H. E. Bouare Fily Sisoko  
Minister of Economy and Finance  
Ministry of Economy and Finance  
Bamako  
Republic of Mali

Re: Republic of Mali: Advance Agreement for the Preparation of the  
Proposed Mali Project under the West Africa Regional  
Communications Infrastructure Program  
Project Preparation Advance No. Q889

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Mali ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank") proposes to extend to the Recipient an advance out of the World Bank’s Project Preparation Facility in an amount not to exceed four million Dollars ($ 4,000,000) ("Advance") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in financing the activities described in the Annex ("Activities"). The objective of the Activities is to facilitate the preparation of a proposed project designed to put in place an integrated approach focusing on improving connectivity in the region by addressing the missing infrastructure links, providing competitive access to sub-marine cables where opportunity exists, commercializing excess capacity where electricity transmission lines and other alternative networks are the appropriate platform, and creating an enabling environment and institutional strengthening to remove existing bottlenecks for private sector participation in both regional infrastructure and applications ("Project"), for the carrying out of which the Recipient has requested the World Bank’s financial assistance. The Project constitutes part of the third phase of a program designed to support populations, businesses and governments across the West Africa region to have access to quality and affordable information and communication technology services on open, transparent and non-discriminatory terms ("West Africa Regional Communications Infrastructure Program" or "Program").

The Recipient represents, by confirming its agreement below, that: (i) it understands that the provision of the Advance does not constitute or imply any commitment on the part of IBRD or IDA to assist in financing the Project; and (ii) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of this Agreement.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and return it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall
become effective as of the date of the countersignature; provided, however, that the offer of this Agreement shall be deemed withdrawn if the World Bank has not received this countersigned copy within ninety (90) days after the date of signature of this Agreement by the World Bank, unless the World Bank has established a later date for such purpose.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Ousmane Diafara
Country Director for Mali
Africa Region

AGREED:
REPUBLIC OF MALI

By: Authorized Representative

Name: Bouare Fily Sissoko
Title: Ministry of Economy and Finance
Date: December 13, 2013

Enclosures:

2. Disbursement Letter for the Advance of the same date as this Agreement, together with "World Bank Disbursement Guidelines for Projects", dated May 1, 2006.
Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility dated July 31, 2010 ("Standard Conditions"), constitute an integral part of this Agreement.

1.02. **Definitions.** 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 and the following additional terms shall have the following meanings:

(a) "Hotel Datacenter" means a secure physical site where data communications media converge and are interconnected.

(b) "ICT" means information communication technology.

(c) "IXP/Carrier" means an internet exchange processor that provides a location for carriers to exchange traffic.

(d) "Operating Costs" means the expenditures incurred by the Recipient to finance: (i) salaries of the staff of the coordination unit; (ii) per diem and travel expenses of staff required to perform their responsibilities under Project; (iii) fuel, and vehicle maintenance and insurance services; (iv) communication technology (including, without limitation, internet and telephone services); (v) rent for office space and building security and office maintenance services; (vi) translation services, photocopies and publications; and (vii) utilities and office supplies.

(e) "Public Private Partnership" means a government service or private business venture funded and operated through a partnership of government and one or more private sector companies.

(f) "PCU-PST2" means the coordination unit established within the Recipient's ministry responsible for equipment and transport pursuant to the provisions of the Financing Agreement (Additional Financing for Second Transport Sector Project) between the Recipient and the Association dated July 27, 2011 (Credit Number 4972-ML).

(g) "Training" means the reasonable costs associated with training and workshop participation under the Activities, consisting of travel and subsistence costs for training participants, costs (other than consulting services) associated with securing the services of trainers and presenters, rental of training facilities, translation and interpretation services, preparation and reproduction of training materials.

Article II
Execution of the Activities

2.01. **Description of the Activities.** The Activities for which the Advance is provided consist of the following parts:
Part A. Support for Open Access Regime and Public and Private Partnership

Provision of technical advisory services aimed at: (i) designing and negotiating instruments, contracts, related agreements and bidding documents for the infrastructure development of the proposed Project; and (ii) drafting of technical documents for fiber backbone links and IXP/Carrier Hotel Datacenter building for the proposed Project.

Part B. Support the Revision the Legal and Regulatory Framework

Provision of technical advisory services to: (i) prepare a new ICT sector policy note; (ii) draft a new electronic communications law; and (iii) revise the Recipient's ICT strategy.

Part C. Support the Development of Regulatory Tools

Provision of technical advisory services to: (i) develop fiber interconnection and share regulation tools; (ii) identify regulatory best practice in the initial phase of market entry of a new mobile operator; and (iii) set up a market observatory.

Part D. Support the Recipient's Policy and Regulatory Capacity Building

Provision of technical advisory services to develop the institutional and operational capacities of the Recipient's line ministry in charge of information and communications technologies in the areas of policy and regulation.

Part E. Feasibility Studies and Surveys

Carrying out of feasibility studies and surveys related to: (i) the missing links of the national and regional backbone; and (ii) the setting up of the IXP/Carrier Hotel Datacenter building.

Part F. Environmental and Social Safeguard Studies

Preparation and disclosure of the Project's environmental and social safeguard instruments.

Part G. Establishment of the Project Implementation Unit

Provision of technical advisory services aimed at setting up the Project's implementation unit within the Recipient's ministry in charge of ICT.

2.02. Execution of the Activities Generally. The Recipient declares its commitment to the objectives of the Activities. To this end and until a dedicated implementation unit has been established for the Project and is functional in a manner satisfactory to the World Bank, the Recipient shall carry out the Activities through the PCU-PST2 in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) 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.

2.03. Institutional and Other Arrangements. Without limitations upon the provisions of Section 2.02 above, the Recipient shall maintain, throughout the Refinancing Date, PCU-PST2
under terms of reference and staffed with resources acceptable to the World Bank to ensure
overall coordination and management of the Activities, including procurement and financial
management thereof.

2.04. Monitoring, Reporting and Evaluation of the Activities. The Recipient shall monitor
and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of
the Standard Conditions.

2.05. Financial Management. (a) The Recipient shall ensure that a financial management
system is maintained in accordance with the provisions of Section 2.09 of the Standard
Conditions.

(b) The Recipient shall ensure that interim un-audited financial reports for the
Activities 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.

(c) The Recipient shall have its Financial Statements audited in accordance with the
provisions of Sections 2.09 (b) of the Standard Conditions.

(i) If, on or before the Refinancing Date, a Refinancing Agreement has been
executed by all of its parties, the Recipient shall have the Financial Statements included in the first
audit of financial statements required under the Refinancing Agreement.

(ii) If, by the Refinancing Date, no Refinancing Agreement has been
executed by all of its parties, such audit of the Financial Statements shall cover the period of the
Advance, commencing with the fiscal year in which the first withdrawal under the Advance was
made. The audited Financial Statements for such period shall be furnished to the World Bank not
later than six (6) months after the end of the Recipient’s fiscal year in which the Refinancing Date
occurs.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section,
the World Bank may request an audit of the Financial Statements prior to the Refinancing Date,
covering such period as is indicated in its request. The audited Financial Statements for such
period shall be furnished to the World Bank not later than six (6) months after the end of such
period.

(d) The Recipient shall ensure that, not later than one (1) month after the Effective
Date, PCU-PST2’s accounting software is customized to take into account the management of the
Activities.

2.06. Procurement

(a) General. All goods, non-consulting services and consultants’ services required
for the Activities and to be financed out of the proceeds of the Advance shall be procured in
accordance with the requirements set forth or referred to in:

(i) Section 1 of the “Guidelines: Procurement of Goods, Works and Non-
consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”
dated January 2011 ("Procurement Guidelines"), in the case of goods and non-consulting services;

(ii) Sections I and IV of the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011 ("Consultant Guidelines") in the case of consultants' services; and

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

(b) Definitions. The capitalized terms used in the following paragraphs of 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.

(c) Particular Methods of Procurement of Goods and Non-consulting Services

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan:

(A) National Competitive Bidding, subject to the following additional provisions:

(1) Using of competitive method: Even though the National Procurement Code does not apply to some small contracts, the procedures will require that for such contracts, a competitive method be used.

(2) Advertising: The General Procurement Notice would be advertised in the United Nations Development Business (UNDB) online and on the World Bank's external website, specific invitation to bids would be advertised in at least one national or widely circulated newspapers or on a widely used website or electronic portal of the Recipient with free national and international access;

(3) Standard Bidding Documents: All standard bidding documents to be used for the Project shall be found acceptable to the World Bank before their use during the implementation of the Project;
(4) **Eligibility:** No restriction based on nationality of bidder and/or origin of goods shall apply. Foreign bidders shall be allowed to participate in NCB without restriction and shall not be subject to any unjustified requirement which will affect their ability to participate in the bidding process. Recipient’s 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 Recipient;

(5) **Bid preparation:** Bidders shall be given at least thirty (30) days from the date of the invitation to bid or the date of availability of bidding documents, whichever is later, to prepare and submit bids; except in cases of emergency declared by the Recipient, and provided that such emergency is recognized by the World Bank and the World Bank has given its approval for less time for the bids submission;

(6) **Bid Evaluation and Contract Award:** the evaluation and contract award process of alternative bids would be revised according to World Bank’s Procurement guidelines. The criteria for bid evaluation and contract award conditions shall be clearly specified in the bidding documents;

(7) **Preferences:** No domestic preference shall be given to domestic/West African Economic and Monetary Union the West African Economic and Monetary Union (WAEMU) countries bidders; to domestically/ WAEMU area manufactured goods; and to bidders forming a joint venture with a national firm or proposing national sub-contractors or carrying out economic activities in the territory of the Recipient;

(8) **Fraud and Corruption:** In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the World Bank’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; and

(9) **Right to Inspect and Audit:** In accordance with paragraph 1.16 (a) of the Procurement Guidelines, each bidding document and contract financed from the proceeds of the financing shall provide that: (i) the bidders, suppliers, and contractor 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.

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

(B) Shopping; and

(C) Direct Contracting.

(d) **Particular Methods of Procurement of Consultants’ Services**

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the 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) Selection based on Consultants’ Qualifications;

(D) Single-source Selection of consulting firms;

(D) Selection of Individual Consultants; and

(E) Single-source procedures for the Selection of Individual Consultants.

(e) **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.

**Article III**

**Withdrawal of the Advance**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Advance 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 following table. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the Advance ("Category"), the amount of the Advance allocated 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 Advance Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consultants' services, Operating Costs and Training</td>
<td>4,000,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>4,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. **Refinancing Date.** The Refinancing Date is June 30, 2015.

**Article IV**

Terms of the Advance

4.01. **Service Charge.** The Recipient shall pay a service charge on the Withdrawn Advance Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum. The service charge shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid in arrears in accordance with the provisions of Section 4.02 of this Agreement. Service charges shall be computed on the basis of a 360-day year of twelve 30-day months.

4.02. **Repayment.** The Withdrawn Advance Balance shall be repaid by the Recipient to the World Bank (together with any service charges accrued thereon) in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

(a) **Refinancing under the Refinancing Agreement:** If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with any service charges accrued on the Advance to the date of repayment) as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such service charges, in accordance with the provisions of the Refinancing Agreement.

(b) **Repayment in the absence of a Refinancing Agreement:** If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by
such date or at any time thereafter, it has been so executed but terminates without becoming effective, then:

(i) if the amount of the Withdrawn Advance Balance does not exceed $50,000, it shall be repaid by the Recipient to the World Bank (together with service charges accrued on the Withdrawn Advance Balance to the date of repayment) on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and

(ii) if the amount of the Withdrawn Advance Balance exceeds $50,000, it (together with service charges accrued on the Withdrawn Advance Balance to the Notice Date) (the “Aggregate Balance”) shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates (“Payment Dates”) which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date (“Notice Date”) of dispatch of such notice. The Recipient shall pay a service charge on the Aggregate Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum, payable in arrears on each Payment Date. The service charge shall be computed on the basis of a 360-day year of twelve 30-day months.

Article V
Recipient’s Representative; Addresses

5.01. Recipient’s Representative. The Recipient’s Representative referred to in Section 9.02 of the Standard Conditions is the Recipient’s ministry in charge of finance.

5.02. Recipient’s Address. The Recipient’s Address referred to in Section 9.01 of the Standard Conditions is:

Ministry of Economy and Finance
P. O. Box 234
Bamako
Republic of Mali

Facsimile:
223-2022-14-88
223-2022-07-93

5.03. World Bank’s Address. The World Bank’s Address referred to in Section 9.01 of the Standard Conditions is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
Cable: INDEVAS  
Telex: 248423 (MCI) or 64145 (MCI) 
Facsimile: 1-202-477-6391