Project Agreement

(Bagré Growth Pole Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

BURKINA FASO BUSINESS ASSOCIATION
(Maison de l'Entreprise du Burkina Faso)
PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and Burkina Faso Business Association (Maison de l'Entreprise du Burkina Faso) ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of the Signature Date between BURKINA FASO ("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) 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 objectives of the Project. To this end, the Project Implementing Entity shall carry out its Respective Parts 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 its Respective Part of 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 years after the Signature Date.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

4.01. The Project Implementing Entity’s Representative is the President of its Board of Directors.
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:

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

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

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

Burkina Faso Business Association
*Maison de l’Entreprise du Burkina Faso*
132, avenue de Lyon
11 BP 379
Ouagadougou 11
Burkina Faso; and

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

Facsimile: E-mail:
+226.25.39.80.62 dg@me.bf
AGREED, as of the latest of the two dates written below.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Reich F. Kamté
Title: Country Manager
For Burkina Faso
Date: May 24, 2018

BURKINA FASO BUSINESS ASSOCIATION

By

[Signature]

Authorized Representative

Name: Henniètte Kabore
Title: President of the Board

Date: May 24, 2018
SCHEDULE

Execution of the Project Implementing Entity's Respective Part of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Project Implementing Entity shall at all times maintain, throughout the Project period, qualified and experienced staff in adequate numbers, to be responsible for managing its Respective Part of the Project.

2. The Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the Project Implementation Manual, and shall not amend or waive any of its provisions without the prior written agreement of the Association. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the Project Implementation Manual and those of this Agreement or the Financing Agreement, the provisions of this Agreement and the Financing Agreement shall prevail.

B. Anti-Corruption

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

C. Sub-projects

1. The Project Implementing Entity shall make Matching Grants and Cash Transfers to Beneficiaries for Sub-projects in accordance with eligibility criteria and procedures acceptable to the Association, which shall include the following:

   (a) No proposed Sub-project shall be eligible for financing under a Matching Grant or Cash Transfer to a 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 Sub-project: (A) is designed to encourage private investments by micro, small and medium enterprises in the Project Area; (B) is technically feasible and economically and financially viable; and (C) has prepared Safeguard Documents for the proposed Sub-project as required pursuant to the ESMF and/or the RPF, and approved by the Association in accordance with the provisions of paragraph (c) of this Section I.C.1 and all measures required to be carried out in accordance with Section I.E. of
Schedule 2 to the Financing Agreement prior to commencement of the activities covered by the Safeguard Documents have been carried out; 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 Sub-project; (B) has prepared a satisfactory business plan, including financing plan and budget, and a satisfactory implementation plan for the proposed Sub-project; and (C) has demonstrated the capacity, and in the case of Matching Grants has committed, to finance at least 20% of the total estimated cost of the Sub-project out of its own resources; and (D) has no links creating a conflict of interest, with any staff or representative of the Project Implementing Entity responsible for approving or supervising the Sub-project.

(b) The maximum amount: (i) of all Matching Grants to an Individual Person for a Sub-project shall not exceed the equivalent of $10,000; (ii) of all Matching Grants to a Legal Entity for a Sub-project shall not exceed the equivalent of $20,000; (iii) of all Cash Transfers to an Individual Person shall not exceed the equivalent of $10,000; and (iv) of all Cash Transfers to a Legal Entity shall not exceed the equivalent of $20,000.

(c) Each Matching Grant for a Sub-project requiring a Safeguard Document shall be subject to the Association’s prior written approval and shall only be eligible for financing under the Financing if and to the extent approved by the Association.

(d) Each Cash Transfer for a Sub-project requiring a Safeguard Document shall be subject to the Association’s prior written approval and shall only be eligible for financing under the Financing if and to the extent approved by the Association.

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

(a) The Matching Grant and Cash Transfer shall be made on a non-reimbursable grant basis.

(b) The Project Implementing Entity shall obtain rights adequate to protect its interests and those of the Association, including the right to:
(i) suspend or terminate the right of the Beneficiary to use the proceeds of the Matching Grant, or obtain a refund of all or any part of the amount of the Matching Grant then withdrawn, upon the Beneficiary's failure to perform any of its obligations under the Matching Grant Agreement or Cash Transfer Agreement; and

(ii) require each Beneficiary to:

(A) carry out its Sub-project 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 Documents, 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 Matching Grant in accordance with the provisions of Section III of this Schedule;

(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 Sub-project and the achievement of its objectives;

(E) apply financial management standards acceptable to the association in a manner adequate to reflect its operations, including the operations, resources and expenditures of the Sub-Project;

(F) enable the Project Implementing Entity, the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and

(G) prepare and furnish to the Project Implementing Entity, the Recipient and the Association all such information as the Project Implementing Entity, the Recipient or the Association shall reasonably request related to the foregoing, including monitoring and evaluation reports.
3. The Project Implementing Entity shall exercise its rights and carry out its obligations under each Matching Grant Agreement and Cash Transfer Agreement in such manner as to protect the interests of 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 any Matching Grant Agreement or Cash Transfer Agreement or any of its provisions.

D. Semi-annual Work Programs

1. The Project Implementing Entity shall, prior to each calendar semester, prepare and furnish to the Recipient in sufficient time for inclusion in the proposed Semi-annual Work Program pursuant to Section 1.D of Schedule 2 to the Financing Agreement for such semester, a semi-annual program of activities proposed for inclusion in its Respective Part of the Project during such semester, including: (a) a detailed timetable for the sequencing and implementation of these activities; (b) the types of expenditures required for such activities and a proposed financing plan for such expenditures; and (c) each Safeguard Document required for such activities pursuant to Section 1.D of this Schedule and the measures proposed to be carried out under such Safeguard Document.

2. The Project Implementing Entity shall thereafter adopt and carry out the Semi-annual Work Program for such semester in respect of its Respective Part of the Project.

3. The Project Implementing Entity shall, in preparing any training or workshops proposed for inclusion in its Respective Part of the Project under a Semi-annual Work Program, include in its proposed semi-annual program of activities: (a) the objective and content of the training or workshop envisaged; (b) the selection method of the institutions or individuals conducting such training or workshop, and said institutions if already known; (c) the expected duration and an estimate of the cost of said training or workshops; and (d) the selection method of the personnel who will attend the training or the workshop, and said personnel if already known.

E. Safeguards

1. The Project Implementing Entity shall ensure that its Respective Part of the Project is carried out in accordance with the Safeguard Documents for its Respective Part of the Project.

2. To that end, the Project Implementing Entity shall take all the measures set forth or referred to in Section 1.E.2 of Schedule 2 to the Financing Agreement with respect to its Respective Part of the Project in accordance with the provisions of said Section.
3. The Project Implementing Entity shall perform all its obligations under the Safeguard Implementation Agreement, referred to in Section I.E.3 of Schedule 2 to the Financing Agreement, with respect to its Respective Part of the Project, with due diligence and efficiency.

4. **Terms of Reference.** The Project Implementing Entity shall (a) ensure that any technical assistance financed under the Project is carried out under terms of reference satisfactory to the Association following its review thereof and, to that end, said technical assistance shall duly incorporate the requirements of the Association's Safeguard Policies and be publicly disclosed and consulted upon in accordance with the Association's Safeguard Policies; and (b) ensure that any capacity building activities under the Project are consistent with, and pay due attention to, the Association's Safeguard Policies.

5. **Safeguards Reporting.** Without limitation upon its other reporting obligations under Section II.A of this Agreement, the Project Implementing Entity shall take all measures necessary to regularly collect and compile, and submit to the Association, as part of the Project Reports, and promptly in a separate report whenever the circumstances warrant, information on the status of compliance with the Safeguard Instruments, providing details of:

   (a) the measures taken in furtherance of the Safeguard Instruments;

   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Instruments;

   (c) remedial measures taken or required to be taken to address such conditions.

6. The Project Implementing Entity shall comply with, and shall comply with, the Health and Safety Action Plan.

**Section II. Project Monitoring, Reporting and Evaluation**

**A. Project Reports.**

1. The Project Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports for its Respective Part 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 three 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 three (3) months, 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.

Section III. Procurement

All goods, works and services required for the Project Implementing Entity’s Respective Part of 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.