



H321-GN

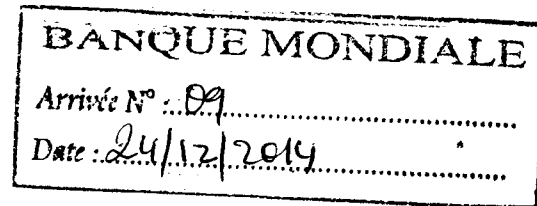
**The World Bank**  
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION

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December 23 2014

Monsieur Mohamed Diaré  
Minister of State in Charge of Economy and Finance  
Conakry  
Republic of Guinea



Dear Honorable Minister:

**Guinea – Niger Basin Water Resources Development and  
Sustainable Ecosystems Management Project  
Amendment to the Financing Agreement (Grant No. H321-GUI)**

We refer to the Financing Agreement (the Agreement) for the above referenced project (the Project), dated July 26, 2007, between the Republic of Guinea (the Recipient) and the International Development Association (the Association), as amended to date. We also refer to your letter dated August 27, 2014, requesting certain amendments to the Agreement and the related discussions between the Recipient and the Association.

Accordingly we propose to amend the Agreement as follows:

1. The objective of the Project in Schedule 1 to the Agreement is amended to read as follows:
 

“The objective of the Project is to enhance regional coordination and improve water resources management in the Niger River Basin.”
2. Part 1(c) of Schedule 1 to the Agreement is amended to read as follows:
 

“(c) Support to the establishment and institutional strengthening of regional water resources management and planning, including through: (i) preparing regional guidelines for the management of water infrastructure; (ii) providing an Independent Panel of Experts to support the Regional Consultative Group; (iii) support for the creation and activities of a Permanent Technical Commission as a regulatory water management mechanism in the Niger Basin; (iv) preparing a Niger Basin regional environmental code; and (v) supporting the implementation of the Niger Basin Water Charter.”
3. Part 2 of Schedule 1 to the Agreement is amended to read as follows:
 

**“Part 2: Rehabilitation, optimization and development of regional infrastructure**

  - (a) Rehabilitation of the Kainji dam and hydropower plant in Nigeria, including: (i) rehabilitation and harmonization of productive electromechanical equipment; (ii) rehabilitation of auxiliary services; (iii) upgrading instrumentation and monitoring equipment; and (iv) improvement of the flood warning systems and development of a decision support and management system.

- (b) Rehabilitation of the Jebba hydropower dam in Nigeria, including: (i) rehabilitation of electro-mechanical equipment; (ii) rehabilitation of auxiliary services; (iii) improvement of civil works; (iv) upgrading of instrumentation and monitoring equipment; (v) prevention of tree invasion; and (vi) reinforcement of the maintenance workshops.
- (c) Assessing optimization and management options for the development of regional water infrastructure, including: (i) complementary studies for the Fomi dam in Guinea; (ii) [intentionally left blank]; (iii) complementary studies for the Kandadji dam in Niger; and (iv) screening of potential hydropower sites in the Niger Basin within Nigeria and preparation of a master plan of Benue sub-basin in Nigeria.”

4. Part 3(a) of Schedule 1 to the Agreement is amended to read as follows:

- “(a) Rehabilitation and diversification of small dams, including: (i) rehabilitation of small dams in Benin; and (ii) rehabilitation of small dams in Niger, including development for horticulture, irrigated vegetables, livestock and their marketing.”

5. Section I.D of Schedule 2 to the Agreement is amended to read as follows:

**“D. Safeguards**

**General**

1. The Recipient shall, and shall cause the Project Implementing Entity to, carry out the Project in accordance with the Safeguard Frameworks and the Safeguard Documents. To this end, the Recipient shall, and shall cause the Project Implementing Entity to, take the following measures:
  - (a) If any Project activities would, pursuant to the ESMF, require the carrying out of an ESIA, no such activities shall be implemented unless and until:
    - (i) an ESIA for such activities has been: (A) prepared, in accordance with the ESMF and furnished to the Association; (B) disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed; and
    - (ii) if said ESIA would require the preparation of an ESMP, such ESMP has been: (A) prepared in accordance with such ESIA and furnished to the Association; (B) disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed.
  - (b) If any Project activities would, pursuant to the RPF, require the preparation of a RAP, no such activities shall be implemented unless and until:
    - (i) a RAP for such activities has been: (A) prepared in accordance with the requirements of the RPF and furnished to the Association; (B) disclosed as required by the RPF; and (C) approved by the Association and publicly disclosed; and

- (ii) (A) all measures required to be taken under said RAP prior to the initiation of said activities have been taken, including, without limitation to the above, providing funds for resettlement compensation when and if required under a RAP; (B) a report, in form and substance satisfactory to the Association, on the status of compliance with the requirements of said RAP has been prepared and furnished to the Association; and (C) the Association has confirmed that said activities may be commenced.
- 2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, and shall cause the Project Implementing Entity to, regularly collect, compile and submit to the Association as part of the Project Reports referred to in Section II.A of this Schedule, reports, in form and substance satisfactory to the Association, on the status of compliance with the Safeguard Instruments, giving details of:
  - (a) measures taken in furtherance of such Safeguard Instruments;
  - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and
  - (c) remedial measures taken or required to be taken to address such conditions.
- 3. The Recipient shall, and shall cause the Project Implementing Entity to, afford the Association a reasonable opportunity to review the reports prepared under paragraph 2 of this Section D, and thereafter shall carry out or cause to be carried out, with due diligence, all remedial measures agreed with the Association so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.
- 4. The Recipient shall not amend, suspend or waive, or permit to be amended, suspended or waived, any Safeguard Instrument, or any provision thereof without the prior written approval of the Association.
- 5. In the event of a conflict between the provisions of any of the Safeguards Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 6. The Recipient shall ensure that the terms of reference for any studies, plans, and/or technical assistance related to environmental and social safeguards activities to be carried out under this Agreement shall duly incorporate the requirements of the Association's environmental and social safeguard policies then in force, in a manner acceptable to the Association.

Dam Safety Arrangements

- 7. The Recipient shall, and shall cause the Project Implementing Entity to, maintain throughout the implementation of the Project, an independent dam safety panel comprised of experts having qualifications and experience acceptable to the Association, to be responsible for, *inter alia*, advising the Recipient and the Project Implementing Entity on matters related to dam safety and related matters.”

6. Section II.A of Schedule 2 to the Agreement is amended to read as follows:

**“A. Project Reports**

1. The Recipient shall cause the Project Implementing Entity to monitor and evaluate the progress of the Guinea Project Activities and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than one (1) month after the end of the period covered by such report.
2. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six (6) months after the Closing Date.”

7. The table in Section IV.A.2 of Schedule 2 to the Agreement is replaced in its entirety with the following table:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (exclusive of Taxes)
1) Goods and consultants' services for Part 1 of the Guinea Project Activities, including Training, Operating Costs and Audits	767,000	100 %
2) Goods, works and consultants' services for Parts 2 and 3 of the Guinea Project Activities, including Training and Operating Costs	5,233,000	100 %
<b>TOTAL AMOUNT</b>	6,000,000	

8. The Closing Date referred to in Section IV.B.2 to Schedule 2 to the Agreement is extended to December 31, 2017.

9. The following definitions in Section I of the Appendix to the Agreement are amended to read as follows:

- “3. “Environmental and Social Management Framework” and “ESMF” mean the Project Implementing Entity’s report entitled “*Projet de Développement des Ressources en Eau et Préservation des Ecosystèmes dans le Bassin du Niger – Cadre de Gestion Environnementale et Sociale*” dated March 20, 2007, detailing: (a) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures, including monitoring and institution

strengthening; as such report may be amended from time to time with the prior written consent of the Association.

7. "National Implementing Agencies" means collectively the National Implementing Agency; the *Agence d'Exécution des Travaux d'Infrastructures et d'Equipements Ruraux (AGETIER)* of the Republic of Mali; the *Centre d'Action Régional pour le Développement Rural (CARDER)* of the Republic of Benin; the *Direction Générale du Génie Rural* of the Republic of Niger; and the Transmission Company of Nigeria of the Federal Republic of Nigeria]; or any successors thereto."
19. "Resettlement Policy Framework" and "RPF" means the Project Implementing Entity's report entitled "*Projet de Développement des Ressources en Eau et Préservation des Ecosystèmes dans le Bassin du Niger – Cadre de Politique de Réinstallation des Populations*" dated March 20, 2007, containing guidelines, procedures, timetables and other specifications for the provision of compensation, rehabilitation and resettlement assistance to Displaced Persons, as such report may be amended from time to time with the prior written consent of the Association."
10. The following definitions are inserted into Section I of the Appendix to the Agreement as paragraphs 22 through 29:
  - "22. "Displaced Person" means a person who, on account of the execution of an activity under the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; "Displaced Persons" means all such persons."
  - "23. "Environmental and Social Impact Assessment" and "ESIA" mean, for a given activity under the Project, the environmental and social impact assessment of said activity to be carried out in accordance with the ESMF and pursuant to provisions of Section I.D of Schedule 2 to this Agreement; and "ESIAs" means more than one such ESIA."
  - "24. "Environmental and Social Management Plan" and "ESMP" mean an environmental and social management plan for the Project to be prepared and implemented in accordance with the ESMF and pursuant to the provisions of Section I.D of Schedule 2 to this Agreement; and "ESMPs" means more than one such ESMP."
  - "25. "Pest Management Plans" and "PMPs" mean, collectively, the pest management plans prepared by each of: (a) the Recipient, disclosed on August 29, 2012; (b) the Republic of Mali, disclosed on August 23, 2012; (c) the Republic of Benin, disclosed on August 28, 2012; and (d) the Republic of Niger, disclosed on January 16, 2012; in each case setting forth mitigation, enhancement, monitoring, and institutional measures, for integrated pest management and the safe handling of pesticides under activities to be implemented under the Project, and for minimizing any potential related adverse impacts; as such plans may be amended from time to time with the prior written consent of the Association."

- "26. "Resettlement Action Plan" and "RAP" mean a resettlement action plan to be prepared and implemented in accordance with the RPF and pursuant to the provisions of Section I.D of Schedule 2 to this Agreement; and "RAPs" means more than one such RAP."
- "27. "Safeguards Documents" means, collectively, the ESIA's, the ESMPs, the RAPs, the PMPs, and any other supplemental social and environmental safeguard documents as required under the terms of the Safeguard Frameworks."
- "28. "Safeguards Frameworks" means, collectively, the ESMF and the RPF."
- "29. "Safeguard Instrument" means, any of the Safeguards Frameworks or the Safeguards Documents; and "Safeguard Instruments" means more than one such Safeguard Instrument."

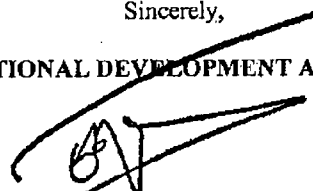
All other provisions of the Agreement, except as herein amended, shall remain in full force and effect.

Please indicate your agreement with the foregoing amendments to the Agreement on behalf of the Recipient by countersigning and dating two original copies of this letter of amendment and returning one countersigned original to us.

The amendments to the Agreement shall become effective as of the date of this letter of amendment upon receipt by the Association of: (a) a duly countersigned original of this letter of amendment; (b) duly countersigned originals of the letters of amendment to the Financing Agreements for the Project, dated July 26, 2007, between the Association and the Republic of Benin, the Republic of Mali, the Republic of Niger, and the Federal Republic of Nigeria, respectively; and (c) a duly countersigned original of the letter of amendment to the Project Agreement, dated July 26, 2007, between the Association and the Niger Basin Authority.

Sincerely,

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

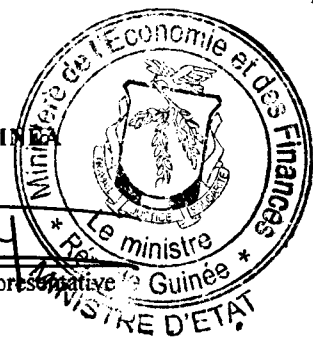


M. Ousmane Diagana  
Country Director for Benin, Guinea, Burkina Faso and Cote d'Ivoire  
Africa Region

AGREED:

REPUBLIC OF GUINEA

By: *Mohamed Siare*



Authorized Representative of Guinea

Name: MOHAMED SIARE

Title: MINISTRE D'ETAT CHARGÉ DE L'ÉCONOMIE ET DES FINANCES

Date: 24 DEC. 2014

cc:

- 1. Minister of State, in charge of Energy and Hydraulic / Ministre d'Etat, Ministre de l'Energie et de l'Hydraulique
- 2. Minister of Agriculture/Ministre de l'Agriculture
- 3. Director of National Directorate of Rural Engineering/Directeur National du Génie Rural (DNGR)
- 4. Executive Secretary of the Niger Basin Authority (NBA)/Secrétaire Exécutif de l'Autorité du Bassin du Niger (ABN)