Project Agreement

(eBenin Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

AGENCE DE GESTION DES NOUVELLES TECHNOLOGIES DE L’INFORMATION ET DE LA COMMUNICATION (AGeNTIC)

Dated April 27, 2010
Grant Number H553-BJ

Project Agreement

Project Agreement (“Project Agreement”), dated April 27, 2010, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and AGENCE DE GESTION DES NOUVELLES TECHNOLOGIES DE L’INFORMATION ET DE LA COMMUNICATION (AGeNTIC) (“Project Implementing Entity”) in connection with the Financing Agreement (“Financing Agreement”) of same date between the Republic of Benin (“Recipient”) and the Association. The Association and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to the Financing 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 Financing Agreement or the General 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 Part B.2 of the Project in accordance with the provisions of Article IV of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Association and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — TERMINATION

3.01. For purposes of Section 8.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty years after the date of this Agreement.
ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative is its Managing Director (Directeur Général).

4.02. The Association’s Address is:

International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America

Cable: INDEVA S
Telex: 248423(MCI)
Facsimile: 1-202-477-6391
Washington, D.C.

4.03. The Project Implementing Entity’s Address is:

Agence de Gestion des Nouvelles Technologies de l’Information et de la Communication – AGeNTIC
Lot N° 491 Parcelle B, Zone Commerciale GANHI
08 BP0939
Cotonou, République du Bénin

Facsimile:

229-21316601
AGREED at Washington D.C., United States of America, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Madani M. Tall
Authorized Representative

AGENCE DE GESTION DES NOUVELLES TECHNOLOGIES DE L'INFORMATION ET DE LA COMMUNICATION (AGeNTIC)

By /s/ Idriss L. Daouda
Authorized Representative
SCHEDULE

Execution of the Project Implementing Entity’s Respective Part of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

(a) The Project Implementing Entity shall maintain, at all times during the implementation of the Project, functions, staffing and resources satisfactory to the Association, for the purpose of ensuring the prompt and efficient implementation of the Project.

(b) Without limitation upon the provisions of sub-paragraph (a) of this paragraph, the Project Implementing Entity shall carry out Part B.2 of the Project in accordance with this Agreement and the PIM.

B. Anti-Corruption

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

C. Matching Grants

(a) General

The Project Implementing Entity shall appraise, approve and monitor Subprojects and administer the Matching Grants in accordance with the provisions and procedures set forth or referred to in this Section I.C and in more detail in the PIM.

(b) Eligibility Criteria for Subprojects

A proposed Beneficiary shall not be eligible for financing for a Subproject under a Matching Grant unless the Project Implementing Entity has determined, on the basis of an appraisal conducted by the Project Implementing Entity in accordance with guidelines satisfactory to the Association (including the guidelines set forth in the PIM), that the Subproject has been approved in accordance with the provisions of Section I.C.(c) below and the proposed Beneficiary and Subproject satisfy the eligibility criteria set forth or referred to below and elaborated in the PIM, and such additional criteria as may be specified in the PIM:
(i) the Beneficiary is a natural person or legal entity with the organization, and management and financial capabilities adequate to carry out the proposed Subproject in accordance with the terms and conditions of the proposed Matching Grant; and

(ii) the Subproject is technically feasible, and financially and economically sound.

(c) Approval of Matching Grants

If the Project Implementing Entity determines on the basis of the appraisal of each proposed Beneficiary and Subproject carried out in accordance with Section I.C.(b) above, the Project Implementing Entity: (i) may approve Subprojects whose investment cost falls below the threshold specified in the PIM; (ii) shall recommend Subprojects which exceed such threshold, for approval by the relevant person within MCTIC (as specified in the PIM); and (iii) without limitation to the foregoing, shall obtain the Association’s no-objection prior to approving Subprojects whose investment cost exceeds the threshold specified for that purpose in the PIM.

(d) Terms and Conditions of Matching Grants

Each Matching Grant for a Subproject shall be made under a Matching Grant Agreement, to be concluded between the Project Implementing Entity and the respective Beneficiary, under terms and conditions described or referred to in more detail in the PIM and satisfactory to the Association, which, inter alia, shall include the following:

(i) the amount of the Matching Grant shall not exceed the estimated cost of the Subproject minus the amount to be contributed to the Subproject pursuant to Section I.C.(d)(iii) below; and the proceeds of the Matching Grant shall be made available to the Beneficiary on non-reimbursable grant terms;

(ii) the Matching Grant Agreement shall include a description of the Subproject, including the indicators against which the Subproject’s progress will be measured, and the arrangements for monitoring and reporting on the implementation of the Subproject;

(iii) the Matching Grant Agreement shall require the Beneficiary to contribute, in cash and/or in-kind, a minimum percentage of the projected Subproject cost as specified in the PIM;
(iv) the Matching Grant Agreement shall set forth the modalities by which the Beneficiary may withdraw the proceeds of the Matching Grant;

(v) the Matching Grant Agreement shall require the Beneficiary to: (A) carry out the Subproject with due diligence and efficiency and in accordance with sound technical, engineering, environmental, social, financial, and managerial standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; and (B) maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures relating to the Subproject;

(vi) the Matching Grant Agreement shall require the Beneficiary to: (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Subproject; and (B) at the Association’s or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;

(vii) the Matching Grant Agreement shall require the Beneficiary to procure the goods and consultants’ services to be financed out of the proceeds of the Matching Grant in accordance with the provisions of Section III of this Schedule, and to use the same exclusively in the carrying out of the Subproject; and

(viii) the Matching Grant Agreement shall provide the Project Implementing Entity with the right to: (i) inspect by itself, or jointly with the Recipient and/or the Association, if the Recipient or the Association shall so request, the goods, sites, plants and construction (if any) included in the Subproject, the operations thereof and any relevant records and documents; (ii) obtain all information as it, or the Association, shall reasonably request regarding the administration, operation and financial condition of the Beneficiary or the Subproject; and (iii) suspend or terminate the right of any Beneficiary to use the proceeds of the Matching Grant upon failure by the Beneficiary to perform any of its obligations under the Matching Grant Agreement.
(e) **Administration of Matching Grant Agreements**

The Project Implementing Entity shall exercise its rights and carry out its obligations under the Matching Grant Agreements in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Project, and, except as the Association shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate, waive or otherwise modify any Matching Grant Agreement or any substantive provision thereof.

Section II. **Project Monitoring, Reporting and Evaluation**

A. **Project Reports**

1. (a) The Project Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports for its Respective Part of the Project in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in subparagraph (b) of this paragraph. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later than two weeks after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Project Report.

   (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:

      (i) percentage increase in the number of small- and medium-sized enterprise in the ICT sector.

2. The Project Implementing Entity shall provide to the Recipient not later than four (4) months after the Closing Date, for incorporation in the report referred to in Section 4.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.

B. **Financial Management, Financial Reports and Audits**

1. The Project Implementing Entity shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to its Respective Part of the Project.
2. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association. Each audit of these financial statements shall cover the period of one fiscal year of the Project Implementing Entity. The audited financial statements for each period shall be furnished to the Association not later than six months after the end of the period.

Section III.  Procurement

All goods and services required for the Project Implementing Entity’s Respective Part of the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.

Section IV.  Other Undertakings

Finance Director. The Project Implementing Entity shall recruit a director or officer responsible for its finances in accordance with Section III of Schedule 2 of the Financing Agreement.