Public Disclosure Authorized

Public Disclosure Authorized

OFFICIAL
DOCUMENTS

**CREDIT NUMBER 6411-SL**

# Project Agreement

**(Additional Financing for the Energy Sector Utility Reform Project)**

**between**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**and**

**ELECTRICITY DISTRIBUTION AND SUPPLY AUTHORITY**

**CREDIT NUMBER 6411-SL**

## PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and ELECTRICITY DISTRIBUTION AND SUPPLY AUTHORITY ("Project Implementing Entity" or "EDSA") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of the Signature Date between the Republic of Sierra Leone ("Recipient) and the Association, concerning Credit No. 6411-SL 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) apply to and form 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 the Additional Activities under Parts 1 and 2 of the Project in accordance with the provisions of Article V of the General Conditions and the Schedule to this Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for its parts of the Project.

### ARTICLE III — TERMINATION

3.01. For purposes of Section 10.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty (20) years after the Signature Date.

### ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity's Representative is its Director General.

4.02. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

| Telex: | Facsimile: |
|---|---|
| 248423(MCI) or | 1-202-477-6391 |

4.03. For purposes of Section 11.01 of the General Conditions:

(a) the Project Implementing Entity's address is:

Electricity Distribution and Supply Authority
Electricity House
36 Siaka Steven Street
Freetown
Sierra Leone

AGREED as of the later of the two dates written below.

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

Henry Kerali

**Authorized Representative**

**Name:** HENRY KERALI

**Title:** COUNTRY DIRECTOR

**Date:** 17 JUNE 2019

**ELECTRICITY DISTRIBUTION AND SUPPLY AUTHORITY**

**By**

**Authorized Representative**

**Name:** Joe-Lahai Sesmana

**Title:** Counterpart Director General

**Date:** June 17, 2019

## SCHEDULE

### Execution of the Project Implementing Entity's Parts of the Project

**Section I. Implementation Arrangements**

**A. Institutional Arrangements**

The Project Implementing Entity shall: (i) maintain, at all times during the implementation of the Project, a project management team, to be responsible for the day to day execution, coordination and implementation, including procurement, financial management, compliance with environmental and social safeguards, monitoring and evaluation, supervision, reporting and communication aspects, of the its parts of the Project; and (ii) take all actions, including the provision of funding, personnel, and other resources satisfactory to the Association, to enable the project management team to perform said functions, including, not later than three (3) months after the Effective Date, recruiting a social safeguard officer to the project management team.

**B. Project Implementation Manual**

1. The Project Implementing Entity shall carry out the Additional Activities in accordance with the Project Implementation Manual. To this end, the Project Implementing Entity shall not amend the Project Implementation Manual without the prior written approval of the Association.

2. Notwithstanding the foregoing, if any of the provisions of the Project Implementation Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail and govern.

**C. Annual Work Plans and Budget**

1. Each year the Project Implementing Entity shall prepare a draft annual work plan and budget for its parts of the Project (including Training and Operating Costs) for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested.

2. The Recipient shall furnish to the Recipient, as soon as possible but in any case not later than September 30, such draft annual work plan and budget for incorporation and forwarding by the Recipient to the Association of the draft annual workplan and budget for the Project. Only the activities included in an annual work plan and budget expressly approved by the Association (each an "Annual Work Plan and Budget") are eligible to a financing from the proceeds of the Financing.

3. The Recipient shall ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets.

**D. Safeguards**

1. The Project Implementing Entity shall carry out the Additional Activities with due regard to appropriate health, safety, social, and environmental practices and standards, and in accordance with the Safeguards Instruments.

2. For each Additional Activity, the Project Implementing Entity shall:

(a) take all measures as shall be necessary or appropriate to ensure compliance with the ESHIA;

(b) for each Additional Activity for which the RPF provides for the preparation of a RAP, the Project Implementing Entity shall proceed to have a RAP: (i) prepared and disclosed in accordance with the RPF; (ii) consulted upon adequately with Affected Persons and submitted to the Association for review and approval; and (iii) thereafter adopted, prior to implementation of the activity; and

(c) take all measures as shall be necessary or appropriate to implement the RAP in a manner and timeframe satisfactory to the Association. To this end, the Project Implementing Entity shall ensure that:

(i) sufficient funds are made available to cover all the costs of implementing the RAP;

(ii) prior to the start of any works that will require displacement, Affected Persons shall be compensated at full replacement cost, resettled and provided with resettlement assistance in accordance with the RAP, as applicable; and

(iii) the implementation, monitoring and evaluation of such RAP is completed and reported in a manner satisfactory to the Association.

3. The Project Implementing Entity shall ensure that the obligation to comply with the relevant Safeguard Instruments is incorporated: (a) in the contracts between the Recipient and the relevant contractors; and (b) in the contracts between the relevant contractors and the contractors' subcontractors.

4. The Project Implementing Entity shall ensure that all the bidding documents and contracts for works or non-consulting services under the

Project require that the contractor, sub-contractor or consultant adopt a code of conduct that shall be provided to and signed by all workers, as applicable to such works or non-consulting services commissioned or carried out pursuant to said contracts, which shall, *inter alia*, cover gender-based violence, and sexual exploitation and abuse, along with an action plan designed to effectively implement said code of conduct, including appropriate training on said code of conduct.

5. Except as the Association shall otherwise agree, the Project Implementing Entity shall ensure that none of the provisions of the Safeguard Instruments is abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

6. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall:

   (a) take all measures necessary on its part to regularly collect, compile, and submit to the Association, as part of the Project Reports, and promptly in a separate report whenever the Association may require, information on the status of compliance with the Safeguards Instruments. Such information shall include: (i) measures taken in furtherance of the Safeguards Instruments; (ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and (iii) remedial measures taken or required to be taken to address such conditions; and

   (b) promptly notify the Association of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers.

**Section II. <u>Project Monitoring, Reporting and Evaluation</u>**

The Project Implementing Entity shall monitor and evaluate the progress of its parts of the Project and prepare Project Reports for its parts of the Project in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of the indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar quarter and shall be furnished to the Recipient not later than two (2) 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.