Multi Donor Trust Fund for the Zimbabwe Reconstruction Fund Project Agreement
(National Water Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as Administrator of the Multi-Donor Trust Fund for the Zimbabwe Reconstruction Fund)

and

ZIMBABWE NATIONAL WATER AUTHORITY

Dated 3 February, 2016
AGREEMENT dated 3 February, 2016, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION, acting as administrator of the Multi-Donor Trust Fund for the Zimbabwe Reconstruction Fund ("the World Bank") and ZIMBABWE NATIONAL WATER AUTHORITY ("Project Implementing Entity") ("Project Agreement") in connection with the Multi-Donor Trust Fund for the Zimbabwe Reconstruction Fund Grant Agreement ("Grant Agreement") of same date between the Republic of Zimbabwe ("Recipient") and the World Bank. The World Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS


1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Grant Agreement or the Standard Conditions.

ARTICLE II — PROJECT

2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the World Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Agreement.
ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Project Implementing Entity’s Representative is its Chief Executive Officer.

3.02. The World Bank’s Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America  Telex:  Facsimile:
248423(MCI)  1-202-477-6391

3.03. The Project Implementing Entity’s Address is:

Zimbabwe National Water Authority (ZINWA)
First Floor Block 4
East Celestial Park
Borrowdale, Harare
Zimbabwe

Facsimile:
+2634796980
AGREED at Harare, Zimbabwe, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as Administrator of the Multi-Donor trust Fund for the Zimbabwe Reconstruction Fund)

By

Authorized Representative
Name: Guang Z. CHEN
Title: Country Director

ZIMBABWE NATIONAL WATER AUTHORITY

By

Authorized Representative
Name: JEFFER SAKUPHANYA
Title: CHIEF EXECUTIVE
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

Project Implementing Entity

1. The Project Implementing Entity shall be responsible for the overall management and implementation of the Project, including financial management, procurement and monitoring and evaluation.

Project Implementation Unit

2. In order to ensure prompt and efficient implementation of the Project, the Project Implementing Entity shall establish and thereafter maintain, throughout the implementation of the Project, a Project Implementation Unit (PIU) with a mandate, composition and resources satisfactory to the World Bank. To this end, said Project Implementation Unit shall be: (a) responsible for: (i) overall coordination of Project activities, with direct responsibilities for implementation of activities under the Project; (ii) managing the Project’s special account and ensuring proper and timely Project accounting and reporting of Project expenditures; and (iii) preparing consolidated progress reports; and (b) comprised of staff with competencies in engineering, procurement, financial management, safeguards and monitoring and evaluation, led by a Project manager.

Project Implementation Teams

3. The Project Implementing Entity shall establish within three (3) months of the Effective Date of the Grant Agreement, at each catchment level and thereafter maintain, throughout the implementation of the Project, a Project implementation team to be comprised of an operations engineer, a financial support staff, secondees from the local authorities and other staff as appropriate ("Project Implementation Team"). To this end, each Project Implementation Team shall be responsible for the implementation of the relevant Sub-project and the coordination of Project activities, including drawing/approving specifications of goods, works, and services in the catchment, and preparing procurement requests to be forwarded to the PIU.
B. Implementation Arrangements

Project Implementation Manual

1. The Project Implementing Entity shall: (a) prepare, under terms of reference satisfactory to the World Bank, and furnish to the World Bank a Project implementation manual containing detailed guidelines and procedures for the implementation of the Project, including in the areas of monitoring and evaluation, procurement, coordination, social and environmental safeguards, financial, administrative and accounting procedures, corruption and fraud mitigation measures and such other arrangements and procedures as shall be required for the Project; and (b) thereafter adopt and carry out the Project in accordance with such Project implementation manual as shall have been approved by the World Bank ("Project Implementation Manual").

2. Except as the World Bank shall otherwise agree in writing, the Project Implementing Entity shall not amend or waive, or permit to be amended or waived, any provision of the Project Implementation Manual.

Annual Work Plans

3. The Project Implementing Entity, not later than November 30 of each year shall prepare and furnish to the World Bank, an annual program of activities proposed for implementation under the Project during the following Fiscal Year, together with a proposed budget for the purpose.

4. The Project Implementing Entity shall exchange views with the World Bank on each such proposed annual work plan, and shall thereafter adopt, and carry out such program of activities for such following Fiscal Year as shall have been agreed with the Recipient and the World Bank, as such plan may be subsequently revised during such following Fiscal Year with the prior written agreement of the Recipient and the World Bank (Agreed Annual Work Plan).

C. Anti-Corruption

The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006, and revised in January 2011 ("Anti-Corruption Guidelines").

D. Safeguards

1. The Project Implementing Entity shall implement the Project in accordance with the Safeguard Instruments.
2. If any activity under the Project would require the adoption of any Supplemental Social and Environmental Safeguard Instrument, the Project Implementing Entity shall:
   (a) Prepare: (A) such Supplemental Social and Environmental Safeguard Instrument in accordance with the applicable Safeguard Instrument; (B) furnish such Supplemental Social and Environmental Safeguard Instrument to the World Bank for review and approval; and (C) thereafter adopt such Supplemental Social and Environmental Safeguard Instrument prior to implementation of the activity; and
   (b) thereafter take such measures as shall be necessary or appropriate to ensure full compliance with the requirements of such Supplemental Social and Environmental Safeguard Instrument.

3. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall for the Safeguard Instruments, including each Supplemental Social and Environmental Safeguard Instrument, regularly collect, compile and furnish to the World Bank reports in form and substance satisfactory to the World Bank, on the status of compliance with such Instruments including each Supplemental Social and Environmental Safeguard Instrument, as part of the Project Reports, giving details of:
   (i) measures taken in furtherance of the Safeguards Instruments including each Supplemental Social and Environmental Safeguard Instrument;
   (ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments including each Supplemental Social and Environmental Safeguard Instrument; and
   (iii) remedial measures taken or required to be taken to address such conditions.

**Dam Safety**

4. Prior to the issuance of a request for proposals relating to a contract for any of the rehabilitation works under the Project, and in accordance with the provisions of Section III of this Schedule 2 to the Agreement, the Project Implementing Entity shall:
   (a) appoint and thereafter maintain until one (1) year after the Closing date of the Project, an independent Panel of Experts with qualifications, experience and terms of reference satisfactory to the World Bank to:
      (i) inspect and evaluate the safety status of the Dam, its appurtenances, the catchment area, the area surrounding the reservoir, downstream areas
and its performance history; (ii) review and evaluate the operational and maintenance procedures; (iii) review and evaluate the proposed rehabilitation works; and (iv) provide a written report on the findings and recommendations for any remedial work or safety-related measures necessary to upgrade the Dam to an acceptable standard of safety;

(b) furnish to the World Bank for review, no later than fifteen (15) days after the review referred to in paragraph (a) above, and thereafter take all necessary measures required to address the conclusions and recommendations of the review and update or adopt Dam Safety Plans, in form and substance acceptable to the World Bank, and reflecting the conclusions and recommendations of the Panel, as follows:

(i) a Dam Construction Supervision and Quality Assurance Plan and a preliminary updated Dam Emergency Preparedness Plan including an estimate of funds needed to finalize updating of said Dam Emergency Preparedness Plan;

(ii) a preliminary updated Dam Operation and Maintenance Plan and a Dam Instrumentation Plan prior to bid tendering of the rehabilitation works under the Project;

(iii) a final updated Dam Emergency Preparedness Plan not later than one (1) year prior to the completion of the rehabilitation works; and

(iv) a final updated Dam Operation and Maintenance Plan not later than one (1) year prior to the completion of the rehabilitation works.

(c) (i) convene, as early as possible in the preparation stage and regularly throughout the design of and rehabilitation of the Dam, Panel meetings and reviews, (ii) inform the World Bank in advance of each such meetings such that the World Bank may participate in said meetings as an observer; and (iii) furnish to the World Bank not later than fifteen (15) days after each meeting or review, a copy of the Panel’s report of its conclusions and recommendations;

(d) (i) following the completion of rehabilitation works, convene the Panel to carry out a review and report on its findings on the operation of the Dam following the rehabilitation works; and (ii) furnish to the World Bank not later than fifteen (15) days after the review, a copy of the Panel’s report thereof;
(e) pre-qualify bidders prior to bid tendering for the refurbishment work on the Dam; and

(f) have periodic dam safety inspections performed by independent professionals, with qualifications, experience, and terms of reference satisfactory to the World Bank.

Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

In addition and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Project Implementing Entity shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient’s financial and narrative progress reports submitted to the World Bank; (iii) the Recipient’s financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient’s implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

(b) the representatives of the World Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donors.

B. Project Reports; Completion Report

1. The Project Implementing Entity 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 calendar semester, 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 Project Implementing Entity 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.
C. Financial Management; Financial Reports; Audits

1. The Project Implementing Entity shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Project Implementing Entity shall prepare and furnish interim unaudited financial reports for the Project 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 Project Implementing Entity 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. 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.

Section III. Procurement

All goods, works and services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the provisions of Section III of Schedule 2 to the Grant Agreement.

Section IV. Other Undertakings

The Project Implementing Entity shall take all measures necessary to ensure that its Operating Revenue shall reflect the principles of Cost Recovery and be sufficient to cover Operating Expenses and Debt Service.