

CONFORMED COPY

GRANT NUMBER H253 RW

Project Agreement

(eRwanda Project)

between

RWANDA INFORMATION AND TECHNOLOGY AUTHORITY

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated December 19, 2006

PROJECT AGREEMENT

Agreement dated December 19, 2006, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and RWANDA INFORMATION AND TECHNOLOGY AUTHORITY (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement of same date between the Republic of Rwanda (“Recipient) and the Association (“Financing Agreement”). 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 the Project 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 Project and the Program. To this end, the Project Implementing Entity shall carry out 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 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 the Project in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — REPRESENTATIVE; ADDRESSES

- 3.01. The Project Implementing Entity’s Representative is its Executive Director.
- 3.02. The Association’s address is:

For the Association:

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

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423(MCI) or 64145(MCI)	1-202-477-6391

3.03. The Project Implementing Entity's Address is:

Telecom House
Third Floor
Boulevard de l'Umuganda
P. O. Box 7229
Kigali, Rwanda

Facsimile:

250-58-32-22

AGREED in the District of Columbia, United States of America, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

/s/ Hartwig Schafer
Authorized Representative

RWANDA INFORMATION AND TECHNOLOGY AUTHORITY

By

/s/ Zac Nsenga
Authorized Representative

SCHEDULE

Execution of the Project

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. Without limitation upon the provisions of paragraph 2 of this Section, the Project Implementing Entity's Board of Directors and Management Team shall be responsible for technical oversight of the Project.
2. The Project Implementing Entity shall: (i) maintain, throughout Project implementation, the staff referred to in Section 5.01 (b) of the Financing Agreement, all with qualifications, experience and terms of reference satisfactory to the Association; and (ii) recruit, no later than one month after the Effective Date, and maintain, throughout Project implementation, an information, education and communication specialist, a monitoring and evaluation specialist, a private sector development specialist, a technology officer, and other necessary staff, all with qualifications, experience and terms of reference satisfactory to the Association.
3. The Project Implementing Entity shall be responsible for coordination, monitoring and supervision of Project implementation.

B. Project Operations Manual and Project Implementation Plan

Except as the Association shall otherwise agree, the Project Implementing Entity shall: (i) carry out the Project, or cause the Project to be carried out, in accordance with the Project Operations Manual and Project Implementation Plan; and (ii) not amend, abrogate, or waive, or permit to be amended, abrogated or waived, the aforementioned, or any provision thereof, if such amendment, abrogation or waiver may, in the opinion of the Association, materially or adversely affect Project implementation.

C. Social Safeguards

1. The Project Implementing Entity shall ensure that a social assessment study, in form and substance satisfactory to the Association, is carried out, using participatory methods, no later than six months after the Effective Date, for purposes of analyzing the historical, political, socio-cultural and institutional context of and social issues relating to the Project and proposing a social development strategy to achieve likely social development outcomes of the Project.

2. Except as the Association shall otherwise agree, the Project Implementing Entity shall:
(i) carry out the Project, or cause the Project to be carried out, in accordance with the findings and recommendations of said social assessment study, particularly said social development strategy; and (ii) not amend, abrogate, or waive, or permit to be amended, abrogated or waived, the aforementioned, or any provision thereof, if such amendment, abrogation or waiver may, in the opinion of the Association, materially or adversely affect Project implementation.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 (b) of the General Conditions and on the basis of indicators set forth in Section II.A.1 (b) of Schedule 2 to the Financing Agreement. Each Project Report shall cover the period of one calendar quarter, and the first Project Report shall be furnished to the Association not later than 60 days after the end of the period covered by such report, and subsequent Project Reports shall be furnished to the Association not later than 45 days after the end of the period covered by such reports.
2. On or about the date 24 months after the Effective Date, the Project Implementing Entity shall undertake, in conjunction with the Recipient and the Association, a comprehensive midterm review of the Project during which it shall exchange views with the Recipient and the Association generally on all matters relating to the progress of the Project, and the performance by the Project Implementing Entity of its obligations under this Agreement and by the Recipient under the Financing Agreement, having regard to the performance indicators referred to in the preceding subparagraph.

B. Financial Management, Financial Reports; 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 the Project.
2. Without limitation on the provisions of Part A of this Section, the Project Implementing Entity shall prepare and furnish to the Association as part of the Project Report, interim un-audited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. 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 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.

Section IV. Other Undertakings

1. No capital shall be made available to the Universal Access Fund under Part 3 (b) (ii) of the Project unless the specific parameters of such support have been appraised and approved by the Association in accordance with the provisions of this Agreement and the Project Implementation Manual.
2. Except as the Association shall otherwise agree, the Project Implementing Entity shall finance, no later than the nineteenth month of Project implementation, and subsequently throughout Project implementation, the service contracts of all staff set forth or referred to in Part I.B.4 of this Schedule, with the exception of the Project manager.