April 15, 2015

H. E. Mamadou Igor Diarra
Minister of Economy and Finance
Ministry of Economy and Finance
Bamako
Republic of Mali

Re: Republic of Mali: EITI – MDTF Grant No. TF019421
Mali Post Compliance I: EITI Implementation

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Mali ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank"), acting as administrator of grant funds provided by Australia, Belgium, Canada, Denmark, the European Union represented by the European Commission, Finland, France, Germany, Japan, the Netherlands, Norway, Spain, Switzerland, the United Kingdom and the United States ("Donors") under the Extractive Industries Transparency Initiative ("EITI"), proposes to extend to the Recipient a grant in an amount not to exceed three hundred fifty thousand United States Dollars (U.S.$350,000) ("Grant") on the terms and conditions set forth or referred to in this letter agreement ("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.

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 return 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; provided, however, that the offer of this
Agreement shall be deemed withdrawn if the World Bank has not received the countersigned copy of this Agreement within ninety (90) days after the date of signature of this Agreement by the World Bank, unless the World Bank shall have established a later date for such purpose.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By
Paul Noumba Um
Country Director for Mali
Africa Region

AGREED:
REPUBLIC OF MALI

By: ___________________________
Authorized Representative

Name: АдＫА Намаляв Игор
Title: Министр де l'Economte et des Finances

Date: April 15, 2015

Enclosures:

(2) Disbursement Letter of the same date as this Agreement, together with World Bank Disbursement Guidelines for Projects, dated May 1, 2006
(5) “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
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; and the following additional terms shall have the following meanings:

(a) "EITI" means Extractive Industries Transparency Initiative.

(b) "EITI National Secretariat" means the secretariat ("Permanent Secretariat") established pursuant to Decree No. 7/180/PR-RM under the Recipient’s Prime Minister’s office on June 6, 2007.

(c) "Operating Costs" means the reasonable operating costs required for the Project including consumable materials and supplies, communications, mass media and printing services, vehicle rental, operation and maintenance, charges for the opening and operation of bank accounts required for the Project, and travel, lodging and per diems, but excluding salaries of officials of the Recipient’s civil servants.

(d) "PCU-ESP" means the Project coordination unit established within the Recipient’s ministry in charge of mining.

(e) "TOR" means terms of reference.

(f) "Training" means the reasonable cost of: (i) training materials and rental of training facilities and equipment; (ii) tuition fees, travel, accommodation and per diem of trainers and trainees; and (iii) any other expenses related to training to be carried out under the Project.

Article II
Project Execution

2.01. **Project Objectives and Description.** The objective of the Project is to strengthen the capacity of Extractive Industry Transparency Initiative (EITI) multi-stakeholder members and EITI National Secretariat to implement the initiative at the national and sub-national levels. The Project consists of the following parts:

Part 1. Strengthening Capacity and Governance

Carrying out a program of activities to strengthen the capacity and governance of the EITI National Secretariat and the multi-stakeholder group, including: (a) preparation of a manual of administrative procedures for the governance and functioning of the multi-stakeholder group to support its internal
governance; (b) training and study trips to: (i) improve the capacity of the members of the multi-
stakeholder group to learn from good practices in other countries; and (ii) oversee and implement
EITI effectively; and (c) the establishment of a system to: (i) monitor results and analyze impact of
EITI along the value chain; and (ii) improve the capacity of the members of the multi-stakeholder
group and other stakeholders to measure the progress of and the obstacles to implementation.

Part 2. Support the Implementation of EITI at the Sub-National Level

Carrying out a program of activities to facilitate the expansion of the EITI implementation to the
sub-national level, including: (a) the establishment of local committees within the mining zones of
Kayes and Sissoko and dissemination of EITI reports and information aimed at improving:
(i) awareness and understanding of EITI at the local level; and (ii) accessibility of EITI reports; and
(b) training and awareness-raising at sub-national level and for community leaders to: (i) enhance the
capacity of stakeholders to effectively implement the EITI process; and (ii) improve the
dissemination of information and communication with citizens.

Part 3. Dissemination and Communication

Carrying out a program of activities to raise awareness and understanding of EITI and to ensure
financial stability moving forward, including: (a) lobbying with relevant policy makers,
parliamentarians and media on EITI issues and for the financial sustainability of EITI to improve
knowledge of the EITI process among decision-makers and engage key actors and partners for
support; (b) media engagement to improve the awareness of populations and communities of EITI
implementation and their understanding of EITI-related issues and enhance the visibility and
perception of the EITI National Secretariat; and (c) production of promotional materials, summary
reports, posters, newsletters to bolster the visibility and knowledge of EITI across the Recipient’s
territory, in particular in the extraction zones.

Part 4. Project Management

Providing operational support for the implementation of the Project, including: (a) monitoring and
evaluation; (b) administration; (c) procurement and financial management; and (d) 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 Project
Coordination Unit (“PCU-ESP”) within the Recipient’s ministry responsible for mining 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. Without limitation upon the provisions of
Section 2.02 above:

(a) The Recipient shall, throughout Project implementation, maintain the PCU-ESP
with mandate, functions, staffing and resources satisfactory to the World Bank to
be responsible for the implementation of the Project, including all fiduciary
aspects.
(b) The Recipient shall, throughout Project implementation, ensure that the EITI National Secretariat is responsible for drafting technical content of TORs to be endorsed by the multi-stakeholder group.

(c) The Recipient shall pay due attention to and ensure that all terms of reference for any training, technical assistance or studies to be carried out under the Project are consistent with the World Bank's environmental and social safeguards policies, as well as the Recipient's own laws relating to environmental and social aspects.

(d) The Recipient shall, prior to conducting any training or workshops under the Project, furnish to the World Bank for its review, the following information related to such training or workshop: (i) the objective and content of the training or workshop envisaged; (ii) the selection method of institutions or individuals conducting such training or workshop, and said institutions, if already known; (iii) the expected duration and an estimate of the cost of said training and workshop; and (iv) the personnel selected to attend the training or the workshop.

(e) The Recipient shall not use the proceeds of the Grant for the purpose of any payment to persons or entities, or for the import of goods, if such payment or import, to the Recipient's knowledge or belief, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, including under United Nations Security Council Resolution 1373 and related resolutions.

2.04. **Donor Visibility and Visit.** (a) The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donors' support for the Project.

(b) For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank's request, 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 (1) calendar semester, and shall be furnished to the World Bank not later than forty-five (45) days 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 (6) months after the Closing Date.

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 forty-five (45) days 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. Such audit of the Financial Statements shall cover the entire period during which withdrawals from the Grant Account were made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

2.07. Procurement

(a) General. All goods and consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:


(ii) Sections 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 (revised July 2014) (“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 1.18 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.

(c) Particular Methods of Procurement of Goods and 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 National Competitive Bidding.

(ii) The following methods, other than National Competitive Bidding, may be used for procurement of goods and non-consulting services for those...
contracts which are specified in the Procurement Plan: (A) Shopping; and (B) Direct Contracting.

(d) **Particular Methods of Procurement of Consultants' Services**

(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.

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

(e) **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) 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 ("Category"), the allocations of the amounts 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>(1) Goods, non-consulting services, consultants’ services, Operating Costs and Training under the Project</td>
<td>350,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>350,000</td>
<td></td>
</tr>
</tbody>
</table>
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 December 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 its Minister responsible for economy and finance.

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

P.O. Box 234  
Hamdallaye ACI 2000  
Bamako  
Mali

Facsimile:

223 20 22 19 14  
223 20 23 16 54

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

Cable: Telex: Facsimile:

INDEVAS 248423 (MCI) or 1-202-477-6391  
Washington, D.C. 64145 (MCI)