The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

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May 2, 2013

Dr. Ngozi Okonjo-Iweala
Coordinating Minister of the Economy and
Honorable Minister of Finance
Federal Ministry of Finance
Finance Headquarters
Central Business District
Abuja FCT

Re: Multi Donor Trust Fund Grant for the Extractive Industries Transparency Initiative
NIGERIA: Extractive Industries Transparency Post Compliance Grant Project
Trust Fund Grant No. TF014025 – NG
(Amending and Restating the Grant Agreement)

Dear Honorable Minister:

In response to the request for financial assistance made on behalf of the Federal Republic of Nigeria (“Recipient”), I am pleased to inform you that the International Bank for Reconstruction and Development/International Development Association (“World Bank” or “the Bank”), acting as administrator of grant funds provided by Australia, Belgium, Canada, Denmark, the European Commission, Finland, France, Germany, Japan, the Netherlands, Norway, Spain, Switzerland, the UK and the USA (the “Donors”) under the Multi Donor Trust Fund for the Extractive Industries Transparency Initiative (MDTF-EITI), proposes to extend to the Recipient a grant in an amount not to exceed nine hundred thousand United States Dollars (U.S.$900,000 (“Grant”)) on the terms and conditions set forth or referred to in this letter agreement (the “Agreement”), which includes the attached Annex, to assist in the financing of the project described in the Annex (“Project”).

This Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the Donors. In accordance with Section 3.02 of the Standard Conditions (as defined in the Annex to this Agreement), the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

The Recipient represents, by confirming its agreement below, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.

This Agreement amends and restates the grant agreement for the same Grant dated February 12, 2013 and will replace the latter when it enters into effect.
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 returning 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.

Very truly yours,
WORLD BANK

By
Marie Francoise Marie-Nelly
Country Director for Nigeria
Africa Region

AGREED:
FEDERAL REPUBLIC OF NIGERIA

By

Name Dr. Ngozi Okonjo-Iweala
Title Minister of Finance
Date: 4th June, 2013

Enclosures:
(1) Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated
February 15, 2012
(2) Disbursement Letter of the same date as this Agreement, together with World Bank
Disbursement Guidelines for Projects, dated May 1, 2006
(3) "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
(4) "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans
and IDA Credits and Grants by World Bank Borrowers", dated January 2011
(5) "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits
and Grants by World Bank Borrowers", dated January 2011

MDTF-EITI Grant No. TF014025
ANNEX

Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions for Grants Made by the World Bank out of Various Funds dated February 15, 2012 ("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.

(a) "EITI" means Extractive Industries Transparency Initiative;
(b) "EITI Act" means the act adopted by the Recipient on May 25, 2007 providing for a legal framework for the implementation of the Nigeria Extractive Industries Transparency Initiative (NEITI); and
(c) "NEITI Secretariat" means Nigeria Extractive Industries Transparency Initiative Secretariat established under the NEITI Act of 2007 to oversee the implementation of the Project.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to provide continued implementation support to the Recipient’s EITI process in the post-compliant phase for improvements in the timeliness and regularity of the annual EITI reconciliation and reporting process. The Project consists of the following parts:

**Part A: Regular Reporting**

Provision of technical assistance to address constraints in the preparation and production of timely EITI reports for executive, legislative, and for advocacy purposes

**Part B: Audit Follow-Up and Enhanced Monitoring and Evaluation of Remediation Activities**

Provision of technical assistance for strengthening the process of monitoring agency implementation of sector governance and systemic weaknesses identified in the NEITI audit reports.

**Part C: Capacity Building**

Conducting a capacity building program for staff of the NEITI Secretariat and the Ministry of Finance (oil and gas unit and budget office of the federation), delivered in-house for optimal benefit to enhance its audit analysis capacity

**Part D: Project Coordination and Management**

Supporting operations of the NEITI Secretariat related to Project coordination and management, including Grant audit

2.02. **Project Execution Generally.** The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through the NEITI Secretariat in accordance
with the provisions of: (a) Article II of the Standard Conditions; (b) 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”); and (c) this Article II.

2.03. Institutional and Other Arrangements. The Recipient shall maintain until the end of the Project NEITI Secretariat, with staffing, mandate and resources satisfactory to the World Bank, including a dedicated project management unit to be responsible for the day-to-day implementation of the Project.; and

2.04. Donor Visibility and Visit. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, take all measures required on its part to enable the representatives of the Donors to visit any part of the Recipient’s territory for purposes related to the Project.

2.05. Project Monitoring, Reporting and Evaluation. (a) 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 semester and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.

(b) 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 months after the Closing Date. In other to assist the Recipient in preparing the Completion Report, the Recipient shall employ consultants whose qualifications, experience, and terms of reference are acceptable to the Bank in accordance with the provisions of Section 2.07 of this Agreement.

2.06. Financial Management. (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

(b) The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than one month 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 Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.

2.07. Procurement.

(a) All goods, non-consulting services, and/or consulting services required for the Project and to be financed, fully or partially, out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

(ii) Section 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 Project in accordance with paragraph 1.8 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.

(b) Particular Methods of Procurement of 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 which are specified in the Procurement Plan: (A) National Competitive Bidding; and (B) Shopping.

(d) Particular Methods of Procurement of Consultants’

(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 and may be used for procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Quality-based Selection; (B) Selection based on consultants’ Qualifications; (C) Single-source Selection of consulting firms; (D) Selection of Individual Consultants; and (E) Single-source procedures for the Selection of Individual Consultants.

(ii) 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 Grant Proceeds

3.01. Eligible Expenditures. 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 following table. The table specifies the categories of Eligible Expenditures that may be financed out of the proceeds 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 USD)</th>
<th>Percentage of Expenditures to be Financed (Inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, Training, Operating Costs and non-consultants’ services</td>
<td>900,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>900,000</td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this paragraph, the term: (i) “Training” means the reasonable costs, as shall have been approved by the World Bank, for training and workshops conducted under the Project, including tuition, 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 course and workshop preparation and implementation (but excluding goods and consultants’ services); and

(ii) “Operating Costs” means the reasonable costs, as shall have been approved by the World Bank, of the following expenditures incurred to finance activities under the project: (A) salaries of staff involved in the Project (excluding civil servants); (B) per diem and travel expenses of staff required to perform their responsibilities under the Project; (C) fuel, and vehicle maintenance, vehicle hire and insurance services; (D) communication technology (including, without limitation, internet, and telephone service); (E) translation and interpretation services, advertising, photocopying, printing, and publishing costs; (F) office utilities, and office supplies; and (G) reasonable bank charges related to the operation of designated accounts.

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. **Withdrawal Period.** The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is May 31, 2015.

**Article IV**

**Recipient’s Representative; Addresses**

4.01. **Recipient’s Representative.** The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Federal Minister of Finance.

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

Federal Ministry of Finance  
Ahmadu Bello Way  
Central Area  
PMB 14, Garki  
Abuja  
Nigeria
Facsimile: (234-9) 234 3609

4.03. **World Bank's Address.** The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

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

Facsimile: 1-202-477-6391