Project Agreement

(Senegal River Basin Multipurpose Water Resources Development Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

ORGANISATION POUR LA MISE EN VALEUR DU FLEUVE SENGAL

Dated February 27, 2014
PROJECT AGREEMENT

Agreement dated February 27, 2014, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and ORGANISATION POUR LA MISE EN VALEUR DU FLEUVE SÉNÉGAL (OMVS) ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of same date between the REPUBLIC OF MALI ("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 IV—REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative is the High Commissioner of Organisation pour la Mise en Valeur du Fleuve Sénégal.

4.02. The Association’s Address is:

International Development Association
1818 H Street, NW
Washington, DC20433
United States of America

Cable: INDEVAS
Telex: 248423(MCI)
Facsimile: 1-202-477-6391

4.03. The Project Implementing Entity’s Address is:

Organisation pour la Mise en Valeur du Fleuve Sénégal
Haut Commissariat
BP 3152
Dakar
Senegal

Facsimile:
+221-33-864-01-63
AGREED at Dakar, Senegal, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Paul Koumba Dji
Title: Permanent Director

ORGANISATION POUR LA MISE EN VALEUR DU FLEUVE SENEGAL

By

Authorized Representative

Name: Kadio Komana
Title: High Commissioner
SCHEDULE

Execution of the Project

Section I. Implementation and Institutional Arrangements

A. Institutional Arrangements

1. Regional Steering Committee

   (a) The Project Implementing Entity shall ensure that the Regional Steering Committee is maintained at all times during the implementation of the Project, with a composition, mandate, and in form and substance satisfactory to the Association.

   (b) Without limitation to sub-paragraph (a) immediately above, the Regional Steering Committee will be responsible for providing policy guidance, coordination and oversight to ensure prompt and efficient implementation of the Project, including, inter alia: (i) reviewing progress made towards achieving the Project’s objective; (ii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project; (iii) providing comments on reports and reviews under the Project; and (iv) providing a forum for the respective Participating Countries to exchange views on the Project.

2. Project Coordination Unit

   (a) The Project Implementing Entity shall maintain, at all times during the implementation of the Project, the PCU with functions, staffing and resources satisfactory to the Association.

   (b) Without limitation to the provisions of Section I.A.1 of this Schedule, the PCU shall be responsible for the day-to-day administration of the overall planning, coordination, the technical, fiduciary (i.e., procurement and financial management), environmental and social safeguards compliance, coordination, monitoring, evaluation, reporting and communication of the activities under the Project, all in accordance with the provisions of this Agreement and the Project Implementation Manual.

3. Institutional Coordination for Part B.1 of the Project

   To facilitate implementation of pertinent sector activities under Parts B.1 of the Project, the Project Implementing Entity shall ensure adequate coordination at the national and regional level for activities under Part B.1 of the Project, and coordinate with ADRS, DNGR, SAED, and SONADER, respectively, under respective performance-based agreements, in form and substance satisfactory to the Association.
Implementation Arrangements

B. Project Implementation Manual

1. The Project Implementing Entity shall, carry out the Project in accordance with the provisions of the Project Implementation Manual, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Project Implementing Entity shall not amend, abrogate, waive or fail to enforce any provision of the Project Implementation Manual without the prior written agreement of the Association; provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Implementation Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Anti-Corruption

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

D. Environmental and Social Safeguards

1. The Project Implementing Entity shall carry out the Project (and particularly that any works for construction or rehabilitation under Part B.1 of the Project, and development of navigation and micro-hydro sites on the Senegal River Basin under Part C.3 of the Project) in accordance with the respective Safeguard Instruments (i.e., the Environmental and Social Impact Assessment, the Pest and Pesticide Management Plan, the Resettlement Policy Framework, any process framework or any resettlement action plan that may be prepared pursuant to the RPF).

2. The Project Implementing Entity shall: (a) not amend, suspend, abrogate, repeal or waive any Safeguard Instrument without prior approval in writing by the Association; and (b) ensure that adequate information on the implementation of respective Safeguard Instruments (including information on how potential negative impact has been minimized), is suitably included in the Project Reports referred to in Section II.A.1 of this Schedule.

3. If a process framework or a resettlement action plan would be required on the basis of the RPF, the Project Implementing Entity shall ensure that: (a) said process framework or resettlement action plan shall be prepared in consultation with the Recipient, in accordance with the requirements of the RPF, disclosed locally and furnished to the Association for approval; and (b) no works for construction or rehabilitation shall commence until: (i) all measures required to be taken under said process framework or resettlement action plan have been taken in accordance with the terms of said process.
framework or resettlement action plan and in a manner acceptable to the Association; and
(ii) the Project Implementing Entity has furnished to the Recipient and to the Association
a report in form and substance satisfactory to the Association, on the status of compliance
with the requirements of said process framework or resettlement action plan.

4. The Project Implementing Entity shall establish, no later than six (6) months after the
Effective Date, and thereafter maintain, an independent dam safety panel comprised of
experts having qualifications and experience acceptable to the Association, to advise on
associated dam safety risks.

E. Annual Work Program

1. The Project Implementing Entity shall, prepare and furnish to the Association for its
approval, not later than November 1 of each year during the implementation of the
Project, a proposed annual work program and budget containing all activities proposed to
be carried out under the Project in the following Fiscal Year.

2. The Project Implementing Entity shall, afford the Recipient and the Association a
reasonable opportunity to exchange views with the Recipient and the Project
Implementing Entity on each such proposed annual work plan and budget, and thereafter
to implement the Project or cause it to be implemented with due diligence in accordance
with such annual work program and budget as shall have been approved by the
Association (“Annual Work Program”).

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 the indicators acceptable to the Association. Each
such Project Report shall cover the period of six calendar months, and shall be furnished
to the Recipient not later forty five (45) days 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.

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. Without limitation on the provisions of Part A of this Section, the Project Implementation
Entity shall prepare and furnish to the Association not later than forty five (45) days after
the end of each calendar quarter, interim unaudited financial reports for the Project
covering the quarter, in form and substance satisfactory to the Association.
3. 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 of the Project Implementing Entity. 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 months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Association.

C. Specific Financial Management Covenant

The Project Implementing Entity shall not later than four months after the Effective Date:

(a) recruit the independent external auditor referred to in Section 4.09(b) of the General Conditions, in accordance with Section III.C of the Schedule to this Agreement; and

(b) upgrade the accounting software at the National Cellule of each Participating Country, in form and substance satisfactory to the Association.

Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. Consultants’ Services. All consultants’ services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association 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 Goods, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for
procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding consistent with competitive bidding procedures used by OMVS at the regional level for public procurement and acceptable to the Association; (c) Shopping; (d) Direct Contracting; (e) Procurement from UN Agencies; and (f) Framework Agreement procedures set forth in paragraph 3.6 of the Procurement Guidelines.

C. **Particular Methods of Procurement of Consultants' Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. **Review by the Association of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.