

CONFORMED COPY

CREDIT NUMBER 3006-SE

Development Credit Agreement

(Urban Development and Decentralization Program)

between

REPUBLIC OF SENEGAL

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated December 29, 1997

CREDIT NUMBER 3006-SE

DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated December 29, 1997, between REPUBLIC OF SENEGAL (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS (A) the Borrower, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested the Association to assist in the financing of the Project;

(B) the Association has received a letter in October 1996, from the Borrower describing a program of actions, objectives and policies designed to facilitate the Borrower's decentralization process and to strengthen the role for municipalities in the territory of the Borrower (the Program) and declaring the Borrower's commitment to the execution of the Program;

(C) Parts A, B and C of the Project will be carried out by the Municipal Development Agency (MDA) with the Borrower's assistance and, as part of such assistance, the Borrower will make available to MDA part of the proceeds of the Credit as provided in this Agreement;

(D) Part D of the Project will be carried out by the Agence d'Exécution des Travaux d'Intérêts Public Contre le Sous-Emploi (AGETIP) with the Borrower's assistance, and as part of such assistance, the Borrower will make available to AGETIP part of the proceeds of the Credit as provided in this Agreement; and

WHEREAS the Association has agreed on the basis, inter alia, of the foregoing, to extend the Credit to the Borrower upon the terms and conditions set forth in this Agreement and in the Project Agreements of even date herewith between the Association and AGETIP and the Association and MDA respectively;

NOW THEREFORE the parties hereto hereby agree as follows:

#### ARTICLE I

##### General Conditions; Definitions

Section 1.01. The "General Conditions Applicable to Development Credit Agreements" of the Association, dated January 1, 1985, with the modifications set forth below (the General Conditions) constitute an integral part of this Agreement:

(a) The last sentence of Section 3.02 is deleted.

(b) The second sentence of Section 5.01 is modified to read:

"Except as the Association and the Borrower shall otherwise agree, no withdrawals shall be made: (a) on account of expenditures in the territories of any country which is not a member of the Association or for goods produced in, or services supplied from, such territories; or (b) for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Association, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations."

(c) Section 6.03 is modified to read:

"Section 6.03. Cancellation by the Association. If (a) the right of the Borrower to make withdrawals from the Credit Account shall have been suspended with respect to any amount of the Credit for a continuous period of thirty days, or (b) at any time, the Association determines, after consultation with the Borrower, that an amount of the Credit will not be required to finance the Project's costs to be financed out of the proceeds of the Credit, or (c) at any time, the Association determines, with respect to any contract to be financed out of the proceeds of the Credit, that corrupt or fraudulent practices were engaged in by representatives of the Borrower or of a beneficiary of the Credit during the procurement or the execution of such contract, without the Borrower having taken timely and appropriate action satisfactory to the Association to remedy the situation, and establishes the amount of expenditures in respect of such contract which would otherwise have been eligible for financing out of the proceeds of the Credit, or (d) at any time, the Association determines that the procurement of any contract to be financed out of the proceeds of the Credit is inconsistent with the procedures set forth or referred to in the Development Credit Agreement and establishes the amount of expenditures in respect of such contract which would otherwise have been eligible for financing out of the proceeds of the Credit, or (e) after the Closing Date, an amount of the Credit shall remain unwithdrawn from the Credit Account, the Association may, by notice to the Borrower, terminate the right of the Borrower to make withdrawals with respect to such amount. Upon the giving of such notice, such amount of the Credit shall be canceled."

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions and in the Preamble to this Agreement have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) "AGETIP" means Agence d'Exécution des Travaux d'Intérêts Publics Contre le Sous-Emploi, a public works executing entity established in accordance with Law No. 66-70 of the Borrower, dated July 13, 1966;

(b) "AGETIP Project Agreement" means the agreement between the Association and AGETIP of even date herewith, as the same may be amended from time to time, and

such term includes all schedules and agreements supplemental to the AGETIP Project Agreement;

(c) "AGETIP Subsidiary Agreement" means the agreement to be entered into between the Borrower and AGETIP pursuant to Section 3.01 (c) of this Agreement, as the same may be amended from time to time, and such term includes all schedules to the AGETIP Subsidiary Agreement;

(d) "AGETIP Procedures Manual" means the manual adopted by AGETIP containing, inter alia, work and training program, terms and conditions and eligibility criteria for Rural Sub-Projects (as hereinafter defined), operating procedures of AGETIP, and other procedures and guidelines to be used for the purposes of implementation of Part D of the Project, as the same may be amended from time to time with the approval of the Association, and such terms include all schedules to the AGETIP Procedures Manual;

(e) "CCC" means Compte de Crédit Communal, Borrower's Municipal Development Fund;

(f) "CMA" means any contract management agency;

(g) "Convention MDA-AGETIP" means the agreement entered into between MDA (as hereinafter defined) and AGETIP, pursuant to Section 6.01 (e) of this Agreement, for the purpose of carrying out selected activities under Part A of the Project, by AGETIP, on behalf of MDA;

(h) "Eligible Municipality" means a municipality selected by the Borrower on the basis of criteria specified in paragraph 2 of Schedule 4 to this Agreement;

(i) "FCFA" means Franc de la Communauté Financière Africaine, the currency of the Borrower;

(j) "FECL" means Fonds d'Équipement des Collectivités Locales, a fund established by the Borrower on July 4, 1977, for the purpose of providing interest free loans or grants to carry out municipal projects;

(k) "First Project Year" means the twelve-month period beginning from the Effective Date and ending twelve months thereafter and "Project Year" or "PY" means any twelve-month period beginning at the end of the First Project Year or the end of subsequent Project Years;

(l) "Initial Deposit" means the initial amount to be deposited into the Project Account referred to in Section 3.05 of this Agreement;

(m) "MDA Account" means the account referred to in Section 3.05 of this Agreement;

(n) "MDA" means Municipal Development Agency, established on July 8, 1997 under the laws of the Borrower;

(o) "MDA Project Agreement" means the agreement between the Association and MDA of even date herewith, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the MDA Project Agreement;

(p) "MDA Subsidiary Agreement" means the agreement to be entered into between the Borrower and MDA pursuant to Section 3.01 (b) of this Agreement, as the same may be amended from time to time, and such term includes all schedules to the MDA Subsidiary Agreement;

(q) "MAP" means a municipal adjustment program designed by, or for the benefit of, an Eligible Municipality containing, inter alia, the financial and technical measures to develop the financial and organizational capacity of such Eligible Municipality;

(r) "MOF" means the Borrower's Ministry of Finance;

(s) "Municipal Contract" means the contract between an Eligible Municipality and MDA for the purpose of carrying out a MAP and a PIP (as hereinafter defined);

(t) "Municipal Sub-Project" means a specific development activity or activities included in the PIP financed, or proposed to be financed, under Part A of the Project;

(u) "Municipal Sub-Grant" means a sub-grant made or proposed to be made to finance a PIP;

(v) "Municipal Sub-Loan" means a sub-loan made or proposed to be made to finance a PIP;

(w) "MDA Procedures Manual" means the manual adopted by the Borrower containing, inter alia, work and training program, terms and conditions and eligibility criteria for Municipal Sub-Projects, model Municipal Contracts, operating procedures of MDA, and other procedures and guidelines to be used for the purposes of implementation of Parts A, B and C of the Project, as the same may be amended from time to time with the approval of the Association, and such terms include any schedules to the MDA Procedures Manual;

(x) "Performance Monitoring Indicators" means the indicators referred to in Schedule 6 to this Agreement;

(y) "PIP" means a priority investment program designed by, or for the benefit of, an Eligible Municipality;

(z) "Project Preparation Advance" means the project preparation advance granted by the Association to the Borrower pursuant to an exchange of letter dated September 17, 1993 between the Borrower and the Association;

(aa) "Rural Community" means the rural areas as defined by the Borrower's Law 96-06, dated March 22, 1996;

(bb) "Rural Community Authority" means any rural council, formed in accordance with the Borrower's Law 96-06, dated March 22, 1996;

(cc) "Rural Sub-Project" means a specific development activity or activities financed, or proposed to be financed, under Part D of the Project;

(dd) "Rural Sub-Grant" means a grant made or proposed to be made to finance a Rural Sub-Project; and

(ee) "Special Account" means any of the accounts referred to in Section 2.02 (b) and (c) of this Agreement.

## ARTICLE II

### The Credit

Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions set forth or referred to in the Development Credit Agreement, an amount in various currencies equivalent to fifty five million two hundred thousand Special Drawing Rights (SDR 55,200,000).

Section 2.02. (a) The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement for expenditures made (or, if the Association shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project described in Schedule 2 to this Agreement and to be financed out of the proceeds of the Credit.

(b) The Borrower may, for the purposes of Parts A, B and C of the Project, open and maintain in FCFA a special deposit account (MDA Special Account), and for the purposes of Part D of the Project, open and maintain in FCFA a special deposit account (AGETIP Special Account), both in a commercial bank on terms and conditions satisfactory to the Association including appropriate protection against set-off, seizure and attachment. Deposits into, and payments out of, each of the Special Accounts shall be made in accordance with the provisions of Schedule 5 to this Agreement.

(c) Promptly after the Effective Date, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and pay to itself the amount required to repay the principal amount of the Project Preparation Advance withdrawn and outstanding as of such date and pay all unpaid charges thereon. The unwithdrawn balance of the authorized amount of the Project Preparation Advance shall thereupon be canceled.

Section 2.03. The Closing Date shall be June 30, 2003 or such later date as the Association shall establish. The Association shall promptly notify the Borrower of such later date.

Section 2.04. (a) The Borrower shall pay to the Association a commitment charge on the principal amount of the Credit not withdrawn from time to time at a rate to be set by the Association as of June 30 of each year, but not to exceed the rate of one-half of one percent (1/2 of 1%) per annum.

(b) The commitment charge shall accrue: (i) from the date sixty days after the date of this Agreement (the accrual date) to the respective dates on which amounts shall be withdrawn by the Borrower from the Credit Account or canceled; and (ii) at the rate set as of the June 30 immediately preceding the accrual date and at such other rates as may be set from time to time thereafter pursuant to paragraph (a) above. The rate set as of June 30 in each year shall be applied from the next date in that year specified in Section 2.06 of this Agreement.

(c) The commitment charge shall be paid: (i) at such places as the Association shall reasonably request; (ii) without restrictions of any kind imposed by, or in the territory of, the Borrower; and (iii) in the currency specified in this Agreement for the purposes of Section 4.02 of the General Conditions or in such other eligible currency or currencies as may from time to time be designated or selected pursuant to the provisions of that Section.

Section 2.05. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one percent (3/4 of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

Section 2.06. Commitment and service charges shall be payable semiannually on May 1 and November 1 in each year.

Section 2.07. (a) Subject to paragraphs (b) and (c) below, the Borrower shall repay the principal amount of the Credit in semiannual installments payable on each May 1 and November 1 commencing May 1, 2008 and ending November 1, 2037. Each installment to and including the installment payable on November 1, 2017 shall be one percent (1%) of such principal amount, and each installment thereafter shall be two percent (2%) of such principal amount.

(b) Whenever: (i) the Borrower's per capita gross national product (GNP), as determined by the Association, shall have exceeded for three consecutive years the level established annually by the Association for determining eligibility to access the Association's resources; and (ii) the Bank shall consider the Borrower creditworthy for Bank lending, the Association may, subsequent to the review and approval thereof by the Executive Directors of the Association and after due consideration by them of the development of the Borrower's economy, modify the repayment of installments under paragraph (a) above by: (A) requiring the Borrower to repay twice the amount of each such installment not yet due until the principal amount of the Credit shall have been repaid; and (B) requiring the Borrower to commence repayment of the principal amount of the Credit as of the first semiannual payment date referred to in paragraph (a) above falling six months or more after the date on which the Association notifies the Borrower that the events set out in this paragraph (b) have occurred, provided, however, that there shall be a grace period of a minimum of five years on such repayment of principal;

(c) If so requested by the Borrower, the Association may revise the modification referred to in paragraph (b) above to include, in lieu of some or all of the increase in the amounts of such installments, the payment of interest at an annual rate agreed with the Association on the principal amount of the Credit withdrawn and outstanding from time to time, provided that, in the judgment of the Association, such

revision shall not change the grant element obtained under the above-mentioned repayment modification.

(d) If, at any time after a modification of terms pursuant to paragraph (b) above, the Association determines that the Borrower's economic condition has deteriorated significantly, the Association may, if so requested by the Borrower, further modify the terms of repayment to conform to the schedule of installments as provided in paragraph (a) above.

Section 2.08. The currency of the French Republic is hereby specified for the purposes of Section 4.02 of the General Conditions.

### ARTICLE III

#### Execution of the Project

Section 3.01. (a) The Borrower declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement and, to this end, without any limitation or restriction upon any of its other obligations under this Agreement, shall cause:

(i) MDA to carry out Parts A, B and C of the Project with due diligence and efficiency and in conformity with appropriate administrative, financial, engineering, environmental, and technical practices, and shall take or cause to be taken all action, including the provision of funds, facilities, services and other resources, necessary or appropriate to enable MDA to perform such obligations, and shall not take or permit to be taken any action which would prevent or interfere with such performance.

(ii) AGETIP to carry out Part D of the Project with due diligence and efficiency and in conformity with appropriate administrative, financial, engineering, environmental, and technical practices, and shall take or cause to be taken all action, including the provision of funds, facilities, services and other resources, necessary or appropriate to enable AGETIP to perform such obligations, and shall not take or permit to be taken any action which would prevent or interfere with such performance.

(b) For the purposes of Parts A, B and C of the Project, the Borrower shall under a subsidiary agreement to be entered into between the Borrower and MDA (the MDA Subsidiary Agreement) and on terms and conditions which shall have been approved by the Association, transfer the proceeds of the Credit allocated from time to time to Categories (1)(a), (2)(a), (3), (4)(a) and (b) and (5) of the table in paragraph 1 of Schedule 1 to this Agreement to MDA as a grant.

(c) For the purposes of Part D of the Project, the Borrower shall under a subsidiary agreement to be entered into between the Borrower and AGETIP (the AGETIP Subsidiary Agreement) and on terms and conditions which shall have been approved by the Association, transfer the proceeds of the Credit allocated from time to time to Categories (1)(b), 2(b), (4)(c) and (6) of the table in paragraph 1 of Schedule 1 to this Agreement to AGETIP as a grant.

(d) The Borrower shall exercise its rights under the MDA Subsidiary Agreement and the AGETIP Subsidiary Agreement in such manner as to protect the interests of the Borrower and the Association and to accomplish the purposes of the Credit, and, except as the Association shall otherwise agree, shall not assign, amend, abrogate or waive the MDA Subsidiary Agreement and the AGETIP Subsidiary Agreement or any provision thereof; and

(e) Without limitation upon the provisions of paragraph (a) of this Section and except as the Borrower and the Association shall otherwise agree, the Borrower shall cause MDA and AGETIP to carry out Parts A, B, C and D of the Project respectively in accordance with the Implementation Program set forth in Schedule 4 to this Agreement.

Section 3.02. Except as the Association shall otherwise agree, procurement of

the goods, works, and consultants' services required for the Project and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 3 to this Agreement.

Section 3.03. The Borrower and the Association hereby agree that the obligations set forth in Sections 9.03, 9.04, 9.05, 9.06, 9.07 and 9.08 of the General Conditions (relating to insurance, use of goods and services, plans and schedules, records and reports, maintenance and land acquisition, respectively): (i) in respect of Parts A, B and C of the Project shall be carried out by MDA pursuant to Section 2.04 of the MDA Project Agreement; and (ii) in respect of Part D of the Project shall be carried out by AGETIP pursuant to Section 2.04 of the AGETIP Project Agreement.

Section 3.04. For the purposes of Section 9.07 of the General Conditions and without limitation thereto, the Borrower shall:

(a) prepare, on the basis of guidelines acceptable to the Association and furnish to the Association not later than six (6) months after the Closing Date or such later date as may be agreed for this purpose between the Borrower and the Association, a plan for the future operation of the Project; and

(b) afford the Association a reasonable opportunity to exchange views with the Borrower on said plan.

Section 3.05. (a) Without limitation on the provisions of Section 3.01, the Borrower shall:

(i) open and maintain until the completion of the Project, an account in the name of MDA (the MDA Account) in a commercial bank acceptable to the Association and on terms and conditions acceptable to the Association;

(ii) deposit into the MDA Account an initial amount of 400,000,000 FCFA (the Initial Deposit);

(iii) not later than July 31, 1998, deposit into the MDA Account, an additional amount of 600,000,000 FCFA; and

(iv) ensure that the amounts deposited into the MDA Account shall be used exclusively for the purposes of defraying the cost of expenditures incurred for the execution of Parts A, B, and C of the Project, and not otherwise financed out of the proceeds of the Credit.

(b) The Borrower shall allocate and make available to MDA, each year, an amount equivalent to 1,000,000,000 FCFA, the Borrower's annual counterpart contribution for the purpose of Parts A, B, and C of the Project.

Section 3.06. The Borrower shall allocate and make available to AGETIP, each year, on terms and conditions satisfactory to the Association, an amount equivalent to 200,000,000 FCFA, the Borrower's annual counterpart contribution for the purpose of Part D of the Project.

#### ARTICLE IV

##### Financial Covenants

Section 4.01. (a) The Borrower shall maintain or cause MDA and AGETIP to maintain records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures in respect of Parts A, B and C and D of the Project respectively.

(b) The Borrower shall cause MDA and AGETIP respectively to:

(i) have the records and accounts referred to in paragraph (a) of this Section including those for the Special Accounts for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable

to the Association;

(ii) furnish to the Association as soon as available, but in any case not later than six months after the end of each such year, the report of such audit by said auditors, of such such detail as the Association shall have scope and in reasonably requested; and

(iii) furnish to the Association such other information concerning said records and accounts and the audit thereof as the Association shall from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the Credit Account were made on the basis of statements of expenditure, the Borrower shall:

(i) maintain or cause to be maintained, in accordance with paragraph (a) of this Section, records and accounts reflecting such expenditures;

(ii) retain, until at least one year after the Association has received the audit report for the fiscal year in which the last withdrawal from the Credit Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;

(iii) enable the Association's representatives to examine such records; and

(iv) ensure that such records and accounts are included in the annual audit referred to in paragraph (b) of this Section and that the report of such audit contains a separate opinion by said auditors as to whether the statements of expenditure submitted during such fiscal year, together with the procedures and internal controls involved in their preparation, can be relied upon to support the related withdrawals.

## ARTICLE V

### Remedies of the Association

Section 5.01. Pursuant to Section 6.02 (h) of the General Conditions, the following additional events are specified:

(a) a situation has arisen which shall make it improbable that the Program, or a significant part thereof, will be carried out;

(b) MDA or AGETIP shall have failed to perform any of their obligations under the MDA Project Agreement or AGETIP Project Agreement;

(c) as a result of events which have occurred after the date of the Credit Agreement, an extraordinary situation shall have arisen which shall make it improbable that MDA or AGETIP will be able to perform their obligations under the MDA Project Agreement or the AGETIP Project Agreement;

(d) the Statutes of MDA or AGETIP shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the operations or financial condition of MDA or AGETIP or their ability to carry out the Project or the ability of MDA or AGETIP to perform any of their obligations under the MDA Project Agreement or the AGETIP Project Agreement; and

(e) the Borrower or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of MDA or AGETIP or for the suspension of their operations.

Section 5.02. Pursuant to Section 7.01 (h) of the General Conditions, the following additional events are specified:

(a) any of the events specified in paragraph (b) of Section 5.01 of this



Agreement shall occur and shall continue for a period of 60 days after notice thereof shall have been given by the Association to the Borrower; and

(b) any of the events specified in paragraphs (d) and (e) of Section 5.01 of this Agreement shall occur.

#### ARTICLE VI

##### Effective date; Termination

Section 6.01. The following events are specified as additional conditions to the effectiveness of Association within the meaning of Section 12.01 (b) of the General Conditions:

(a) the Borrower has adopted the MDA Procedures Manual, in form and substance satisfactory to the Association;

(b) the Borrower has adopted the AGETIP Procedures Manual, in form and substance satisfactory to the Association;

(c) the MDA Subsidiary Agreement has been executed on behalf of the Borrower and MDA;

(d) the AGETIP Subsidiary Agreement has been executed on behalf of the Borrower and AGETIP;

(e) the Convention MDA-AGETIP, in form and substance acceptable to the Association, has been entered into between MDA-AGETIP;

(f) the Borrower has made the Initial Deposit into the Project Account;

(g) the Borrower has: (i) closed the CCC account; (ii) notified the Association as to the remaining balance; and (iii) allocated said balance for the financing of expenditures under Parts A, B, and C of the Project;

(h) MDA has entered into at least three Municipal Contracts with Eligible Municipalities;

(i) the Borrower has, for the purpose of the Project, established a financial management and accounting system acceptable to the Association; and

(j) for the purposes of Article IV of this Agreement, the Borrower has appointed an auditor, in accordance with the provisions of Section II of Schedule 3 to this Agreement;

Section 6.02. The following are specified as additional matters, within the meaning of Section 12.02 (b) of the General Conditions, to be included in the opinion or opinions to be furnished to the Association:

(a) that the MDA Subsidiary Agreement and the AGETIP Subsidiary Agreement have been duly entered into;

(b) that the MDA Project Agreement has been duly authorized or ratified by MDA and is legally binding upon MDA in accordance with its terms; and

(c) that the AGETIP Project Agreement has been duly authorized or ratified by AGETIP and is legally binding upon AGETIP in accordance with its terms.

Section 6.03. The date ninety (90) days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

#### ARTICLE VII

##### Representative of the Borrower; Addresses

Section 7.01. The Minister of the Borrower at the time responsible for finance is designated as representative of the Borrower for the purposes of Section 11.03 of



(1)	Civil works		100% of foreign expenditures and 90% of local expenditures
	(a) For Municipal Sub-Projects	23,000,000	
	(b) For Rural Sub-Projects	7,500,000	
(2)	Consultants' services, including audit		100%
	(a) For Municipal Sub-Projects	6,600,000	
	(b) For Rural Sub-Projects	800,000	
(3)	Training	1,800,000	100%
(4)	Goods and equipment		100% of foreign expenditures and 90% of local expenditures
	(a) For Municipal Sub-Projects	3,700,000	
	(b) For Parts B and C of the Project	1,500,000	
	(c) For Rural Sub-Projects	1,100,000	
(5)	Incremental operating costs (Under Part C of the Project)	2,400,000	100% for PY1 through PY4 and 80% thereafter
(6)	Management fees for AGETIP (In connection with Part D of the Project)	600,000	100%
(7)	Refunding of Project Preparation Advance	1,100,000	Amount due pursuant to Section 2.02 (c) of this Agreement
(8)	Unallocated	5,100,000	
	TOTAL	55,200,000	

2. For the purposes of this Schedule:

(a) the term "foreign expenditures" means expenditures in the currency of any country other than that of the Borrower for goods or services supplied from the territory of any country other than that of the Borrower ;

(b) the term "local expenditures" means expenditures in the currency of the Borrower or for goods or services supplied from the territory of the Borrower ;

provided, however, that if the currency of the Borrower is also that of another country from the territory of which goods or services are supplied, expenditures in such currency for such goods or services shall be deemed to be "foreign expenditures"; and

(c) the term "incremental operating costs" means the incremental expenses incurred by MDA on account of Project implementation, management and monitoring, including office supplies, vehicle operation, travel and supervision costs but excluding salaries of officials of the Borrower's civil service.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of payments made for expenditures prior to the date of this Agreement.

4. The Association may require withdrawals from the Credit Account to be made on the basis of statements of expenditure for expenditures for (i) works and goods under contracts not exceeding \$200,000 equivalent; (ii) services of consulting firms, under contracts not exceeding \$100,000 equivalent; and (iii) services of individual consultants, under contracts not exceeding \$50,000 equivalent, all under such terms and conditions as the Association shall specify by notice to the Borrower.

## SCHEDULE 2

### Description of the Project

The objectives of the Project are: to (i) improve the financial and organizational management of Eligible Municipalities; (ii) improve the programming of priority urban investments; (iii) rationalize and simplify the financing of urban infrastructure-related investments; and (iv) rehabilitate and upgrade the basic infrastructure in the Rural Communities.

The Project consists of the following parts, subject to such modifications thereof as the Borrower and the Association may agree upon from time to time to achieve such objectives:

#### Part A: Municipal Physical Investment

1. Carrying out of sub-projects, in Eligible Municipalities, consisting, inter alia, of construction, rehabilitation or maintenance of: (i) public infrastructure, including roads, drainage, water banks, waste water connections, and lighting; (ii) educational, health and social and cultural facilities, including schools, health centers and sports centers; (iii) administrative facilities, including mayoral offices and other governmental buildings; (iv) revenue generating facilities, including market places and bus-stations; (v) environmental protection facilities, including on-site sanitation and solid waste management stations; and (vi) historic monuments.

2. Acquisition of equipment to support the sub-projects referred to in paragraph 1 above.

#### Part B: Institutional Development

1. Creation of an enabling environment for the identification and financing of priority municipal programs through the provision of technical advisory services to Eligible Municipalities.

2. Strengthening the institutional capacities of Eligible Municipalities to effectively undertake the appraisal of least cost and most efficient investments in urban services and infrastructure and preparation of MAPs and PIPs, including the acquisition of vehicles and equipment.

3. Completion of urban, financial and organizational audits of Eligible Municipalities and thereafter provision of technical advisory services in the preparation of Municipal Contracts.

4. Strengthening the institutional capacities for urban management of the Eligible Municipalities and the Borrower's central departments through support and training.

5. Carrying out of studies to assist in the improvement of the Borrower's policy framework for improving mobilization as well as transfer of local resources from the central to the local authorities.

6. Acquisition of vehicles and equipment for the purpose of carrying out the activities referred to in paragraphs (1) through (5) of this Part B.

Part C: Administration and Monitoring

1. Strengthening the institutional capacity of MDA in implementing the municipal development programs.

2. Provision of technical advisory services and logistical assistance for the operation of MDA and for its program coordination and monitoring, and the implementation of Parts A, B and C of the Project.

3. Acquisition of office equipment for the benefit of MDA.

Part D: Physical Investment in Rural Communities

1. Carrying out of sub-projects in Rural Communities, consisting, inter alia of construction, rehabilitation or maintenance of: (i) public infrastructure, including roads, drainage, water supply and sanitation and lighting; (ii) educational, health and social and cultural facilities, including schools, health centers and sports centers; (iii) administrative facilities; (iv) revenue generating facilities, including market places; and (v) environmental protection facilities, including on-site sanitation and solid waste management stations.

2. Acquisition of equipment to support the sub-projects referred to in paragraph 1 above.

\* \* \*

The Project is expected to be completed by December 31, 2002.

SCHEDULE 3

Procurement

Section I. Procurement of Good and Works

Part A: General

Goods and works shall be procured in accordance with the provisions of Section I of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 and revised in January and August 1996 (the Guidelines) and the following provisions of this Section.

Part B: International Competitive Bidding

1. Except as otherwise provided in Part C of this Section, goods and works shall be procured under contracts awarded in accordance with the provisions of Section II of the Guidelines and paragraph 5 of Appendix 1 thereto.

2. The following provisions shall apply to goods and works to be procured under contracts awarded in accordance with the provisions of paragraph 1 of this Part B.

(a) Grouping of contracts

To the extent practicable, contracts for goods shall be grouped in bid packages estimated to cost \$200,000 equivalent or more each, and contracts for works shall be grouped in bid packages estimated to cost \$500,000 equivalent or more each.

(b) Preference for domestically manufactured goods and domestic contractors

The provisions of paragraphs 2.54 and 2.55 of the Guidelines and Appendix 2

thereto shall apply to goods manufactured in the territory of the Borrower and works to be carried out by domestic contractors.

(c) Notification and Advertising

The invitation to bid for each contract estimated to cost \$10,000,000 equivalent or more shall be advertised in accordance with the procedures applicable to large contracts under paragraph 2.8 of the Guidelines.

Part C: Other Procurement Procedures

1. National Competitive Bidding

Works estimated to cost less than \$500,000 equivalent per contract, up to an aggregate amount not to exceed \$44,440,000 equivalent, and goods estimated to cost less than \$200,000 equivalent per contract, up to an aggregate amount not to exceed \$1,700,000 may be procured under contracts awarded in accordance with the provisions of paragraphs 3.3 and 3.4 of the Guidelines.

2. International Shopping

Office supplies estimated to cost less than \$30,000 equivalent per contract, up to an aggregate amount not to exceed \$300,000 equivalent, may be procured under contracts awarded on the basis of international shopping procedures in accordance with the provisions of paragraphs 3.5 and 3.6 of the Guidelines.

3. National Shopping

Goods estimated to cost less than \$20,000 equivalent per contract, up to an aggregate amount not to exceed \$200,000 equivalent, may be procured under contracts awarded on the basis of national shopping procedures in accordance with the provisions of paragraphs 3.5 and 3.6 of the Guidelines.

4. Procurement of Small Works.

Works estimated to cost less than \$50,000 equivalent per contract, up to an amount not to exceed \$1,000,000 equivalent, may be procured under lump-sum, fixed-price contracts awarded on the basis of quotations obtained from three qualified domestic contractors in response to a written invitation. The invitation shall include a detailed description of the works, including basic specifications, the required completion date, a basic form of agreement acceptable to the Association, and relevant drawings, where applicable. The award shall be made to the contractor who offers the lowest price quotation for the required work, and who has the experience and resources to complete the contract successfully.

Part D: Review by the Association of Procurement Decisions

1. Procurement Planning

Prior to the issuance of any invitations to bid for contracts, the proposed procurement plan for the Project shall be furnished to the Association for its review and approval, in accordance with the provisions of paragraph 1 of Appendix 1 to the Guidelines. Procurement of all goods and works shall be undertaken in accordance with such procurement plan as shall have been approved by the Association, and with the provisions of said paragraph 1.

2. Prior Review

With respect to each contract estimated to cost the equivalent of \$200,000 or more, the procedures set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines shall apply

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Guidelines shall apply.

Section II: Employment of Consultants

Part A: General

Consultants' services shall be procured in accordance with the provisions of the Introduction and Section IV of the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the Bank in January 1997 (the Consultant Guidelines) and the following provisions of Section II of this Schedule.

Part B: Quality- and Cost-based Selection

1. Except as otherwise provided in Part C of this Section, consultants' services shall be procured under contracts awarded in accordance with the provisions of Section II of the Consultant Guidelines, paragraph 3 of Appendix 1 thereto, Appendix 2 thereto, and the provisions of paragraphs 3.13 through 3.18 thereof applicable to quality- and cost-based selection of consultants.

2. The following provisions shall apply to consultants services to be procured under contracts awarded in accordance with the provisions of the preceding paragraph. The short list of consultants for architectural and engineering services, estimated to cost less than \$100,000 equivalent per contract, may comprise entirely national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

Part C: Other Procedures for the Selection of Consultants .

1. Least-cost Selection

Services for audits under the Project estimated to cost less than \$100,000 equivalent per contract may be procured under contracts awarded in accordance with the provisions of paragraphs 3.1 and 3.6 of the Consultant Guidelines.

2. Single-Source Selection

Services for contracts administration under Part D of the Project which are estimated to cost less than \$100,000 equivalent per contract, may, with the Bank's prior agreement, be procured in accordance with the provisions of paragraphs 3.8 through 3.11 of the Consultant Guidelines.

3. Individual Consultants

Services for lectures and studies under Part B of the Project shall be procured under contracts awarded to individual consultants in accordance with the provisions of paragraphs 5.1 through 5.3 of the Consultant Guidelines.

Part D: Review by the Bank of the Selection of Consultants

1. Selection Planning

Prior to the issuance to consultants of any requests for proposals, the proposed plan for the selection of consultants under the Project shall be furnished to the Bank for its review and approval, in accordance with the provisions of paragraph 1 of Appendix 1 to the Consultant Guidelines. Selection of all consultants' services shall be undertaken in accordance with such selection plan as shall have been approved by the Bank, and with the provisions of said paragraph 1.

2. Prior Review

(a) With respect to each contract for the employment of consulting firms estimated to cost the equivalent of \$ 200,000 or more each, the procedures set forth in paragraphs 1, 2 (other than the second subparagraph of paragraph 2(a)) and 5 of Appendix 1 to the Consultant Guidelines shall apply.

(b) With respect to each contract for the employment of consulting firms estimated to cost the equivalent of \$100,000 or more, but less than the equivalent of \$200,000 each, and each contract for the employment of individual consultants estimated to cost the equivalent of \$50,000 or more, the procedures set forth in

paragraphs 1, 2 (other than the third subparagraph of paragraph 2(a)) and 5 of Appendix 1 to the Consultant Guidelines shall apply.

### 3. Post Review

With respect to each contract not governed by paragraph 1 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Consultant Guidelines shall apply.

## SCHEDULE 4

### Implementation Program

#### A. Parts A, B and C of the Project

1. Except as the Association shall otherwise agree, in carrying out Parts A, B and C of the Project, MDA shall apply the guidelines and procedures specified in the MDA Procedures Manual and shall not amend such MDA Procedures Manual or waive any provision thereof, if such amendment or waiver may, in the opinion of the Association, materially or adversely affect the implementation of Parts A, B and C of the Project.

#### Eligibility Criteria for Municipalities

2. Without limitation upon the criteria specified in the MDA Procedures Manual, and except as the Association shall otherwise agree, a municipality, prior to certification to receive financing, shall have:

- (a) submitted a request (dossier de candidature) to MDA;
- (b) completed an urban audit to prepare a PIP;
- (c) completed a financial and organizational audit to determine the financial capacity of the municipality and the content of its MAP;
- (d) identified the PIP and the MAP consistent with the procedures and guidelines described in the MDA Procedures Manual, including the environment-related procedures and guidelines;
- (e) evaluated and made arrangements for the timely availability of the contribution of the Eligible Municipality, in accordance with the guidelines specified in the MDA Procedures Manual; and
- (f) signed a Municipal Contract.

#### Eligibility of PIPs

3. Without limitation upon the criteria specified in the MDA Procedures Manual, and except as the Association shall otherwise agree, no PIPs shall be eligible for financing unless MDA has determined, on the basis of an appraisal conducted in accordance with the guidelines set forth in the MDA Procedures Manual, that all the Municipal Sub-Project included in the PIP satisfies the eligibility criteria specified below and in more detail in the MDA Procedures Manual, which shall include, inter alia, the following:

- (a) the Municipal Sub-Project is consistent with the municipal priorities as defined in the urban audit;
- (b) the Municipal Sub-Project is compatible with the financial capacity of the Eligible Municipality;
- (c) if applicable, the Municipal Sub-Project provides for the contribution of the Eligible Municipality, in accordance with criteria specified in the MDA Procedures Manual;
- (d) the Municipal Sub-Project is environmentally sound and socially sustainable; and



(e) in the case of Municipal Sub-Projects involving involuntary resettlement of population, an action plan for the resettlement of the affected population, satisfactory to the Association, has been agreed upon.

Terms and Conditions for the carrying out of the Municipal Sub-Projects included in the PIP:

4. Municipal Sub-Projects shall be carried out pursuant to Municipal Contracts to be concluded between MDA and Eligible Municipalities, under terms and conditions satisfactory to the Association, which, inter alia, shall include the following:

(a) the obligation of the Eligible Municipality to carry out the Municipal Sub-Project in accordance with the MDA Procedures Manual, with due diligence and efficiency and in accordance with sound technical, financial, environmental and management standards and to maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures in respect of Municipal Sub-Projects;

(b) the requirement that: (i) the goods, works and services to be financed out of the proceeds of the Municipal Sub-Grant or Municipal Sub-Loan shall be procured in accordance with the procedures set forth in Schedule 3 to this Agreement and the MDA Procedures Manual; and (ii) such goods and services shall be used exclusively in the carrying out of the Municipal Sub-Projects;

(c) provisions regarding the disbursement of the Sub-Loans and Sub-Grants to be made in accordance with the MDA Procedures Manual;

(d) the right of MDA to inspect, by itself, or if the Association shall so request, jointly with the Association, the goods included in the Municipal Sub-Project, the operations thereof and any relevant records and documentation;

(e) the right of MDA to obtain all information as MDA or the Association shall reasonably request regarding the administration, operations and financial conditions of the Municipal Sub-Project;

(f) the right of MDA to suspend or terminate the right of the Eligible Municipality to use the proceeds of the Credit for the Municipal Sub-Project, upon failure by the Eligible Municipality, to perform any of its obligations under its Municipal Contract; and

(g) in case of Municipal Sub-Loans, a repayment term not to exceed one hundred forty four (144) months and an interest rate of 4.25%.

#### B. Part D of the Project

1. Except as the Association shall otherwise agree, in carrying out Part D of the Project, AGETIP shall apply the guidelines and procedures specified in the AGETIP Procedures Manual and shall not amend such AGETIP Procedures Manual or waive any provision thereof, if such amendment or waiver may, in the opinion of the Association, materially or adversely affect the implementation of Part D of the Project.

#### Eligibility Criteria for Rural Communities

2. Without limitation upon the criteria specified in the AGETIP Procedures Manual, and except as the Association shall otherwise agree, a Rural Area Authority, prior to certification to receive financing, shall have:

(a) submitted a request (dossier de candidature) to AGETIP;

(b) identified and prepared a Rural Sub-Project which is consistent with the procedures and guidelines described in the AGETIP Procedures Manual, including the environment-related procedures and guidelines; and

(c) evaluated and made arrangements for the timely availability of the contribution of the Rural Community concerned, in accordance with the guidelines specified in the AGETIP Procedures Manual.

### Eligibility of Rural Sub-Projects

3. Without limitation upon the criteria specified in the AGETIP Procedures Manual, and except as the Association shall otherwise agree, only a Rural Sub-Project which meets the following criteria shall be eligible for financing out of the proceeds of the Credit:

(a) the Rural Sub-Project provides for the contribution of the Rural Area authority, in accordance with criteria specified in the AGETIP Procedures Manual;

(b) the Rural Sub-Project is environmentally sound;

(c) in the case of Rural Sub-Projects involving involuntary resettlement of population, an action plan for the resettlement of the affected population, satisfactory to the Association, has been agreed upon.

### Terms and Conditions of the Rural Sub-Grants made for Rural Sub-Projects

4. Rural Sub-Projects shall be carried out under terms and conditions satisfactory to the Association which, inter alia, shall include the following:

(a) the obligation of the Rural Area Authority to carry out the Rural Sub-Project in accordance with the AGETIP Procedures Manual, with due diligence and efficiency and in accordance with sound technical, financial, environmental and management standards and to maintain adequate records to reflect, in accordance with sound accounting practices, the operations in respect of Rural Sub-Projects;

(b) the requirement that: (i) the goods, works and services to be financed out of the proceeds of the Rural Sub-Grant shall be procured in accordance with the procedures set forth in Schedule 3 to this Agreement and the AGETIP Procedures Manual; and (ii) such goods and services shall be used exclusively in the carrying out of the Rural Sub-Projects;

(c) the right of AGETIP to inspect, by itself, or if the Association shall so request, jointly with the Association, the goods included in the Rural Sub-Project, the operations thereof and any relevant records and documentation; and

(d) the right of AGETIP to obtain all information as AGETIP or the Association shall reasonably request regarding the administration, operations and financial conditions of the Rural Sub-Project.

### C. Miscellaneous Provisions

#### Annual Review

1. (a) The Borrower shall, in conjunction with MDA and AGETIP, carry out, in accordance with the Performance Monitoring Indicators set forth in Schedule 6 to this Agreement, jointly with the Association, a comprehensive annual project implementation review aimed at: (i) documenting progress toward objectives; (ii) identifying and resolving obstacles to project implementation; and (iii) adjusting, in agreement with the Association, targets and corresponding programs to reflect progress achieved in the implementation of the Project as of the date of the review, and ensuring responsiveness to changes to effectively achieve the objectives of the Project.

(b) The Borrower shall, not later than four weeks prior to the review referred to in (a) above, furnish to the Association a report, in such detail as the Association shall reasonably request, including an evaluation of the progress achieved in Project implementation.

(c) Promptly after completing such reviews, the Borrower shall carry out, or cause MDA or AGETIP to carry out, recommendations arising out of said reviews, with due diligence and efficiency and in accordance with appropriate practices, taking into account the Association's comments thereon.

#### Mid-Term Review

2. The Borrower shall:

(a) maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with the Performance Monitoring Indicators set forth in Schedule 6 to this Agreement, the carrying out of the Project and the achievement of the objectives thereof;

(b) prepare, under terms of reference satisfactory to the Association, and furnish to the Association, on or about November 30, 2000, a report integrating the results of the monitoring and evaluation activities performed pursuant to paragraph (a) of this Section, on the progress achieved in the carrying out of the Project during the period preceding the date of said report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date; and

(c) review with the Association, by December 31, 2000, or such later date as the Association shall request, the report referred to in subparagraph (b) of this paragraph, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Association's views on the matter.

#### SCHEDULE 5

##### Special Account

1. For the purposes of this Schedule:

(a) the term "eligible Categories" means Categories (1)(a), (2)(a), (3), (4)(a) and (b) and (5) with respect to MDA Special Account, and Categories (1)(b), 2(b), (4)(c) and (6) with respect to AGETIP Special Account, set forth in the table in paragraph 1 of Schedule 1 to this Agreement;

(b) the term "eligible expenditures" means expenditures in respect of the reasonable cost of goods, works and services required for the Project and to be financed out of the proceeds of the Credit allocated from time to time to the eligible Categories in accordance with the provisions of Schedule 1 to this Agreement; and

(c) the term "Authorized Allocation" means an amount equivalent to FCFA 2,000,000,000 in respect of the MDA Special Account, and an amount equivalent to FCFA 600,000,000 in respect of the AGETIP Special Account, to be withdrawn from the Credit Account and deposited into the Special Account pursuant to paragraph 3 (a) of this Schedule, provided, however, that unless the Association shall otherwise agree:

(i) the Authorized Allocation shall be limited to an amount equivalent to FCFA 300,000,000 in respect of AGETIP Special Account until the aggregate amount of withdrawals under categories 1 (b), 2 (b), 4 (c), and 6 from the Credit Account plus the total amount of all outstanding special commitments entered into by the Association pursuant to Section 5.02 of the General Conditions shall be equal to or exceed the equivalent of SDR 750,000.

2. Payments out of the Special Accounts shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Association has received evidence satisfactory to it that the Special Accounts have been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the Special Accounts shall be made as follows:

(a) For withdrawals of the Authorized Allocation, the Borrower shall furnish to the Association a request or requests for deposit into the Special Accounts of an amount or amounts which do not exceed the aggregate amount of the Authorized Allocation. On the basis of such request or requests, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Accounts such amount or amounts as the Borrower shall have requested;

(b) (i) For replenishment of the Special Accounts, the Borrower shall furnish to the Association requests for deposits into

the Special Accounts at such intervals as the Association shall specify.

(ii) Prior to or at the time of each such request, the Borrower shall furnish to the Association the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or payments in respect of which replenishment is requested. On the basis of each such request, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Accounts such amount as the Borrower shall have requested and as shall have been shown by said documents and other evidence to have been paid out of the Special Accounts for eligible expenditures. All such deposits shall be withdrawn by the Association from the Credit Account under the respective eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Borrower out of the Special Accounts, the Borrower shall, at such time as the Association shall reasonably request, furnish to the Association such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Association shall not be required to make further deposits into the Special Accounts: (a) if, at any time, the Association shall have determined that all further withdrawals should be made by the Borrower directly from the Credit Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement;

(b) if the Borrower shall have failed to furnish to the Association, within the period of time specified in Section 4.01 (b) (ii) of this Agreement, any of the audit reports required to be furnished to the Association pursuant to said Section in respect of the audit of the records and accounts for the Special Accounts;

(c) if, at any time, the Association shall have notified the Borrower of its intention to suspend in whole or in part the right of the Borrower to make withdrawals from the Credit Account pursuant to the provisions of Section 6.02 of the General Conditions; or

(d) once the total unwithdrawn amount of the Credit allocated to the eligible Categories, minus the total amount of all outstanding special commitments entered into by the Association pursuant to Section 5.02 of the General Conditions with respect to the Project, shall equal the equivalent of twice the amount of the Authorized Allocation. Thereafter, withdrawal from the Credit Account of the remaining unwithdrawn amount of the Credit allocated to the eligible Categories shall follow such procedures as the Association shall specify by notice to the Borrower. Such further withdrawals shall be made only after and to the extent that the Association shall have been satisfied that all such amounts remaining on deposit in the Special Accounts as of the date of such notice will be utilized in making payments for eligible expenditures.

6. (a) If the Association shall have determined at any time that any payment out of the Special Accounts: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule; or (ii) was not justified by the evidence furnished to the Association, the Borrower shall, promptly upon notice from the Association: (A) provide such additional evidence as the Association may request; or (B) deposit into the Special Accounts (or, if the Association shall so request, refund to the Association) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Association shall otherwise agree, no further deposit by the Association into the Special Accounts shall be made until the Borrower has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Association shall have determined at any time that any amount outstanding in the Special Accounts will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from the Association, refund to the Association such outstanding amount.

(c) The Borrower may, upon notice to the Association, refund to the Association all or any portion of the funds on deposit in the Special Accounts.

(d) Refunds to the Association made pursuant to paragraph 6 (a), (b) and (c) of this Schedule shall be credited to the Credit Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.

SCHEDULE 6

Performance Monitoring Indicators

A. Indicators for the MDA for the execution of municipal contracts

Destination

- YR1
- YR2
- YR3
- YR4
- YR5

1) Number of signed municipal contracts

2) Total of the signed municipal contracts in FCFA billions

- \_\_\_ ( )
- \_\_\_ ( )
- \_\_\_ ( )
- \_\_\_ ( )
- \_\_\_ ( )
- \_\_\_ ( )

3) Total of the signed CMA conventions, in FCFA billions

- \_\_\_ (5)
- \_\_\_ (5)
- \_\_\_ (4)
- \_\_\_ (5)
- \_\_\_ (4)
- \_\_\_ (1)
- \_\_\_ (4)
- \_\_\_ (1)
- \_\_\_ (1)

TOTAL (9)  
\_\_\_ (5)

(the numbers in parenthesis indicate the goals)

4) Recovery rate of municipal monthly payments.  
(Paid monthly payments / estimated monthly payments) \_\_\_\_\_

5) Delay in the monthly payments.  
(Number of delays) \_\_\_\_\_

6) Annual evaluation of the execution of Priority Maintenance Program

- ((1) Number of executions to the budget) \_\_\_\_\_
- ((2) Number of activity reports) \_\_\_\_\_
- ((3) Number of verifications) \_\_\_\_\_

7) Number of staff who have benefited from training \_\_\_\_\_

B. Indicators for the CMA for the execution of PIP et PAC3

PAC3 1) Percentage of projects for which the studies were achieved in the

allocated time period. \_\_\_\_ (75)

2) Percentage of public works contracts achieved in the estimated time period. \_\_\_\_ (75)

3) Percentage of contracts executed which follow the budget estimated in the study (10% more or less) \_\_\_\_ (90)

4) Number of bidding documents initiated yearly \_\_\_\_ ( )

5) Annual percentage of projects executed compared to the number of planned projects \_\_\_\_ (75)

6) Average payment delays (in days) \_\_\_\_ (30)

7) Days between studies and contract award \_\_\_\_ (75)

8) Number of activity reports produced not including expected delays \_\_\_\_ ( )

9) Disbursements \_\_\_\_ ( )

10) Annual total amount of signed contracts \_\_\_\_ ( )

11) Investment by beneficiary \_\_\_\_ ( )

12) Investment by project type \_\_\_\_ ( )

13) Number of benefiting enterprises \_\_\_\_ ( )

14) Number of benefiting contract management agencies \_\_\_\_ ( ) (the numbers in parenthesis indicate the goals)

C. Indicators for the institutional support Local level

1) Number of municipalities having adopted regularisation plans with concessionaire societies (SDE, SONATEL, and SENELEC). \_\_\_\_\_

2) Number of municipalities that adopted alternative management methods for their revenue generating facilities. \_\_\_\_\_

3) Number of municipalities that improved the quality of their human resources without altering their financial situation. \_\_\_\_\_

4) Rate of increase of current revenues.  $(N/(N-1))$  \_\_\_\_\_

5) Savings rate.  $(\text{current revenues} - \text{current expenses} / \text{current revenues})$  \_\_\_\_\_

6) Rate of increase of the local direct tax system. (TFPB + business tax)  $(N/(N-1))$  \_\_\_\_\_

7) Rate of increase of other current revenues.  $(N/(N-1))$  \_\_\_\_\_

8) Rate of budget execution. (quality of the budget preparation) \_\_\_\_\_

- in revenues (Revenues achieved / expected revenues) \_\_\_\_\_

- in expenses (Expenses achieved / expected expenses) \_\_\_\_\_

Central level

9) Advancement of the fiscal reforms. (at mid-term review) \_\_\_\_\_

10) FECL reforms. (at mid-term review) \_\_\_\_\_