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**GRANT NUMBER H727-BF**

# **Project Agreement**

**(Bagré Growth Pole Project)**

**between**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**and**

**BAGRE DEVELOPMENT AUTHORITY**

**Dated July 4, 2011**

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**GRANT NUMBER H727-BF**

**PROJECT AGREEMENT**

Agreement dated July 4, 2011, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and BAGRE DEVELOPMENT AUTHORITY (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement (“Financing Agreement”) of same 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) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Financing Agreement or the General Conditions.

**ARTICLE II — PROJECT**

- 2.01. The Project Implementing Entity declares its commitment to the objective of the Project. To this end, the Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the provisions of Article IV of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Association and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the provisions of the Schedule to this Agreement.

**ARTICLE III — TERMINATION**

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

**ARTICLE IV — REPRESENTATIVE; ADDRESSES**

4.01. The Project Implementing Entity's Representative is the president of its board of directors.

4.02. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS  
Washington, D.C.

248423(MCI)

1-202-477-6391

4.03. The Project Implementing Entity's Address is:

Maîtrise d'Ouvrage de Bagré  
03 BP 7037  
Ouagadougou 03  
Burkina Faso

Facsimile :  
+226 50 31 22 09

AGREED at Ouagadougou, Burkina Faso, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By //s// Galina Sotirova

Authorized Representative

BAGRE DEVELOPMENT AUTHORITY

By //s// Sibiri Traore

Authorized Representative

## SCHEDULE

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

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

###### 1. *PMT*

- (a) Under Part A(1)(d) of the Project, the Project Implementing Entity shall establish and thereafter maintain, throughout the Project period, a Project management team with terms of reference and resources acceptable to the Association, supported by qualified and experienced staff in adequate numbers, to be responsible for managing its Respective Part of the Project ("PMT").
- (b) To this end, the Project Implementing Entity shall:
  - (i) assign to the PMT: (A) a general manager; (B) a manager responsible for production; and (C) a financial manager; and
  - (ii) recruit and assign to the PMT in accordance with the provisions of Section III of this Schedule: (A) an investment promotion manager; (B) an operations manager; (C) a procurement specialist; (D) a financial management specialist; (E) a monitoring and evaluation expert; (F) an environmental specialist; and (G) a social and land specialist;

all with qualifications and experience and terms of reference acceptable to the Association.

###### 2. *Private Operator.*

In order to assist it in carrying out its Respective Part of the Project, the Project Implementing Entity shall, not later than June 30, 2012, employ in accordance with the provisions of Section III of this Schedule, one or more private operators, whose qualifications, experience and terms and conditions of employment shall be acceptable to the Association, to be responsible for the following activities under its Respective Part of the Project: (a) spatial planning and design; (b) investment planning; (c) development and construction; (d) investment promotion; (e) management and operations, including management and maintenance of the infrastructure (irrigation network, roads and utilities), and (f) provision of critical services.

###### 3. *Project Implementing Manual*

- (a) 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.

- (b) 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. 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 I.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 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.

**D. Safeguards.**

1. The Project Implementing Entity shall ensure that its Respective Part of the Project is carried out in accordance with the Safeguard Frameworks and all 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 I.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.

## **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 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar quarter, and shall be furnished to the Recipient not later 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 3 months after the Closing Date, for incorporation in the report referred to in Section 4.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.

### **B. Financial Management, Financial Reports and Audits**

1. The Project Implementing Entity shall maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to its Respective Part of the Project.
2. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association. Each audit of these financial statements shall cover the period of one fiscal year of the Project Implementing Entity. The Project Implementing Entity shall ensure that the audited financial statements for each period shall be: (a) furnished to the Recipient and the Association not later than six months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Association.

## **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.