for safe construction practices, and mainstreaming of disaster risk reduction and climate adaptation into the development process.

*Part 3: Project Management*

Project coordination, management and monitoring, preparation of financial audits and periodic evaluations, and provision of goods, Training, Operating Costs and consultants’ services required therefor.

*Part 4: Capacity to Respond Promptly and Efficiently to an Eligible Crisis or Emergency*

Providing immediate response to an Eligible Crisis or Emergency, as needed, including mitigation, recovery and reconstruction.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

Incorporation of the Provisions of Section 1 of Schedule 2 to the Financing Agreement

The provisions of Sections 1 of Schedule 2 to the Financing Agreement (including defined terms therein, unless otherwise defined herein) shall apply to this Agreement, mutatis mutandis.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one (1) calendar quarter, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date. In order to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants whose qualifications, experience and terms of reference are acceptable to the World Bank.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. Without limitation on the provisions of Part A of this Section, the Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was
made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

4. In order to ensure the timely carrying out of the audits referred to in Section II.B.2, the Recipient shall, no later than three (3) months after the Effective Date, recruit an internal auditor in accordance with the provisions of Section III of this Schedule 2.

5. In order to ensure the timely carrying out of the audits referred to in Section II.B.3, the Recipient shall recruit, no later than four (4) months after the Effective Date, an external auditor in accordance with the provisions of Section III of this Schedule 2.

6. In furtherance of the provisions of this Section II.B of Schedule 2 to this Agreement, no later than two (2) months after the Effective Date, the Recipient shall establish, within the PCU, a computerized financial and accounting system satisfactory to the World Bank, and successfully train relevant staff in the use thereof.

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 World Bank 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:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Limited International Bidding</td>
</tr>
<tr>
<td>(b) National Competitive Bidding, subject to the additional procedures set forth in paragraph 3 below</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Shopping</td>
</tr>
<tr>
<td>(e) Community Participation in Procurement procedures which have been found acceptable to the World Bank and are outlined in the Project Implementation Manual</td>
</tr>
</tbody>
</table>

3. Requirements for National Competitive Bidding. The procedures to be followed for National Competitive Bidding shall be those set forth in the Recipient's Procurement Code of December 29, 2011, as revised from time to time in a manner deemed acceptable to the World Bank, subject, however, to the modifications described in the following paragraphs required for compliance with the Procurement Guidelines:

(a) eligible bidders, including foreign bidders, shall not be precluded from participating;

(b) standard bidding documents acceptable to the World Bank shall be used for any procurement process under NCB;

(c) invitation to bids shall be advertised in a national newspaper of wide circulation;
bidders shall be given at least thirty (30) days from the date of the
date of availability of bidding documents, whichever is later, to prepare and submit bids;

no domestic or regional preference shall be given for domestic or
whether is later, to prepare and submit bids;

regional bidders or for domestically or regionally manufactured goods or
for bidders forming a joint venture with a national firm or for bidders
proposing national sub-contractors or for bidders carrying out economic
activities in the territory of the Recipient;

qualification criteria shall only concern a bidder's overall capability and
financial capacity to perform the contract, taking into account objective
and measurable factors. All qualification criteria shall be clearly
specified in the bidding documents;

a contract shall be awarded to the substantially responsive and lowest
evaluated bidder provided that such bidder meets the qualification
criteria specified in the bidding documents. No scoring system shall be
allowed for the evaluation of bids, and no "blanket" limitation to the
number of lots which can be awarded to a bidder shall apply. The criteria
for bid evaluation and the contract award conditions shall be clearly
specified in the bidding documents;

information on all contract awards shall be published in at least a
national newspaper of wide circulation;

each bidding document and contract financed from the proceeds of the
Financing shall include provisions on matters pertaining to fraud and
corruption as defined in paragraph 1.16(a) of the Procurement
Guidelines. The World Bank may sanction a firm or individual, at any
time, in accordance with prevailing World Bank sanctions procedures,
including by publicly declaring such firm or individual ineligible, either
indefinitely or for a stated period of time: (i) to be awarded an World
Bank-financed contract; and (ii) to be a nominated sub-contractor,
consultant, supplier or service provider of an otherwise eligible firm
being awarded an World Bank-financed contract;

in accordance with paragraph 1.16(e) of the Procurement Guidelines,
each bidding document and contract financed from the proceeds of the
Financing shall provide that: (i) the bidders, suppliers, and contractors
and their subcontractors, agents, personnel, consultants, service providers
or suppliers, shall permit the World Bank, 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 World Bank; 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; and

(k) fees charged for bidding documents shall be reasonable and reflect only the cost of printing and delivery to the prospective bidders.

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:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(b) Least Cost Selection</td>
</tr>
<tr>
<td>(c) Selection based on Consultants’ Qualifications</td>
</tr>
<tr>
<td>(d) Single Source Selection</td>
</tr>
<tr>
<td>(e) Selection of Individual Consultants set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines</td>
</tr>
<tr>
<td>(f) Individual Consultants</td>
</tr>
</tbody>
</table>

D. Review by the World Bank of Procurement Decisions

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

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (i) Article III of the Standard Conditions; (ii) this Section; and (iii) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made
applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, works, non-consulting services, and consultants’ services under Parts 1.2(a)(ii) and 1.3(e) of the Project</td>
<td>6,649,315</td>
<td>100%</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT 6,649,315

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is June 30, 2020.
APPENDIX

Definitions

1. “Affected 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; and “Affected Person” means any of the Affected Persons.

2. “Annual Work Plan and Budget” means the annual work plan and budget as prepared by the Recipient for and approved by the World Bank in accordance with the provisions of Section I.D of Schedule 2 to the Financing Agreement.


4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


6. “Environmental and Social Management Framework” and “ESMF” mean the framework disclosed in the Recipient’s territory on October 14, 2013, and at the World Bank’s Infoshop on October 15, 2013, in form and substance satisfactory to the World Bank, outlining environmental and social implementation procedures, mitigation measures and monitoring procedures for the Project, as said framework may be amended from time to time with the World Bank’s prior written approval.

7. “Environmental and Social Management Plan” and “ESMP” mean a plan, approved by the World Bank for the Project, to be prepared by the Recipient, if required by the ESMF, proposing appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental and resettlement impacts, offset them, reduce them to acceptable levels or enhance positive impacts, as the same may be amended from time to time with the agreement of the World Bank.

8. “Financing Agreement” means the financing agreement to be entered between the Recipient and the International Development Association for the financing of
a percentage of the Project, of even date herewith, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the Financing Agreement.


10. "IDA Co-financing" means an amount of approximately US$100,000,000 equivalent (SDR 65,100,000) to be provided by the International Development Association to assist in financing of the Project in accordance with the Financing Agreement.

11. "Least Developed Country Fund" means the trust fund established in 2001 under the United Nations Framework Convention on Climate Change (UNFCCC) at its seventh session in Marrakesh to address the needs of least developed countries whose economic and geophysical characteristics make them particularly vulnerable to the impact of global warming and climate change.

12. "National Steering Committee" means the project steering committee to be established by the Recipient pursuant to Section I.A.1 of Schedule 2 to the Financing Agreement.


14. "Operating Costs" means incremental recurrent expenditures incurred on account of Project implementation, including: local contractual support staff salaries; travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications' expenses, but excluding the salaries of officials and public servants of the Recipient's civil service.

15. "PCU" means the coordination unit to be established and maintained within the Recipient's ministry responsible for planning in accordance with the provisions of Section I.A.2 of Schedule 2 to the Financing Agreement.

16. "Pest Management Plan" or "PMP" means a plan of the Recipient disclosed in the Recipient’s territory on October 14, 2013, and at the World Bank’s Infoshop on October 15, 2013, in form and substance satisfactory to the World Bank, to minimize and manage the environmental and health risks associated with pesticide use and promote and support safe, effective and environmental sound pest management, as the same may be amended from time to time with the agreement of the World Bank.
17. “Procurement Code” means the Recipient’s procurement code dated December 29, 2011, as well as its implementing regulations.


19. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated November 8, 2013, 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.

20. “Project Implementation Manual” means the implementation manual to be established and maintained by the Recipient in accordance with the provisions of Section I.C of Schedule 2 to the Financing Agreement, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) monitoring, evaluation, reporting and communication; and (e) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project, as the same may be amended from time to time with the prior written consent of the World Bank.

21. “Resettlement Action Plan” and “RAP” mean a plan prepared by the Recipient and approved by the World Bank for the Project, to outline the mitigation measures for addressing any resettlement risks associated with the Project, as the said document may be amended and/or supplemented from time to time with the prior written concurrence of the World Bank and subject to the initial consultation and disclosure requirements carried out on the RAP.

22. “Resettlement Policy Framework” and “RPF” mean the document disclosed for the purposes of the Project, in the Recipient’s territory on October 14, 2013, and at the World Bank’s Infoshop on October 15, 2013, outlining the policies and procedures to be implemented in the event that specific activities implemented under the Project have potentially negative impacts on the livelihoods, assets and land of the affected population, as the said framework may be amended and/or supplemented from time to time with the prior written consent of the World Bank, and such term includes any schedules to such document.

23. “Safeguards Instruments” means the ESMF, the RPF, PMP and any Supplemental Social and Environmental Safeguard Instruments.

25. "Supplemental Social and Environmental Safeguard Instruments" means any ESMP or RAP required under the terms of the ESMF or RPF.

26. "Target Regions" means the following regions in the Recipient's territory: Niamey, Tillabéri, Dosso and Diffa.

27. "Training" means the training of persons under the Project, including through seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.