Project Agreement

(Additional Financing for the Electricity Sector Support Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

SOCIÉTÉ NATIONALE D'ÉLECTRICITÉ DU SÉNÉGAL
(SENELEC)

Dated August 31, 2016
PROJECT AGREEMENT

AGREEMENT dated August 31, 2016, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and SOCIÉTÉ NATIONALE D’ÉLECTRICITÉ DU SÉNÉGAL (SENELEC) ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of same date between the Republic of Senegal ("Recipient") and the Association. 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) constitute an integral 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 Project in accordance with the provisions of Article IV of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Association and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — TERMINATION

3.01. For purposes of Section 8.05(c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative is its director general.
4.02. The Association’s Address is:

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

Telex: Facsimile:

248423(MCI) 1-202-477-6391

4.03. The Project Implementing Entity’s Address is:

28, Rue Vincens
BP 93
Dakar, Senegal
Fax: +221-823-12-67

AGREED at Washington D.C., United States of America, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

________________________________________
Authorized Representative

Name: ___________________________
Title: ___________________________

SOCIÉTÉ NATIONALE D’ÉLECTRICITÉ DU
SÉNÉGAL (SENELEC)

By

________________________________________
Authorized Representative

Name: ___________________________
Title: ___________________________
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

To ensure prompt and efficient implementation of the Project, the Project Implementing Entity shall, throughout the Project implementation period: (1) assign and maintain competent and qualified staff, from the Project Implementing Entity in adequate numbers to be responsible for Project implementation and management, such staff to include a project coordinator, a technical assistant, an administrative, evaluation and monitoring assistant, a procurement specialist, an accountant, an environmental specialist, a social safeguard specialist; and (2) not later than one (1) month after the Effective Date, employ and thereafter maintain at all times during Project implementation, an internal auditor whose qualifications, experience and terms of reference shall be acceptable to the Association.

B. Anti-Corruption

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

C. Project Implementation Manual

1. The Project Implementing Entity shall, not later than one (1) month after the Effective Date: (a) update under terms of reference acceptable to the Association, and furnish to the Recipient and the Association, an implementation manual for the Project containing detailed arrangements and procedures for: (i) institutional coordination and day-to-day execution of the Project; (ii) Project budgeting, disbursement and financial management; (iii) procurement; (iv) monitoring, evaluation, reporting and communication; and (v) eligibility criteria for the selection of Low Income Households; and (vi) such other arrangements and procedures as shall be required for the Project; (b) afford the Recipient and the Association a reasonable opportunity to exchange views with the Project Implementing Entity; and (c) thereafter adopt such Project implementation manual as shall have been approved by the Association (“Project Implementation Manual”).

2. The Project Implementing Entity shall carry out the Project in accordance with the Project Implementation Manual and, except as the Association shall otherwise agree in writing, shall not amend, abrogate or waive any provision of the Project Implementation Manual; provided; however, that in case of any conflict between the Project Implementation Manual and the provisions of the Legal Agreements, the provisions of the Legal Agreements shall prevail.
D. Annual Work Plan

1. The Project Implementing Entity shall prepare, under terms of reference acceptable to the Association, and furnish to the Recipient, not later than November 15 in each Fiscal Year during the implementation of the Project, for review and forwarding to the Association for the latter’s approval in accordance with the provisions of Section I.D of Schedule 2 to the Financing Agreement, an annual work plan and budget for all activities proposed to be included in the Project for such following Fiscal Year, including all Safeguard Documents, required for said activities and prepared in accordance with the provisions of Part E of this Schedule.

2. The Project Implementing Entity shall implement the Project with due diligence during said following Fiscal Year in accordance with the Annual Work Plan for said following Fiscal Year.

3. The Project Implementing Entity shall not make or allow to be made any change to the Annual Work Plan without prior approval in writing by the Association.

E. Safeguards

1. The Project Implementing Entity shall implement the Project, in accordance with the relevant Safeguard Instruments, and to that end, if any activity included in an Annual Work Plan would, pursuant to the Safeguard Frameworks require the adoption of any Safeguard Document:

(a) prepare: (i) such Safeguard Document; (ii) furnish such Safeguard Document to the Association for review and approval; and (iii) thereafter adopt such Safeguard Document, prior to implementation of the activity; and

(b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Safeguard Document.

2. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall, in accordance with terms of reference satisfactory to the Association: (a) monitor the status of compliance with the Safeguard Instruments (as the case may be); and (b) prepare reports to cover the period of one calendar semester and furnish the same to the Association, as part of the Project Reports, on the results of such monitoring activities, giving details of:

(i) measures taken in furtherance of such Safeguard Instruments (as the case may be);

(ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments (as the case may be); and

(iii) remedial measures taken or required to be taken to address such conditions.
2. The Project Implementing Entity shall afford the Association a reasonable opportunity to review the reports prepared under paragraph 2 of this Part E, and thereafter shall carry out with due diligence all remedial measures agreed with the Association so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.

3. 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.

F. Subsidiary Agreement

The Project Implementing Entity shall carry out its obligations and exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient, the Project Implementing Entity 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 the Subsidiary Agreement or any of its provisions.

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 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later four 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 ninety (90) days after the Effective Date, for incorporation in the report referred to in Section 4.08(c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.

B. Financial Management, Financial Reports and Audits

1. The Project Implementing Entity shall 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 the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to the Project.

2. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association. Each audit of these
financial statements shall cover the period of one Fiscal Year. The Project Implementing Entity shall ensure that the audited financial statements for each period shall be: (a) furnished to the Recipient and the Association not later than six (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Association.

3. The Project Implementing Entity shall, not later than three (3) months after the Effective Date update its accounting software to include the Project.

Section III. Procurement

All goods, works and services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.