

CONFORMED COPY

CREDIT NUMBER 4337-CM

Project Agreement

(CEMAC – Transport and Transit Facilitation Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

PORT AUTONOME DE DOUALA

Dated November 15, 2007

PROJECT AGREEMENT

Agreement dated November 15, 2007, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and PORT AUTONOME DE DOUALA (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement (“Financing Agreement”) of same date between the REPUBLIC OF CAMEROON (“Recipient”) and the Association. The Association and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Financing Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Financing Agreement or the General Conditions.

ARTICLE II — PROJECT

- 2.01. The Project Implementing Entity declares its commitment to the objectives of the Cameroon Project Activities and the Project. To this end, the Project Implementing Entity shall carry out the technical aspects of its respective activities in Part 2(i), (iii) and (iv) of the Cameroon Project Activities 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 its General Manager.

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:

Port Autonome de Douala
Boîte Postale 4020
Douala
Cameroon

Facsimile: (237) 342-67-97

AGREED at Yaoundé, Republic of Cameroon, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Mary Barton-Dock

Authorized Representative

PORT AUTONOME DE DOUALA

By /s/ Etoundi Oyono Emmanuel

Authorized Representative

SCHEDULE

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

Section I. Implementation Arrangements

A. Institutional Arrangements

The Project Implementing Entity shall carry out the technical aspects of its respective activities in Part 2(i), (iii) and (iv) of the Cameroon Project Activities (the Project Implementing Entity's "Respective Part of the Project"), under the coordination of the Ministry of Transports and overall oversight of the Project Steering Committee.

B. Staff and Manual

- (a) The Project Implementing Entity shall, throughout the implementation of its Respective Part of the Project, maintain appropriate staff with terms of reference, qualification and experience satisfactory to the Association.
- (b) The Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the provisions of the Cameroon Project Activities Implementation Manual, and shall not, unless the Association shall otherwise agree, amend or waive any provision thereof which in the opinion of the Association may adversely and materially affect the implementation of its Respective Part of the Project.

C. Safeguards

- (a) The Project Implementing Entity shall implement its Respective Part of the Project in accordance with the guidelines, procedures, timetables and other specifications set forth in the Environment and Social Management Plan and the Resettlement Action Plan.
- (b) Except as the Association shall agree in writing, the Project Implementing Entity shall not abrogate, amend, repeal, suspend, waive or otherwise fail to enforce the provisions of the Environment and Social Management Plan or the Resettlement Action Plan, when in the opinion of the Association, it may adversely and materially affect the implementation of its Respective Part of the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. (a) 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 the indicators set forth below in subparagraph (b) of this paragraph. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later than thirty days after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Project Report.
- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
 - (i) Average transit time for imports from the exit at the Port of Douala to Bangui decreases by 20%;
 - (ii) The Project Implementing Entity carries out an annual audit of the implementation of the International Shipping and Port Security by the Project Implementing Entity, the reports of which evidence regular improvement in such implementation.
2. The Project Implementing Entity shall provide to the Recipient not later than April 30, 2013, 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 audited Financial Statements for each period shall be furnished to the Association not later than six months after the end of the period.

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 by the Recipient.

Section IV. Other Undertakings

- (a) No later than twenty-four months after the Effective Date, or any later date agreed between the Recipient and the Association, the Recipient and the Association shall carry out a mid-term review of the Cameroon Project Activities, on the progress made in the implementation of the Cameroon Project Activities. The Project Implementing Entity shall prepare, on the basis of terms of reference satisfactory to the Recipient and the Association, and transmit to the Recipient and the Association, no later than three months before the beginning of such mid-term review of the Cameroon Project Activities, a report including the results of the monitoring and evaluation activities carried out in accordance with this Agreement, on the progress made in the implementation of its Respective Part of the Project during the period covered by such report, and making recommendations to ensure the efficient implementation of its Respective Part of the Project and the achievement of the Project objectives during the period after the mid-term review. The other technical and financial partners supporting the Program shall be invited to participate in the mid-term review.
- (b) The Project Implementing Entity shall publish each year its Financial Statements, within six months of the end of the period they cover, on the government's website of the Recipient.
- (c) The Project Implementing Entity shall refrain from undertaking obligations, related to fret management, which could adversely and substantially affect the implementation of its obligations by the Project Implementing Entity under the Project Agreement, and the achievement of the Project objective.