Senegal River Basin Integrated Water
Resource Management
Single-Donor Trust Fund

Grant Agreement

(Senegal River Basin Integrated Water Resources Management Project)

between

ORGANISATION POUR LA MISE EN VALEUR DU FLEUVE SENEGAL
(ORGANIZATION FOR THE DEVELOPMENT OF THE SENEGAL RIVER)

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as administrator of the Senegal River Basin Integrated Water Resource
Management Single-Donor Trust Fund)

Dated 09 SEP 2016, 2016

The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The "Standard Conditions for Grants Made by the World Bank Out of Various Funds", dated February 15, 2012 ("Standard Conditions"), with the modifications set forth in Section II of 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 1 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 eleven million forty-seven thousand four hundred and eight Euros (EUR11,047,408) ("Grant") to assist in financing the 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 donor 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 donor 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
Additional Remedies

4.01. The Additional Events of Suspension referred to in Section 4.02(k) of the Standard Conditions consist of the following:

(a) Any Member State has taken or permitted to be taken any action which would prevent or interfere with the performance by the Recipient of its obligation under this Agreement.

(b) The OMVS Conventions have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Recipient to carry out this Agreement.

Article V
Effectiveness; Termination

5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Recipient has adopted the Project Implementation Manual in accordance with the provisions of Section I.B of Schedule 2 to this Agreement.

5.02 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 has ceased to exist.

5.03. *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 VI**  
**Recipient’s Representative; Addresses**

6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the High Commissioner.

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

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

Telex: Facsimile:

248423 (MCI) or 1-202-477-6391  
64145 (MCI)

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

*Organisation pour la Mise en Valeur du Fleuve Sénégal*  
(Organization for The Development of the Senegal River)  
*Haut Commissariat*  
BP 3152  
Dakar,  
Republic of Senegal

Facsimile:

+221-33-864-01-63
AGREED at 09 SEP 2016, as of the day and year first above written.

ORGANISATION POUR LA MISE EN VALEUR DU FLEUVE SENEGAL

By:

Kabiné Komara
High Commissioner

Organisation pour la Mise en Valeur du Fleuve du Sénégal
(Organization for the Development of the Senegal River)

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION (acting as administrator of the Senegal River Basin Integrated Water Resources Management Single-Donor Trust Fund)

By:

Rachid Benmessoud
Coordinating Director for the West Africa Regional Integration Program
SCHEDULE 1

Project Description

The objective of the Project is to strengthen the capacity of the Recipient and local water user associations to improve the environmental and water quality conditions of the Senegal River Basin’s water resources.

The Project consists of the following parts:

**Part A. Upper Basin Sustainable Land Management**

Carrying out a program of activities to address the degradation of the Upper Basin, including:

1. Diagnostic studies on deforestation, erosion and sedimentation in the Upper Basin to: (a) determine the sensitivity of different landscapes to deforestation and erosion; and (b) identify high erosion and deforestation risk areas in order to plan site specific management intervention.

2. Provision of support to the implementation of the most effective soil, vegetation and water resource protection strategies, including: (a) extension of agriculture development or intensification by recalibrating, reshaping and compacting principal canals and intakes that supply irrigated areas; (b) activities such as slope stabilization works and reforestation of river banks and agroforestry on slopes adjacent to low-land agricultural areas to: (i) reduce soil erosion in critical areas and increase income opportunities for local communities; and (ii) offer community stakeholders with tools and mechanisms for appropriate development; and (c) training to relevant agencies related to: (i) improved water resource management and operation; and (ii) maintenance of installed water systems.

**Part B. Management of Invasive Aquatic Plants in the Delta and the Operationalization of Water User Associations**

Carrying out a program of activities to control and manage the proliferation of typha, improve access to drinking water and operationalize the water user associations, including:

1. Completion of a needs assessment on the control of invasive aquatic species in the delta, including a cost benefit analysis for a better understanding of: (a) economic causes of aquatic species invasions; and (b) links between invasive species, ecosystem services and the well-being of the population.

2. Undertaking annual inventories of the spatial distribution of typha through remote sensing for typha management, coordination and planning.
3. Management of invasive aquatic plants to support the removal of typha, including physical control or the transformation of the floodplains into polders.

4. Installation of potable water supply stations in selected Project’s area villages in Member States, including open hand-pumps and water yards consisting of an enclosure containing a borehole and an overhead storage tank.

5. Provision of support to: (a) strengthen existing water user associations in Member States; and (b) create new water user associations. Such support to include: (i) training on typha management; (ii) water infrastructure operation; and (iii) maintenance on irrigation schemes.

Part C. Institutional Support for OMVS and National Agencies

Carrying out a program of activities to build the capacity of OMVS and National Cellules’ staff, including:

1. Strengthening the institutional capacity of OMVS, the ministries in charge of environment and other relevant agencies in the Member States through the provision of training aimed at improving their management and technical capacities to lead typha management efforts in the region.

2. Strengthening the capacity of the Project Coordination Unit by: (a) establishing an MIS to effectively track Project progress; (b) providing Operating Costs for the purpose of the Project; (c) ensuring wide Project monitoring and evaluation; and (d) providing additional support to: (i) safeguards monitoring; and (ii) the dissemination of the typha management plan at the community level.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Regional Steering Committee

(a) To facilitate the carrying out of the Project, the Recipient shall maintain, at all times during the implementation of the Project, a steering committee established by the OMVS' High Commissioner, with mandate, composition and resources satisfactory to the World Bank, ("Regional Steering Committee").

(b) Without limitation upon the provision of paragraph (a) immediately above, the Regional Steering Committee shall meet once a year and shall be responsible for: (i) overall guidance to the Recipient and its national cellules; and (ii) the review and approval of activities to be implemented under the Project.

2. Project Coordination Unit

(a) The Recipient shall maintain, at all times during the implementation of the Project, the Project coordination unit comprising, *inter alia*, a Project coordinator, an assistant coordinator, a procurement specialist, a financial management specialist, a monitoring and evaluation specialist and experts in agroforestry, water resources management and civil engineering ("Project Coordination Unit") ("PCU").

(b) Without limitation upon the provision of paragraph (a) immediately above, the PCU shall ensure the overall coordination and supervision of the Project, including the fiduciary aspect of the Project and the preparation of the Project Annual Work Plan and Budget. In addition, in collaboration with the High Commissariat, the PCU shall be responsible for convening Executing Agencies and other implementing partners for the purpose of consensus building, planning, evaluation and exchange of ideas and lesson learned.

3. In order to ensure proper technical implementation of Parts A and B of the Project at the national level of Member States:

(a) The Recipient shall maintain, at all times during the implementation of Part B of the Project, the National Cellules, with mandate, composition and resources satisfactory to the World Bank ("National Cellules") each
comprising a Secretariat with permanent staff and logistical equipment provided by the Recipient, a national cellule coordinator who is a permanent member of the advisory body of OMVS, a technical focal point to ensure better monitoring and supervision of activities at the national and local levels and a national expert in communication and public participation. The National Cellules shall provide key input to the review process of activities to be undertaken at the regional level to ensure that national interests are being adequately taken into consideration.

(b) The Recipient shall ensure, at all times during implementation of Part A of the Project, proper coordination and consultation with the Executing Agencies which shall be responsible for collecting data at the community level and regular monitoring of the agro forestry activities.

B. Project Implementation Manual and Work Plans

Project Implementation Manual

1. The Recipient shall prepare and adopt 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 arrangement and procedures as shall be required for the Project ("Project Implementation Manual").

2. The Recipient shall carry out the Project in accordance with the Project Implementation Manual, and except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Project Implementation Manual, or any provision thereof.

3. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

Annual Work Plan and Budget

4. The Recipient shall prepare, in accordance with terms of reference acceptable to the World Bank, and furnish to the World Bank no later than November 30 of each Fiscal Year throughout the implementation of the Project, a work plan of activities proposed for inclusion in the Project for the next calendar year, together with a budget for such activities and a timetable for their implementation.
5. The Recipient shall afford the World Bank a reasonable opportunity to exchange views with the Recipient on such proposed work plan and budget; and, thereafter, carry out such work plan during the period covered by said plan, according to such budget, both as shall have been approved by the World Bank ("Annual Work Plan and Budget").

6. Only such activities as shall have been included in the Annual Work Plan and Budget shall be eligible for inclusion in the Project and for financing out of the proceeds of the Grant.

C. Environmental and Social Safeguards

1. The Recipient shall carry out the Project in accordance with the relevant Safeguards Documents, and to that end, if any activity included in an Annual Work Plan and Budget would, pursuant to the Safeguards Documents require the adoption of any Supplemental Social and Environmental Safeguards Documents:

   (a) prepare: (i) such Supplemental Social and Environmental Safeguards Documents; (ii) furnish such Supplemental Social and Environmental Safeguards Documents to the World Bank for review and approval; and (iii) thereafter adopt such Supplemental Social and Environmental Safeguards Documents, prior to implementation of the activity; and

   (b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Supplemental Social and Environmental Safeguards Documents, including without limitation to the above, providing funds as and when required for resettlement compensation when and if required under a RAP.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the World Bank on a quarterly basis, reports, in form and substance satisfactory to the World Bank, on the status of compliance with the Safeguards Documents, giving details of:

   (a) measures taken in furtherance of such Safeguards Documents;

   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguards Documents; and

   (c) remedial measures taken or required to be taken to address such conditions.

3. The Recipient shall afford the World Bank a reasonable opportunity to review the reports prepared under paragraph 2 of this Part C, and thereafter shall carry out, with due diligence, all remedial measures agreed with the World Bank so as to
ensure the proper implementation of the Project in accordance with the Safeguards Documents.

D. Anti-Corruption

The Recipient 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”).

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 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.

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. 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 (1) 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

A. General

1. Procurement and Consultant Guidelines. All goods, works and 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:


(b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

2. 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 and Works

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

2. Other Methods of Procurement of Goods and Works. The following methods, other than International Competitive Bidding, may be used for procurement of goods and works for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) the Republic of Senegal’s (Member State) National Competitive Bidding subject to the provisions of paragraph 3 of this Section III.B; (c) Shopping; and (d) Direct Contracting.

3. The following additional provisions shall apply to the Republic of Senegal’s National Competitive Bidding: (a) bids shall be advertised in national
newspapers with wide circulation; (b) bid evaluation, bidder qualification and award criteria shall be specified clearly in the bidding documents; (c) bidders shall be given an adequate response time (minimum four weeks following the date of the invitation to bid or the date of availability of the bidding documents, whichever is later) to prepare and submit bids; (d) bids shall be awarded to the lowest evaluated bidder provided that the bidder is deemed qualified to carry out the bid in a manner satisfactory to the World Bank; (e) eligible bidders, including foreign bidders, shall not be precluded from participating; and (f) no preference margin shall be granted to domestic contractors

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 assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

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: (a) Article III of the Standard Conditions; (b) this Section; and (c) 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 EUR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants' services, Operating Costs and Training under the Project</td>
<td>9,280,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Unallocated</td>
<td>1,767,408</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>11,047,408</td>
<td></td>
</tr>
</tbody>
</table>

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 October 31, 2019.
APPENDIX

Section 1. Definitions

1. “Annual Work Plan and Budget” means the work plan and budget to be prepared annually by the Recipient in accordance with Section I.B.5 of Schedule 2 to this Agreement.

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

3. “Environmental and Social Impact Assessment” and “ESIA”, each means the environmental and social impact assessment acceptable to the World Bank, dated November 2013 and disclosed in-country and at the InfoShop on April 20, 2015, describing the set of avoidance, mitigation, enhancement, monitoring and institutional measures to be taken in connection with any works under the Project in order to avoid, mitigate, offset, or reduce adverse environmental and social impacts to acceptable levels, or to enhance positive impacts, and such term includes all schedules and annexes to the ESIA, as the same may be amended from time to time with the agreement of the World Bank.

4. “Environmental and Social Management Plan” and “ESMP”, each means a plan prepared and adopted by the Recipient, as provided in the Environmental and Social Management Framework, providing appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental and social impacts under the Project, 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.

5. “Executing Agencies” means the following four agencies, (i) Société d’Aménagement des Terres du Delta (Republic of Senegal), (ii) Direction Nationale du Génie Rurale (Republic of Guinea), (iii) Société Nationale de Développement Rural (the Islamic Republic of Mauritania); and (iv) L’Agence de Développement Rural de la Vallée du Fleuve Sénégal (Republic of Mali), legally responsible for agricultural activities in the Member States.

6. “Member State” means either the Republic of Guinea, or the Republic of Mali, or the Islamic Republic of Mauritania, or the Republic of Senegal, and the term “Member States” means collectively all such countries.

7. “MIS” means management information system.

8. “National Cellule” means the Cellule Nationale of each Member State, established and operating pursuant to laws of the respective Member Country
whose mandate is to assist in the implementation and monitoring of OMVS projects.

9. "OMVS" means Organisation pour la Mise en Valeur du fleuve Sénégal, established and operating pursuant to the OMVS Conventions.


11. "OMVS Council of Ministers" means the legal representative of the organization.

12. "Operating Costs" means incremental recurrent expenditures incurred on account of Project implementation, as approved by World Bank in writing, 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.

13. "Pest and Pesticide Management Plan" and "PPMP", each means the pests and pesticide plan for the Project, dated February 2013 and disclosed in-country on April 17, 2015, and at the InfoShop on April 20, 2015, setting forth various means to assess pest management, support integrated pest management and the safe use of pesticides in the course of Project implementation, and such term includes all schedules and annexes to the PPMP, as the same may be amended from time to time with the agreement of the World Bank.

14. "Project Coordination Unit" and "PCU" means the unit established within the OMVS for the implementation of the Recipient’s Senegal River Basin Multipurpose Water Resources Development Project described in the Financing Agreement dated March 28, 2014, between the World Bank and the Recipient providing for a grant in support of said project (TF015949/ TF016001).

15. "Project Implementation Manual" means the manual, in form and substance satisfactory to the World Bank, referred to in Section I.B.1 of Schedule 2 to this Agreement, as said manual may be amended from time to time with the agreement of the World Bank.
16. “Regional Steering Committee” means the committee established by the High Commissioner of OMVS on June 13, 2014.

17. “Resettlement Action Plan” and “RAP”, each means the plan approved by the World Bank for the Project, prepared by the Recipient on the basis of the RPF as 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.

18. “Resettlement Policy Framework” and “RPF”, each means the framework entitled Actualisation du Cadre de Politique de Reinstallation (CPR), dated May 2013 and disclosed in-country on April 17, 2015, and at the InfoShop on April 20, 2015.

19. “Safeguards Documents” means the ESIA and the RPF and any Supplemental Social and Environmental Safeguards Documents.

20. “Senegal River Basin” means the Senegal river, its tributaries, distributaries and associated depressions.

21. “Supplemental Social and Environmental Safeguards Documents” means any ESMP, PPMP, RAP or other supplemental social and environmental safeguards instruments as required under the terms of any of the ESIA or RPF.

22. “Training” means the costs associated with training and workshop participation of personnel involved in the implementation of the Project, including travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training courses and workshop preparation and implementation.

23. “Upper Basin” means the mountainous region of the Senegal River Basin where most of the rainfall occurs.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Paragraph 17 of the Appendix (Definitions) is modified to read as follows:

   “17. “Member Country” means a member of the World Bank in whose territory the Project is carried out or any of such member’s political or administrative subdivisions, and refers separately to each such member.”

7. Section 3.07 is modified to read as follows:
Section 3.07. Financing Taxes

(a) The Grant Agreement may specify that the proceeds of the Grant may not be withdrawn to pay for Taxes levied by, or in the territory of, a Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply. In such case, if the amount of any such Taxes decreases or increases, the World Bank may, by notice to the Recipient, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Grant specified in the Grant Agreement, as required to ensure consistency with such limitation on withdrawals."

8. Section 4.02 is amended as follows:

(i) Paragraph (a) is amended to read as follows:

"(a) Interference. If the Grant has been made to a Recipient which is not the Member Country, a Member Country has: (i) 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 Grant Agreement; or (ii) failed to afford a reasonable opportunity for representatives of the World Bank to visit any part of its territory for purposes related to the Grant or the Project."

(ii) Paragraphs (c) and (d) are amended to read as follows:

"(c) Fraud and Corruption. At any time, the World Bank determines that any representative of the Recipient (or any Member Country, if the Recipient is not the Member Country, or any other recipient of any of the proceeds of the Grant) has engaged in corrupt, fraudulent, coercive or collusive practices in connection with the use of the proceeds of the Grant, without the Recipient (or any such Member Country or any other such recipient) having taken timely and appropriate action satisfactory to the World Bank to address such practices when they occur.

(d) Cross Suspension. IBRD or IDA has suspended in whole or in part the right of the Recipient (or of any Member Country, if the Recipient is not the Member Country) to make withdrawals under any agreement with IBRD or with IDA because of a failure by the Recipient (or by any such Member Country) to perform any of its obligations under such agreement or any other agreement with IBRD or IDA."

(iii) Paragraph (h) is amended to read as follows:
“(h) Membership. A Member Country: (i) has been suspended from membership in or ceased to be a member of IBRD or of IDA; or (ii) has ceased to be a member of the International Monetary Fund.”

(iv) The first sentence of paragraph (i) is amended to read as follows:

“(i) Condition of Recipient. If the Grant has been made to a Recipient which is not a Member Country:”

(v) Paragraph (j) is amended to read as follows:

“(j) Ineligibility. IBRD or IDA has declared the Recipient (other than a Member Country) ineligible to receive proceeds of any financing made by IBRD or IDA or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA, as a result of: (i) a determination by IBRD or IDA that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or (ii) a declaration by another financier that the Recipient is ineligible to receive proceeds of any financing made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by such financier.”

9. Paragraph (c) of Section 4.03 is modified to read as follows:

“(c) Fraud and Corruption. At any time, the World Bank determines, with respect to any amount of the proceeds of the Grant, that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Recipient (or any Member Country, if the Recipient is not a Member Country, or any other recipient of the proceeds of the Grant), without the Recipient (or any such Member Country or other recipient of the proceeds of the Grant) having taken timely and appropriate action satisfactory to the World Bank to address such practices when they occur.”

10. Paragraph (a)(ii) of Section 4.05 is modified to read as follows:

“(ii) (A) engaging in corrupt, fraudulent, collusive or coercive practices in connection with the use of such amount, or (B) use of such amount to finance a contract during the procurement or execution of which such practices were engaged in by representatives of the Recipient (or any Member Country, if the Recipient is not a Member Country, or other recipient of such amount of the Grant), in either case without the Recipient (or any such Member Country, or
other such recipient) having taken timely and appropriate action satisfactory to the World Bank to address such practices when they occur.”

11. Paragraph (j) of Section 5.03 is modified to read as follows:

“(j) If, within thirty days after counterparts of the award have been delivered to the parties, the award has not been complied with, any party may: (i) enter judgment upon, or institute a proceeding to enforce, the award in any court of competent jurisdiction against any other party; (ii) enforce such judgment by execution; or (iii) pursue any other appropriate remedy against such other party for the enforcement of the award and the provisions of the Grant Agreement. Notwithstanding the foregoing, if the Recipient is the Member Country, this Section shall not authorize any entry of judgment or enforcement of the award against the Recipient except as such procedure may be available otherwise than by reason of the provisions of this Section.”