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DOCUMENTS

CREDIT NUMBER 6372-GN
GRANT NUMBER D426-GN

Project Agreement

(Electricity Access Scale Up Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

AGENCE GUINEENNE D'ELECTRIFICATION RURALE

CREDIT NUMBER 6372-GN
GRANT NUMBER D426-GN

PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and *AGENCE GUINEENNE D'ELECTRIFICATION RURALE* ("Project Implementing Entity" or "AGER") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of the Signature Date between the REPUBLIC OF GUINEA ("Recipient) and the Association, concerning Grant No. D426-GN, and Credit No 6372-GN, 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 their commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out Part B and Part C 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 their Parts of the Project.

ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Project Implementing Entity's Representative is their *Directeur Général*.

3.02. 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

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

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

Villa 30, Cité des Nations, Kaloum
Conakry, République de Guinée; and

(b) the Project Implementing Entity's Electronic Address is:

Telex:

224 662 31 68 31

kalokoaboubacar@gmail.com

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

INTERNATIONAL DEVELOPMENT ASSOCIATION

By _____
Authorized Representative

Name: Rachidi B. Radji

Title: Country Manager

Date: April 01, 2019

AGENCE GUINEENNE D'ELECTRIFICATION RURALE

By _____
Authorized Representative

Name: Aboubacar Kaloko

Title: Directeur Général

Date: April 01, 2019

SCHEDULE

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

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Implementing Entity is responsible for the coordination, implementation and technical supervision of their Parts of the Project, including: (i) carrying out Project financial management and procurement activities; (ii) preparing and endorsing Annual Work Plans; (iii) monitoring and evaluating Project activities and preparing Project progress reports and monitoring and evaluation reports; (iv) implementation and supervision of the Safeguard Instruments; and (v) coordinating with other stakeholders on Project implementation, and shall take all required actions including the provision of funding, personnel and other resources necessary to perform their functions. To this end, AGER shall;

   (a) no later than one (1) month after the Effective Date, (i) establish and maintain, throughout the Project implementation period, a project implementation unit (AGER PIU), with composition, mandate and resources satisfactory to the Association; and (ii) recruit an accountant and a procurement analyst under terms of reference and with experience and qualifications acceptable to the Association; and

   (b) no later than three (3) months after the Effective Date, install, and thereafter maintain throughout the Project implementation period, an accounting software for the Project acceptable to the Association;

B. Project Implementation Manual

1. The Project Implementing Entity shall carry out their Parts of the Project 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. Safeguards

1. The Project Implementing Entity shall carry out their Parts of the Project in accordance with the provisions of the Safeguard Instruments.

2. Whenever an ESIA, ESMP and/or RAP shall be required for any proposed Project activity in accordance with the provisions of the ESMF and/or the RPF, the Project Implementing Entity shall:

   (a) prior to the commencement of such activity, proceed to have such ESIA, ESMP and/or RAP, as the case may be: (i) prepared and disclosed in accordance with the provisions of the ESMF and the RPF; (ii) consulted upon adequately with people affected by the Project as per the ESMF and RPF and furnished to the Association for review and approval; and (iii) thereafter adopted and disclosed as approved by the Association, in a manner acceptable to the Association;

   (b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESIA, ESMP or RAP; and

   (c) in the case of any resettlement activity under the Project Implementing Entity's Parts of the Project involving Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before necessary resettlement measures consistent with the RAP have been executed, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, prior to displacement.

3. The Project Implementing Entity shall ensure that: (i) all consultancies related to technical assistance under their Parts of the Project shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Association; and (ii) such terms of reference shall duly incorporate the requirements of the Association's applicable safeguards policies and procedures then in force and shall require the technical assistance activities to take into account the requirements of said policies.

4. The Project Implementing Entity shall ensure that employees, agents, service providers, contractors and subcontractors carry out Part B and Part C of the Project in conformity with acceptable environmental and social standards, practices and codes of conduct (which shall, inter alia, contain measures that prohibit, endeavor to prevent and address Project-related gender-based violence and sexual exploitation and abuse) and the provisions of the Recipient's environmental and social laws and that the terms of reference includes such obligation.

5. The Project Implementing Entity shall ensure that all the bidding documents include the obligation of the relevant contractors and subcontractors to: (i) adopt and implement measures to assess and manage the risks and impacts of labor influx; and (ii) adopt and enforce codes of conduct that should be provided to and signed by all workers; as applicable to such civil works commissioned or carried out pursuant to said contracts.

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

(a) regularly collect, compile and submit to the Association every calendar semester, reports, in form and substance satisfactory to the Association, on the status of compliance with the Safeguard Instruments, giving details of (i) measures taken in furtherance of such Safeguard Instruments; (ii) any conditions, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and (iii) remedial measures taken or required to be taken to address such conditions; and

(b) promptly notify the Bank 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.

7. The Project Implementing Entity shall establish and, throughout Project implementation, maintain and publicize the availability of Project-level grievance and feedback and redress mechanism, in a form and substance satisfactory to the Association, to hear and determine fairly and in good faith all complaints and feedback raised in relation to the Project, and take all measures necessary to implement the determinations made by said grievance feedback and redress mechanism in a manner satisfactory to the Association.

8. The Project Implementing Entity shall not amend, abrogate, repeal, suspend, waive, or otherwise fail to enforce, or permit to be amended, abrogated, repealed, suspended or waived any of the Safeguard Instruments or any provision thereof without the prior written approval of the Association. In case of inconsistency between this Agreement and any of the Safeguard Instruments, the terms of this Agreement shall prevail.

D. Annual Work Plans and Budget

1. Each year the Project Implementing Entity shall prepare a draft annual work plan and budget for their Parts of the Project for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested.

2. The Project Implementing Entity shall, following coordination with and approval from the Steering Committee, furnish to the Association, as soon as available, but in any case not later than November 30 of each year, the annual work plans and budgets and the evidences referred to in paragraph 1 above, for their review and approval; except for the annual work plan and budget for their Parts of the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date. 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 Project Implementing Entity shall carry out their Parts of the Project in accordance with the Annual Work Plans and Budgets.

E. Subprojects.

1. The Project Implementing Entity shall make Subgrants to Eligible Beneficiaries for Subprojects in accordance with eligibility criteria and procedures set forth in the PIM and acceptable to the Association, which shall include the following:

(a) No proposed Subproject shall be eligible for financing under a Subgrant to an Eligible Beneficiary unless the Project Implementing Entity shall have determined on the basis of an appraisal carried out in accordance with guidelines acceptable to the Association and elaborated in the Project Implementation Manual, that:

(i) the proposed Subproject: (A) is designed to allow electrification of remote localities with privately operated hybrid systems based on selected business plans; (B) is technically feasible and economically and financially viable; and (C) if, pursuant to the Safeguard Frameworks, an ESIA, ESMP, and/or RAP for the Subproject are required, such ESIA, ESMP, and/or RAP have been prepared and approved by the Association in accordance with the provisions of Section I.C.2 of Schedule 2 to the Financing Agreement and all measures required to be taken in accordance with Section I.F. of Schedule 2 to the Financing Agreement prior to commencement of the activities covered by the ESIA, ESMP, and/or RAP have been taken; and

(ii) the proposed Beneficiary: (A) is a natural person or a legal entity established and operating under the laws of the Recipient with the organization, management, technical capacity and financial resources necessary to carry out the proposed Subproject; (B) has prepared a satisfactory business plan, including financing plan and budget, and a satisfactory implementation plan for the proposed Subproject; and (C) has demonstrated the capacity, and has committed, to finance at least 20% of the total estimated cost of the Subproject out of their own resources.

(b) The maximum amount of each Subgrant for a Subproject shall not exceed 80% of the total amount of the Subproject

2. The Project Implementing Entity shall make each Subgrant under a Subgrant Agreement with the respective Eligible Beneficiary on terms and conditions approved by the Association, which shall include the following:

(a) The Subgrant shall be made on a non-reimbursable grant basis.

(b) The Project Implementing Entity shall obtain rights adequate to protect their interests and those of the Association, including the right to:

(i) suspend or terminate the right of the Eligible Beneficiary to use the proceeds of the Subgrant, or obtain a refund of all or any part of the amount of the Subgrant then withdrawn, upon the Eligible Beneficiary's failure to perform any of their obligations under the Subgrant Agreement; and

(ii) require each Eligible Beneficiary to:

(A) carry out their Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Safeguard Frameworks (and any ESIA, ESMP and/or RAP required for the Subproject pursuant to the Safeguard Frameworks), and the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient;

(B) provide, promptly as needed, the resources required for the purpose;

(C) procure the goods and services to be financed out of the Subgrant in accordance with the provisions of Procurement Regulations;

(D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Subproject and the achievement of their objectives;

(E) (1) 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 their operations, including the operations, resources and expenditures related to the Subproject; and (2) 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, and permit

the Association to make such statements as so audited available to the public, along with the Subgrant Agreement;

(F) enable the Recipient and the Association to inspect the Subproject, their operation and any relevant records and documents; and

(G) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

3. The Project Implementing Entity shall exercise their rights and carry out their obligations under each Subgrant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive any Subgrant Agreement or any of their provisions.

Section II. Project Monitoring, Reporting and Evaluation

The Project Implementing Entity shall monitor and evaluate the progress of their Parts of the Project and prepare Project Reports for their 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 one month 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.

Section III. Procurement

All goods, works and services required for the Project Implementing Entity's Parts of the Project and to be financed out of the proceeds of the Grant and Credit shall be procured in accordance with the Procurement Regulations.

Section IV. Anti-Corruption

The Project Implementing Entity shall ensure that the Project is carried out in accordance with the Anti-Corruption Guidelines.