

CREDIT NUMBER 5773-MG

Project Agreement

(Electricity Sector Operations and Governance Improvement Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

JIRAMA

Dated April 8, 2016

CREDIT NUMBER 5773-MG

PROJECT AGREEMENT

AGREEMENT dated April 8, 2016, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and JIRAMA (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement (“Financing Agreement”) of same date between Republic of Madagascar (“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 Project and the Program. To this end, the Project Implementing Entity shall carry out Parts 2, 3 and 4.2 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 — REPRESENTATIVE; ADDRESSES

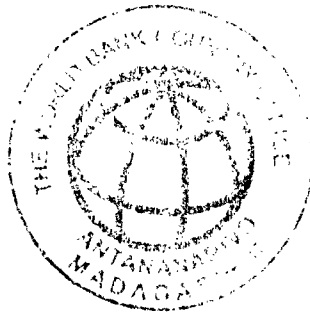
- 3.01. The Project Implementing Entity’s Representative is the *Directeur Général*.
- 3.02. The Association’s Address is:

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

AGREED at Antananarivo, Republic of Madagascar, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



A handwritten signature in black ink, consisting of several loops and a long horizontal stroke.

Authorized Representative

Name: _____

Title: _____

JIRAMA

By

A handwritten signature in black ink, appearing as a series of connected loops and a long horizontal stroke.

Authorized Representative

Name: **Nestor RAZAFINDRORIAKA**
~~Directeur Général~~

Title: _____

Telex:	Facsimile:
248423(MCI)	1-202-477-6391

3.03. The Project Implementing Entity's Address is:

Jiro sy Rano Malagasy
149 rue Rainandriamampandry
BP 200
Antananarivo 101
Republic of Madagascar

Telex:	Facsimile:
JI.RA.MA	00 261 20 22 338 06

SCHEDULE

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

Section I. Implementation Arrangements

A. Institutional Arrangements

1. JIRAMA shall implement Parts 2, 3 and 4.2 of the Project through its staff, which shall include at a minimum a project coordinator, a procurement specialist and a financial management specialist, a safeguards specialist, all appointed, or recruited in accordance with the provisions of Section III of Schedule 2 to this Agreement, and on the basis of terms of reference, qualifications and experience acceptable to the Association.
2. JIRAMA shall be responsible for the procurement, financial flows, and environmental and social safeguards matters for its Respective Parts and shall provide reporting and information to the Project Coordination Committee and MEH, as applicable.

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. Safeguards

1. JIRAMA shall ensure that all terms of reference for any technical assistance or studies carried out under its Respective Parts of the Project are consistent with, and pay due attention to, the Bank Policies, as well as the Recipient's own laws relating to environment and social aspects.
2. JIRAMA shall ensure that its Respective Parts of the Project shall be implemented in accordance with the guidelines, procedures, timetables and other specifications set forth in the Safeguards Documents. In particular, JIRAMA shall ensure that:
 - (a) for each activity under the Project of a type for which the Environmental and Social Management Framework provides that an Environmental and Social Management Plan should be prepared, such Environmental and Social Management Plan, in form and substance satisfactory to the Association, is effectively prepared and locally disclosed, before the implementation of such activity, in accordance with the provisions of the Environmental and Social Management Framework, and the relevant

activity is implemented in accordance with its Environmental and Social Management Plan; and

- (b) for each activity under the Project of a type for which the Resettlement Policy Framework provides that a Resettlement Action Plan should be prepared, such Resettlement Action Plan, in form and substance satisfactory to the Association, is effectively prepared and locally disclosed, before the implementation of such activity, in accordance with the provisions of the Resettlement Policy Framework, and the relevant activity is implemented in accordance with its Resettlement Action Plan.
3. Except as the Association shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the Association, JIRAMA shall not abrogate, amend, repeal, suspend or waive any provisions of any of the Safeguards Documents, nor shall it permit any other entity participating in the implementation of the Project to do so.
 4. Without limitation upon its other reporting obligations under this Agreement, JIRAMA shall regularly collect and submit to MEH for compilation, on a semi-annual basis, reports on the status of compliance with the Safeguards Documents, giving details of: (a) measures taken in furtherance of the Safeguards Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Documents; and (c) remedial measures taken or required to be taken to address such conditions.
 5. In the event that any provision of the Safeguards Documents shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.

E. Annual Work Plans and Budgets

1. Each year JIRAMA shall prepare for its Respective Parts of the Project:
 - (a) a draft annual work plan and budget for the Project (including Training and Operating Costs) for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested; and
 - (b) the evidence, in form and substance satisfactory to the Association, that all Safeguards Documents required prior to the implementation of the activities included in the draft annual work plan and budget have been prepared or are in the process of being prepared so as to be available in form and substance acceptable to the Association and disclosed in accordance with the Bank Policies before approval by the Association of the bidding documents for each activity.

2. JIRAMA shall furnish to MEH as soon as available, but in any case not later than October 30 of each year, the annual work plans and budgets approved by the Coordination Committee and the evidences referred to in subparagraph 1(b) above, for the Association's review and approval; except for the annual work plan and budget for the Project for the first year of Project implementation, and the evidence which may be required for the implementation of the activities included in the draft annual work plan and budget for such period which shall be furnished no later than one (1) month after the Effective Date. Only the activities included in an annual work plan and budget expressly approved by the Association (each an "Annual Work Plan and Budget") are eligible to a financing from the proceeds of the Financing.
3. Training shall be carried out on the basis of Annual Work Plans and Budgets, which shall, *inter alia*, identify: (a) particulars of the training envisaged; (b) the personnel to be trained; (c) the selection method of the institution or individuals conducting such training; (d) the institution conducting such training if identified; (e) the purpose and justification for such training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such training.
4. JIRAMA shall ensure that its Respective Parts of the Project are carried out in accordance with the Annual Work Plans and Budgets.
5. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association's prior approval.

F. Manual

1. (a) JIRAMA shall ensure that its Respective Parts of the Project are carried out in accordance with the Project Manual.
(b) Except as the Association and the Coordination Committee shall otherwise agree, JIRAMA shall not assign, amend, abrogate, or waive any of the Project Manual, or any provision thereof.
2. In the event of any conflict between the provisions of any of the Project Manual and those of this Agreement, the provisions of this Agreement.

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 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. 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.