Project Agreement

(Mali Electricity Sector Improvement Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

ENERGIE DU MALI
PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and ENERGIE DU MALI or EDM ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of the Signature Date between the REPUBLIC OF MALI ("Recipient") and the Association, concerning Grant No. D496-ML and Credit No. 6457-ML. 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) 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 objective of the Project. To this end, the Project Implementing Entity shall carry out 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 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:

   Facsimile:
   1-202-477-6391
4.03. For purposes of Section 11.01 of the General Conditions: (a) the Project Implementing Entity's address is:

Square Patrice Lumumba
P. O. Box 69
Bamako
Mali; and

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

Facsimile:

+223-2022-8430
AGREED as of the later of the two dates written below.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Souleyma Kane
Title: Country Director
Date: July 12, 2019

ENERGIE DU MALI

By

[Signature]

Authorized Representative

Name: Boukarou Keita
Title: Director
Date: July 12, 2019
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Implementing Entity shall be responsible for the management (including financial management and procurement), monitoring, and evaluation of the Project.

2. The Project Implementation Entity shall obtain technical inputs from the Recipient, through the Ministry of Energy and Water, in relation to Parts 2.2 (a) and 2.2 (c) (i) of the Project.

Project Implementation Unit

3. To this end, the Project Implementing Entity shall establish, as soon as practicable, and thereafter maintain throughout Project implementation, the Project Implementation Unit with an institutional framework, functions, and resources, including competent personnel in adequate numbers (including a Project coordinator, a financial management specialist, a procurement specialist, an environmental safeguards specialist, and a social safeguards specialist), satisfactory to the Association for such purpose.

4. The Project Implementing Entity shall, not later than three (3) months after the Effective Date, appoint to the Unit referred to in the preceding paragraph, and thereafter maintain throughout Project implementation, an accountant, an additional financial management specialist, and an additional procurement specialist, satisfactory to the Association.

Independent Verification Agency

5. The Project Implementing Entity shall, for purposes of implementation of Part 3 of the Project:

(a) appoint, not later than six (6) months after the Effective Date, and thereafter maintain throughout Project implementation, an independent verification agency, under terms of reference satisfactory to the Association, for verification of the data and other evidence relating to the achievement of Disbursement-Linked Results and recommend corresponding payments to be made, as applicable;

(b) ensure that such agency: (i) carries out, not later than June 30 and December 31 of each year of Project implementation and in a manner satisfactory to the Association, verification of the achievement of Disbursement-Linked Results during the period under review in accordance with the Verification Protocols; and (ii) submits to the Recipient and the Association, not later than July 31 and January 31, respectively, of each year of Project implementation and in form and substance satisfactory to the Association, reports on such verification; except for such verification in the first year of Project implementation, which shall be carried out not later than June 30, and the report on such verification, which shall be submitted to the Recipient and the Association not later than August 31.
6. In the event of a need for verification services prior to the appointment of such agency, the Recipient shall put in place adequate interim arrangements satisfactory to the Association and approved in writing by the Association for this purpose.

B. Project Implementation Manual

1. The Project Implementing Entity shall: (a) as soon as practicable, prepare and adopt a Project Implementation Manual; (b) thereafter ensure that the Project is carried out in accordance with said manual; and (c) except as the Association shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, said manual.

2. In the event of a conflict between the provisions of said manual and those of this Agreement, the latter shall govern.

C. Annual Work Plans and Budgets

The Project Implementing Entity shall:

1. prepare and furnish to the Association for approval and to the Recipient, as soon as available, but in any case not later than November 30 of each year, an annual work plan and budget for the Project for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested, except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished not later than one (1) month after the Effective Date; and

2. thereafter ensure that the Project is carried out in accordance with such plan and budget as approved by the Association.

D. Safeguards

1. The Project Implementing Entity shall ensure that the Project is carried out with due regard to appropriate environmental, social, health, and safety standards and practices and in accordance with the provisions of the Safeguards Instruments, and, except as the Association shall otherwise agree in writing, the Project Implementing Entity shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, said instruments.

2. In the event of a conflict between the provisions of any of said instruments and those of this Agreement, the latter shall govern.

3. No activity with significant environmental or social impacts shall be eligible for financing under the Project.

4. The Project Implementing Entity shall ensure that bidding documents and contracts for activities under the Project include the obligation of the respective contractor to: (a) implement, monitor, and evaluate the applicable Safeguards Instruments; (b) adopt and implement measures to assess and manage the risks and impacts of any labor influx and workers’ camps; (c) adopt and enforce codes of conduct, to be provided to and signed by all workers, detailing measures relating to environmental, social, health, and safety
standards and gender-based violence and violence against children, all as applicable to activities commissioned or carried out pursuant to such contracts.

5. The Project Implementing Entity shall, for purposes of the Project, and prior to the award of contract(s) for the implementation thereof, proceed to have Environmental and Social Management Plans and Resettlement Action Plans as may be required under the Environmental and Social Management Framework and the Resettlement Policy Framework, respectively:

(a) prepared in form and substance satisfactory to the Association;
(b) except as otherwise agreed with the Association, submitted to the Association for review and approval; and
(c) thereafter, adopted and publicly disclosed.

6. The Project Implementing Entity shall:

(a) take all necessary actions to minimize to the extent possible any Involuntary Resettlement; and
(b) prior to taking possession of land, commencing Involuntary Resettlement, or awarding a contract for the implementation of works which would result in Involuntary Resettlement, ensure that all Affected Persons have been compensated and provided with applicable resettlement and rehabilitation benefits in accordance with the provisions of the applicable Safeguards Instruments.

7. The Project Implementing Entity shall finance exclusively out of its own or other resources, and not out of the proceeds of the Financing, and provide, promptly as needed, the resources needed for the following: (a) all land acquisition required for purposes of the Project; and (b) resettlement and rehabilitation payments and other assistance to Affected Persons in accordance with the provisions of the applicable Safeguards Instruments.

8. The Project Implementing Entity shall ensure that: (a) all consultancies relating to technical assistance, design, and capacity building activities under the Project, the application of whose results could have environmental, social, health, or safety implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Association; and (b) such terms of reference shall require the technical assistance, design, and capacity building activities to take into account the requirements of the Association’s applicable environmental and social safeguards policies.

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

10. The Project Implementing Entity shall uniformly apply the provisions of the Safeguards Instruments to all parts of the Project, regardless of the source of financing.
11. The Project Implementing Entity shall:

(a) take all measures necessary to regularly collect, compile, and submit to the Association, as part of the Project Reports, and / or separate reports whenever the circumstances so warrant, information on the status of compliance with said instruments, providing details of: (i) measures taken in furtherance of said instruments; (ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of said instruments; and (iii) remedial measures taken or required to be taken to address such conditions;

(b) promptly furnish to the Association a copy of each progress report prepared and submitted by any entity (including any engineer) supervising the Project’s civil works, the Project’s contractors and / or subcontractors; and

(c) promptly notify the Association of any incident or accident relating 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.

12. The Project Implementing Entity shall, through the Project Implementation Unit, be responsible for the implementation, monitoring, and evaluation of the Safeguards Instruments, and shall collaborate with the Recipient, through the Ministry of the Environment, Sanitation, and Sustainable Development, for such purpose.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of indicators acceptable to the Association. Each such Project Report shall cover the period of one (1) calendar semester 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.

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 5.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.