

# OFFICIAL DOCUMENTS

April 28, 2017

H. E. Dr. Boubou Cisse  
Minister of Economy and Finance  
Ministry of Economy and Finance  
P.O. Box 234  
Hamdallaye ACI 2000  
Bamako  
Republic of Mali

Re: Republic of Mali: Advance Agreement for the Preparation of the  
Proposed Improving Mali's Statistical System Project  
Project Preparation Advance No. V0830-ML

Honorable Minister:

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") proposes to extend to the Recipient an advance out of the World Bank's Project Preparation Facility in an amount not to exceed five hundred thousand Dollars (\$500,000) ("Advance") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in financing the activities described in the Annex ("Activities"). The objective of the Activities is to facilitate the preparation of a proposed project designed to strengthen the capacity of the National Statistical System to produce and disseminate high quality and timely data ("Project"), for the carrying out of which the Recipient has requested the World Bank's financial assistance.

The Recipient represents, by confirming its agreement below, that: (a) it understands that the provision of the Advance does not constitute or imply any commitment on the part of IBRD or IDA to assist in financing the Project; and (b) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of 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 returning 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 notice of effectiveness from the World Bank to the Recipient, confirming in accordance with the provisions of Section 6.02 of the annex to this Agreement that

the World Bank has accepted the supporting document provided by the Recipient to the World Bank to establish that the condition of effectiveness listed in Section 6.01 of the Agreement has been satisfied.

Very truly yours,

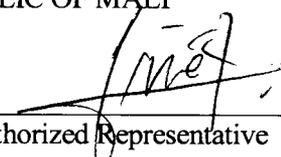
INTERNATIONAL DEVELOPMENT ASSOCIATION

By 

Paola Ridolfi

Acting Country Director for Mali  
Africa Region

AGREED:  
REPUBLIC OF MALI

By:   
Authorized Representative



Name: Bouba Cisse

Title: Ministre de l'Economie et des Finances

Date: 11/05/17

Enclosures:

- (1) "Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility", dated July 31, 2010
- (2) "Disbursement Letter for the Advance of the same date as this Agreement, together with "World Bank Disbursement Guidelines for Projects", dated February 1, 2017
- (3) "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 and as of July 1, 2016

**Article I**  
**Standard Conditions; Definitions**

1.01. **Standard Conditions.** The “Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility” dated July 31, 2010 (“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.

- (a) “*Enquête Modulaire Permanent’s*” means the annual household survey.
- (b) “HR” means human resources.
- (c) “Implementation Entity” means the National Institute of Statistics or INSTAT.
- (d) “NSDS” means National Strategy for the Development of Statistics or Statistical Master Plan.
- (e) “Operating Costs” means the incremental operating expenses incurred on account of the implementation of the Activities, management and monitoring including on account of operation and maintenance costs of office and office equipment; office supplies, additional staff costs, travel and supervision costs, per diem, but excluding the salaries and indemnities of officials and public servants of the Recipient’s civil service.
- (f) “Project Implementing Entity” means the Recipient’s National Institute of Statistics (*Institute National de la Statistique*) (INSTAT), established and operating pursuant to the Project Implementing Entity’s Legislation, or any successor thereto.
- (g) “Project Implementing Entity’s Legislation” means the Recipient’s Decree No. 09-126/P-RM dated March 20, 2009 setting out the organization and the modalities of operation of the National Institute of Statistics.
- (h) “Subsidiary Agreement” means the agreement referred to in Section 2.03 (b) of this Annex pursuant to which the Recipient shall make the proceeds of the Advance available to the Implementing Entity.
- (i) “Training” means the following expenditures incurred in providing training, seminars or workshops including (i) travel by participants and presenters to the training or workshop site; (ii) per diem allowances of such persons during the training, seminars or workshop; (iii) honoraria for the presenters; (iv) rental of facilities; (v) materials, supplies; and (vi) translation and interpretation services.

## **Article II**

### **Execution of the Activities**

2.01. **Description of the Activities.** The Activities for which the Advance is provided consist of the following parts:

Part A. Project preparation:

- (a) preparation of the Project's implementation manual covering, *inter alia*, general administrative procedures, financial management, accounting, procurement, and personnel management; and
- (b) hiring and training of a procurement specialist, a financial management specialist, and a project assistant.

Part B. Human resources:

Conducting an HR assessment that includes:

- (a) improving staffing and HR policies environment, including through a review of the remuneration schemes, career paths and professionalization of staff;
- (b) strengthening management practices and leadership; and
- (c) creating an adapted knowledge and learning strategy.

Part C. Institutional reforms:

- (a) Developing an incentive mechanism to reward units that produce quality work within specified timeframes;
- (b) Assessing the NSDS; and
- (c) Reviewing existing legal framework.

Part D: Data production and dissemination:

- (a) Carrying out an evaluation of the annual agricultural survey;
- (b) developing micro-data access policy and establishing internet, website, and data archiving within INSTAT;
- (c) carrying out preparatory activities for the census cartography;
- (d) carrying out preparatory activities for harmonization of the *Enquête Modulaire Permanent's* questionnaires; and
- (e) developing a survey calendar for the next 5 years.

2.02. **Execution of the Activities Generally.** The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall cause INSTAT to carry out the Activities in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) 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 and as of July 1, 2016.

2.03. **Institutional and Other Arrangements.** Without limitations upon Section 2.02 above:

- (a) The Recipient shall, at all times during implementation of the Activities, ensure that the Implementing Entity is maintained with functions, staffing and resources acceptable to the World Bank.
- (b) To facilitate the carrying out of the Activities, the Recipient shall make the proceeds of the Advance available to the Implementing Entity under a subsidiary agreement (“Subsidiary Agreement”) between the Recipient and the Implementing Entity, under terms and conditions approved by the World Bank, among which, *inter alia*, the requirement of the Implementing Entity to comply with the terms of this Agreement and the Anti-Corruption Guidelines.
- (c) The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Advance. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

2.04. **Monitoring, Reporting and Evaluation of the Activities.** The Recipient shall cause the Implementing Entity to monitor and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the Standard Conditions.

2.05. **Financial Management.** (a) The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 2.09 of the Standard Conditions.

(b) The Recipient shall ensure that the Implementing Entity prepares and furnishes to the World Bank interim un-audited financial reports for the Activities not later than forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Sections 2.09 (b) of the Standard Conditions.

(i) If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, the Recipient shall have the Financial Statements included in the first audit of financial statements required under the Refinancing Agreement.

(ii) If, by the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, such audit of the Financial Statements shall cover the period of the Advance, commencing with the fiscal year in which the first withdrawal under the Advance was 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 the Recipient’s fiscal year in which the Refinancing Date occurs.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the World Bank may request an audit of the Financial Statements prior to the Refinancing Date, covering such period as is indicated in its request. 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.

2.06. **Procurement**

All goods, non-consulting services and consulting services required for the Activities and to be financed out of the proceeds of the Advance shall be procured in accordance with the requirements set forth or referred to in the “World Bank Procurement Regulations for Borrowers under Investment Project Financing” dated July 1, 2016 (“Procurement Regulations”) and the provisions of the Recipient’s procurement plan for the Activities dated April 3, 2017 (“Procurement Plan”) provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

**Article III  
Withdrawal of the Advance**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Advance in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “Disbursement Guidelines for Investment Project Financing” dated February 2017, 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. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the Advance (“Category”), the amount of the Advance allocated to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<b>Category</b>	<b>Amount of the Advance Allocated (expressed in Dollars)</b>	<b>Percentage of Expenditures to be Financed (inclusive/exclusive of Taxes)</b>
(1) Goods, non-consulting services, consulting services, Training and Operating Costs.	500,000	100%
<b>TOTAL AMOUNT</b>	500,000	

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. **Refinancing Date.** The Refinancing Date is September 1, 2017.

**Article IV  
Terms of the Advance**

4.01. **Service Charge.** The Recipient shall pay a service charge on the Withdrawn Advance Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum. The service charge shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid

in arrears in accordance with the provisions of Section 4.02 of this Agreement. Service charges shall be computed on the basis of a 360-day year of twelve 30-day months.

4.02. **Repayment.** The Withdrawn Advance Balance shall be repaid by the Recipient to the World Bank (together with any service charges accrued thereon) in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

(a) *Refinancing under the Refinancing Agreement:* If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with any service charges accrued on the Advance to the date of repayment) as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such service charges, in accordance with the provisions of the Refinancing Agreement.

(b) *Repayment in the absence of a Refinancing Agreement:* If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by such date or at any time thereafter, it has been so executed but terminates without becoming effective, then:

(i) if the amount of the Withdrawn Advance Balance does not exceed \$50,000, it shall be repaid by the Recipient to the World Bank (together with service charges accrued on the Withdrawn Advance Balance to the date of repayment) on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and

(ii) if the amount of the Withdrawn Advance Balance exceeds \$50,000, it (together with service charges accrued on the Withdrawn Advance Balance to the Notice Date) (the "Aggregate Balance") shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates ("Payment Dates") which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date ("Notice Date") of dispatch of such notice. The Recipient shall pay a service charge on the Aggregate Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum, payable in arrears on each Payment Date. The service charge shall be computed on the basis of a 360-day year of twelve 30-day months.

## **Article V Additional Remedies**

5.01. **Additional Events of Suspension.** The Additional Events of Suspension consist of the following, namely, the Legislation establishing the Implementing Entity has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of Implementing Entity to perform any of its obligations under this Agreement.

**Article VI**  
**Effectiveness; Termination**

6.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the following condition, namely, the Subsidiary Agreement has been executed on behalf of the Recipient and the Implementing Entity.

6.02. Except as the Recipient and the World Bank shall otherwise agree, the date on which this Agreement shall enter into effect shall be the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 6.01 of this Annex ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

6.03. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

**Article VII**  
**Recipient's Representative; Addresses**

7.01. **Recipient's Representative.** The Recipient's Representative referred to in Section 9.02 of the Standard Conditions is the Recipient's Minister responsible for finance.

7.02. **Recipient's Address.** The Recipient's Address referred to in Section 9.01 of the Standard Conditions is:

Ministry of Economy and Finance  
P.O. Box 234  
Hamdallaye ACI, 2000  
Bamako  
Republic of Mali

Facsimile:

223 20 22 19 14  
223 20 23 16 54

7.03. **World Bank's Address.** The World Bank's Address referred to in Section 9.01 of the Standard Conditions is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Telex:

Facsimile:

248423 (MCI) or  
64145 (MCI)

(1)-202-477-6391