

CONFORMED COPY

CREDIT NUMBER 3883 MAU

Development Credit Agreement

(Community Based Rural Development Project)

between

ISLAMIC REPUBLIC OF MAURITANIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated April 23, 2004

CONFORMED COPY

CREDIT NUMBER 3883 MAU

DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated April 23, 2004, between ISLAMIC REPUBLIC OF MAURITANIA (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS (A) the Association has received a letter from the Borrower, dated March 15, 2004, describing a program of actions, objectives and policies designed to support the pastoral sector of the Borrower (the Program) and declaring the Borrower's commitment to the execution of such program;

(B) the Borrower, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested the Association to assist in the financing of the Project; and

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing, to extend the Credit to the Borrower upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

General Conditions; Definitions

Section 1.01. The "General Conditions Applicable to Development Credit Agreements" of the Association, dated January 1, 1985, (as amended through October 6, 1999) (the General Conditions), constitute an integral part of this Agreement.

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions and in the Preamble to this Agreement have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) “ADC” means *Association de Développement Communautaire*, a Village Community Association established and operating under the laws of the Borrower, and “ADCs” means several or all such associations;

(b) “Agricultural Services” means the public agencies and departments under the authority of MDRE (as hereafter defined) providing services to herders and farmers within ADCs, such as crop and livestock research-development, extension services, and statistical, environmental and rural training agencies and their decentralized offices;

(c) “Beneficiary” means the recipient of a Grant (as hereinafter defined), for the purposes of financing a Subproject (as hereinafter defined) pursuant to a Subproject Grant Agreement (as hereinafter defined);

(d) “CCU” means Central Coordination Unit, the central Project implementation unit in MDRE (as hereinafter defined) attached to the Minister’s cabinet, to be established prior to the Effective Date, pursuant to Section 6.01 (c);

(e) “CP” means *Comité de Pilotage*, the Project steering committee, chaired by a representative of MAED (as hereinafter defined) and composed of representatives of the Borrower’s ministries in charge of rural development, interior, health, education, equipment, and water resources and energy; representatives from elected local governments, civil society and NGOs (as hereinafter defined), to be established prior to the Effective Date, pursuant to Section 6.01 (c);

(f) “CRD” means *Comité Régional de Développement*, a Regional Development Committee chaired by the *Wali* (the representative of the Borrower’s central administration at the regional level), composed of *Hakems* (the representative of the Borrower’s central administration at sub-regional level), administrative agricultural service staff, representatives of civil society, and NGOs; and “CRDs” means several or all such *Comités*, established by *Arrêté* of each *Wali* for his respective region;

(g) “ESMF” means Environmental and Social Management Framework, the document dated February 27, 2004, to be adopted by the Borrower prior to the Effective Date pursuant to Section 6.01 (e) of this Agreement, and included in the PEP (as hereinafter defined), consisting of a framework setting forth modalities for environmental screening and procedures for the preparation and implementation of environmental assessments to be complied with, as applicable, in the preparation of Grant requests for Subprojects (as hereinafter defined) and the carrying out of said Subprojects;

(h) “Financial Monitoring Report” and “FMR” means each report prepared in accordance with Section 4.02 of this Agreement;

(i) “Fiscal Year” and “FY” means the Borrower’s fiscal year starting January 1 and ending December 31 of each year;

(j) “HIV/AIDS” means Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome;

(k) “MAED” means *Ministère des Affaires Economiques et du Développement*, the Borrower’s Ministry for Economic Affairs and Development;

(l) “MDRE” means *Ministère du Développement Rural et de l’Environnement*, the Borrower’s Ministry in charge of Agriculture and the Environment;

(m) “MER” means *Micro-Entreprises Rurales*, Rural Micro-Enterprises supplying ADCs with either goods or investment items or maintenance services, as the case may be;

(n) “NGO” means non-governmental organization, a private, non-commercial tax exempt entity established and operating under the laws of the Borrower;

(o) “Ouguiya” and “UM” mean the currency of the Borrower;

(p) “PDCV” means *Plan de développement communautaire villageois*, Village Community Development Plan, a plan outlining village development objective and actions designed to attain these objectives, to be established under the Project by ADCs for their area;

(q) “PDM” means *Plan de développement municipal*, a municipal development plan established by a Rural Municipality (as hereinafter defined);

(r) “PEP” and “Project Execution Plan” mean a manual of procedures to carry out the Project, referred to in paragraph 1 of Schedule 4 to this Agreement, and containing, *inter alia*, work-plans, training plans, technical procedures, monitoring and performance indicators, the PFAM, ESMF, PMP, RPF and other procedures to be used for the purpose of implementing the Project, as may be amended from time to time with the approval of the Association, and such term includes any schedules to the Project Implementation Plan;

(s) “PFAM” means the Project Financial and Administrative Manual included in the PEP;

(t) “PICV” means *Plan d’investissement communautaire villageois*, Village Community Investment Plan, a plan intended to implement the PDCV through specific priority investments, to be established under the Project by ADCs for their area “PDM” means *Plan de développement municipal*, a municipal development plan established by the municipality for its territory;

(u) “PMP” means Pest Management Plan, the document dated February 27, 2004, to be adopted by the Borrower prior to the Effective Date pursuant to Section 6.01 (e) of this Agreement, included in the PEP, setting forth the modalities to

develop and carry out pest management and to be considered where applicable, in the application for Subproject Grants and the carrying out of said Subprojects;

(v) “Project Account” means the account referred to in Section 3.04 (a) of this Agreement;

(w) “Project Preparation Advance” means the project preparation advance granted by the Association to the Borrower pursuant to the letter agreement signed on behalf of the Association on August 27, 2003, and on behalf of the Borrower on September 9, 2003;

(x) “RCU” means Regional Coordination Unit, a unit acting as decentralized coordination unit, referred to in paragraph 4 (c) of Schedule 4 to this Agreement, and RCUs means several or all such units;

(y) “RPF” means Resettlement Policy Framework, the document dated February 27, 2004, to be adopted by the Borrower prior to Effective Date pursuant to Section 6.01 (e) of this Agreement, included in the PEP, setting forth the modalities for land acquisition, resettlement and rehabilitation of displaced persons, where applicable, to be considered in the application for Subproject Grants and the carrying out of said Subprojects;

(z) “Rural Municipalities” means the *collectivités décentralisées*, administrative entities in the rural area established under the laws of the Borrower as *communes rurales*;

(aa) “Special Account(s)” means either one or both of the accounts referred to in Section 2.02 (b) of this Agreement, as the case may be;

(bb) “Subproject” means any one of the activities under Part B of the Project; and

(cc) “Subproject Grant Agreement” means an agreement between, or intended to be concluded between, the Borrower and a Beneficiary, setting forth the terms and conditions under which a Grant shall be made available to the Beneficiary for the purpose of financing a Subproject.

ARTICLE II

The Credit

Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions set forth or referred to in the Development Credit Agreement, an amount in various currencies equivalent to thirty million one hundred thousand Special Drawing Rights (SDR 30,100,000).

Section 2.02. (a) The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement for: (i) amounts paid (or, if the Association shall so agree, amounts to be paid) on account of withdrawals made for the purposes of a Grant to meet the reasonable cost of works, goods and services required for a Subproject pursuant to Part B of the Project in respect of which the withdrawal from the Credit Account is requested; and (ii) expenditures made (or if the Association shall so agree, to be made) in respect of the reasonable cost of goods, works and services required for Parts A and C of the Project and to be financed out of the proceeds of the Credit.

(b) The Borrower may, for the purposes of the Project, open and maintain, in Dollars, two special deposit accounts (the Special Accounts) in the name of CCU in a commercial bank acceptable to the Association, one special deposit account (Special Account A) for purposes of Part A, B.3 and C of the Project, and one special deposit account (Special Account B) for purposes of Part B.1 and B.2 of the Project, on terms and conditions satisfactory to the Association, including appropriate protection against set-off, seizure or attachment. Deposits into, and payments out of each respective Special Account shall be made in accordance with the provisions of Schedule 5 to this Agreement.

(c) Promptly after the Effective Date, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and pay to itself the amount required to repay the principal amount of the Project Preparation Advance withdrawn and outstanding as of such date and to pay all unpaid charges thereon. The unwithdrawn balance of the authorized amount of the Project Preparation Advance shall thereupon be canceled.

Section 2.03. The Closing Date shall be December 31, 2010 or such later date as the Association shall establish. The Association shall promptly notify the Borrower of such later date.

Section 2.04. (a) The Borrower shall pay to the Association a commitment charge on the principal amount of the Credit not withdrawn from time to time at a rate to be set by the Association as of June 30 of each year, but not to exceed the rate of one-half of one percent (1/2 of 1%) per annum.

(b) The commitment charge shall accrue: (i) from the date sixty days after the date of this Agreement (the accrual date) to the respective dates on which amounts shall be withdrawn by the Borrower from the Credit Account or canceled; and (ii) at the rate set as of the June 30 immediately preceding the accrual date and at such other rates as may be set from time to time thereafter pursuant to paragraph (a) above. The rate set as of June 30 in each year shall be applied from the next date in that year specified in Section 2.06 of this Agreement.

(c) The commitment charge shall be paid: (i) at such places as the

Association shall reasonably request; (ii) without restrictions of any kind imposed by, or in the territory of, the Borrower; and (iii) in the currency specified in this Agreement for the purposes of Section 4.02 of the General Conditions or in such other eligible currency or currencies as may from time to time be designated or selected pursuant to the provisions of that Section.

Section 2.05. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one percent ($3/4$ of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

Section 2.06. Commitment charges and service charges shall be payable semiannually on October 1 and April 1 in each year.

Section 2.07. (a) Subject to paragraphs (b), (c) and (d) below, the Borrower shall repay the principal amount of the Credit in semiannual installments payable on each October 1 and April 1, commencing October 1, 2014, and ending April 1, 2044. Each installment to and including the installment payable on April 1, 2024, shall be one percent (1%) of such principal amount, and each installment thereafter shall be two percent (2%) of such principal amount.

(b) Whenever: (i) the Borrower's per capita gross national product (GNP), as determined by the Association, shall have exceeded for three consecutive years the level established annually by the Association for determining eligibility to access the Association's resources; and (ii) the Bank shall consider the Borrower creditworthy for Bank lending, the Association may, subsequent to the review and approval thereof by the Executive Directors of the Association and after due consideration by them of the development of the Borrower's economy, modify the repayment of installments under paragraph (a) above by:

- (A) requiring the Borrower to repay twice the amount of each such installment not yet due until the principal amount of the Credit shall have been repaid; and
- (B) requiring the Borrower to commence repayment of the principal amount of the Credit as of the first semiannual payment date referred to in paragraph (a) above falling six months or more after the date on which the Association notifies the Borrower that the events set out in this paragraph (b) have occurred, provided, however,

that there shall be a grace period of a minimum of five years on such repayment of principal.

(c) If so requested by the Borrower, the Association may revise the modification referred to in paragraph (b) above to include, in lieu of some or all of the increase in the amounts of such installments, the payment of interest at an annual rate agreed with the Association on the principal amount of the Credit withdrawn and outstanding from time to time, provided that, in the judgment of the Association, such revision shall not change the grant element obtained under the above-mentioned repayment modification.

(d) If, at any time after a modification of terms pursuant to paragraph (b) above, the Association determines that the Borrower's economic condition has deteriorated significantly, the Association may, if so requested by the Borrower, further modify the terms of repayment to conform to the schedule of installments as provided in paragraph (a) above.

Section 2.08. The currency of the United States of America is hereby specified for the purposes of Section 4.02 of the General Conditions.

ARTICLE III

Execution of the Project

Section 3.01. (a) The Borrower declares its commitment to the objective of the Project as set forth in Schedule 2 to this Agreement, and, to this end, shall carry out the Project with due diligence and efficiency and in conformity with appropriate administrative, financial, engineering, and environmental practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for the Project.

(b) Without limitation upon the provisions of paragraph (a) of this Section and except as the Borrower and the Association shall otherwise agree, the Borrower shall carry out the Project in accordance with the Implementation Program set forth in Schedule 4 to this Agreement.

Section 3.02. Except as the Association shall otherwise agree, procurement of the goods, works, and consultants' services required for the Project and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 3 to this Agreement.

Section 3.03. For the purposes of Section 9.06 of the General Conditions and without limitation thereto, the Borrower shall:

(a) prepare, on the basis of guidelines acceptable to the Association, and furnish to the Association not later than six (6) months before the Closing Date or such later date as may be agreed for this purpose between the Borrower and the Association, a plan outlining the Borrower's policy to safeguard the objective of the Project; and

(b) afford the Association a reasonable opportunity to exchange views with the Borrower on said plan.

Section 3.04. Without limitation upon the provisions of paragraph (a) of Section 3.01 of this Agreement, and except as the Borrower and the Association shall otherwise agree, the Borrower shall:

(a) open and maintain an account in Ouguiya, in a commercial bank, on terms and conditions acceptable to the Association (the Project Account),

(b) promptly thereafter, deposit into the Project Account an initial amount of forty million UM to finance the Borrower's contribution for expenditures under the Project not financed out of the proceeds of the Credit;

(c) deposit into the Project Account in bi-monthly installments, until three months before Closing Date, such amounts as shall be required to timely replenish the Project Account back to the amount of the initial deposit referred to in paragraph (b) above; and

(d) ensure that the funds deposited into the Project Account in accordance with paragraphs (b) and (c) of this Section shall be used exclusively to finance expenditures under the Project other than those financed from the proceeds of the Credit.

ARTICLE IV

Financial Covenants

Section 4.01. (a) The Borrower shall establish and maintain a financial management system, including records and accounts and prepare financial statements in accordance with consistently applied accounting standards in a format acceptable to the Association, adequate to reflect the operations, resources and expenditures in respect of the Project.

(b) The Borrower shall:

(i) have the financial statements referred to in paragraph (a) of this Section for each Fiscal Year (or other period agreed to by the Association), commencing with the fiscal year in which the first

withdrawal under the Project Preparation Advance was made, audited, in accordance with consistently applied auditing standards acceptable to the Association, by independent auditors acceptable to the Association;

- (ii) furnish to the Association as soon as available, but in any case not later than six months after the end of each such year (or such other period agreed to by the Association), (A) certified copies of the financial statements referred to in paragraph (a) of this Section for such year (or other period agreed to by the Association), as so audited, and (B) an opinion on such statements by said auditors, in scope and detail satisfactory to the Association; and
- (iii) furnish to the Association such other information concerning such records and accounts, and the audit of such financial statements, and concerning said auditors, as the Association may from time to time reasonably request.

(c) For all expenditures with respect to which withdrawals from the Credit Account were made on the basis of statements of expenditure, the Borrower shall:

- (i) retain, until at least one year after the Association has received the audit report for, or covering the FY in which the last withdrawal from the Credit Account was made, all records (contracts, orders, invoices, bills, receipts and other documents) evidencing such expenditures;
- (ii) enable the Association's representatives to examine such records; and
- (iii) ensure that such statements of expenditures are included in the audit for each FY (or other period agreed to by the Association) referred to in paragraph (b) of this Section.

Section 4.02. (a) Without limitation upon the Borrower's progress reporting obligations set out in paragraphs 2 and 3 of Schedule 4 to this Agreement, the Borrower shall prepare and furnish to the Association a Financial Monitoring Report, in form and substance satisfactory to the Association, which:

- (i) sets forth sources and uses of funds for the Project, both cumulatively and for the period covered by said report, showing separately funds provided under the Credit, and explains variances between the actual and planned uses of such funds;

- (ii) describes physical progress in Project implementation, both cumulatively and for the period covered by said report, and explains variances between the actual and planned Project implementation; and
- (iii) sets forth the status of procurement under the Project, as at the end of the period covered by said report.

(b) The first Financial Monitoring Report shall be furnished to the Association not later than 45 days after the end of the first calendar quarter after the Effective Date, and shall cover the period from the incurrence of the first expenditure under the Project through the end of such first calendar quarter; thereafter, each Financial Monitoring Report shall be furnished to the Association not later than 45 days after each subsequent calendar quarter, and shall cover such calendar quarter.

ARTICLE V

Remedies of the Association

Section 5.01. Pursuant to Section 6.02 (l) of the General Conditions, the following additional event is specified, namely that a situation shall have arisen which shall make it improbable that the Program or a significant part thereof will be carried out.

Section 5.02. Pursuant to Section 7.01 (h) of the General Conditions, the following additional events are specified, namely that the event specified in paragraph of Section 5.01 of this Agreement shall occur.

ARTICLE VI

Effective Date; Termination

Section 6.01. The following events are specified as additional conditions to the effectiveness of the Development Credit Agreement within the meaning of Section 12.01 (b) of the General Conditions:

The Borrower has:

- (a) opened the Project Account and deposited therein the initial deposit referred to in Section 3.04 (b) of this Agreement;
- (b) appointed the auditors referred to in Section 4.01 (b) of this Agreement,

under terms and conditions acceptable to the Association and in accordance with the provisions of Section II of Schedule 3 to this Agreement;

(c) furnished evidence, satisfactory to the Association, that CCU and CP have been established by *Arrêté*, providing for members and authority satisfactory to the Association.

(d) furnished to the Association evidence, satisfactory to the Association, that:

(i) (A) an administrative and financial director; (B) an internal auditor; (C) a procurement specialist; and (D) an information technology specialist, have been recruited for CCU in accordance with the provisions of Section II of Schedule 3 to this Agreement;

(ii) a computerized financial management system has been established in CCU and appropriate training has been provided to the financial management staff; and

(iii) a monitoring and evaluation system has been established in CCU, satisfactory to the Association, to monitor and evaluate the outcome indicators set forth in Schedule 6 to this Agreement; and

(e) adopted the complete PEP, including, *inter alia*, the ESMF, PMP and RPF, and furnished said PEP to the Association.

Section 6.02. The date ninety (90) days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

ARTICLE VII

Representative of the Borrower; Addresses

Section 7.01. The Minister of the Borrower at the time responsible for economic affairs and development is designated as representative of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 7.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Minister of Economic Affairs and Development
Ministry of Economic Affairs and Development
BP 238
Nouakchott
Islamic Republic of Mauritania

Cable address:	Telex:	Facsimile:
MP Nouakchott	840 MTN	222 255 4617

For the Association:

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

Cable address:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI) or 64145 (MCI)	(202) 477 6391

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

ISLAMIC REPUBLIC OF MAURITANIA

By /s/ Abdallah Ould Souleymane Ould Cheikh-Sidia
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ A. David Craig
Authorized Representative

SCHEDULE 1

Withdrawal of the Proceeds of the Credit

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each Category and the percentage of expenditures for items so to be financed in each Category:

	<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in SDR Equivalent)</u>	<u>% of Expenditures to be Financed</u>
(1)	Civil Works	70,000	100% of foreign expenditures and 85% of local expenditures
(2)	Goods	1,540,000	100% of foreign expenditures and 85% of local expenditures
(3)	Consultants' services, and audits	2,200,000	100% of foreign expenditures, 90 % of local expenditures for individual consultants and 85% of local expenditures for consulting firms
(4)	Training and workshops	2,600,000	100%
(5)	Grants:		
	(a) under Part B.1 of the Project	16,920,000	100% of amounts disbursed
	(b) under Part B.2 of the project	3,350,000	100% of amounts disbursed
	(c) under Part B.3 of the project	140,000	100% of amounts disbursed

	<u>Category</u>	<u>Amount of the Credit Allocated (Expressed in SDR Equivalent)</u>	<u>% of Expenditures to be Financed</u>
(6)	Operating costs	1,610,000	40 %
(7)	Refunding of Preparation Advance	870,000	Amounts disbursed pursuant to Section 2.02 (c) of this Agreement
(8)	Unallocated	800,000	
	TOTAL	30,100,000	

2. For the purposes of this Schedule:

(a) the term "foreign expenditures" means expenditures in the currency of any country other than that of the Borrower for goods or services supplied from the territory of any country other than that of the Borrower;

(b) the term "local expenditures" means expenditures in the currency of the Borrower or for goods or services supplied from the territory of the Borrower;

(c) the term "Operating costs" means the incremental expenses incurred on account of Project implementation, management and monitoring, including office supplies, office rent, communication and utility charges, vehicle operation, travel expenses related to the carrying out of the Project, but excluding salaries of officials of the Borrower.

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of payments made for expenditures:

(a) prior to the date of this Agreement; and

(b) expenditures under Category (5) of the table set forth under paragraph 1 of this Schedule 1, for any Grant, unless such Grant has been made in accordance with the provisions set forth in Section III, paragraphs 6 through 8 of Schedule 4 to this Agreement and with the PEP, pursuant to a Grant Agreement, on the terms and conditions specified in Section III, paragraph 9 of Schedule 4 to this Agreement, satisfactory to the Association.

4. The Association may require withdrawals from the Credit Account to be made on the basis of statements of expenditure for expenditures for: (a) works under contracts costing less than \$250,000 equivalent each; (b) goods under contracts costing less than \$250,000 equivalent each; (c) for services under contracts with consulting firms costing less than \$100,000 equivalent each; (d) for services under contracts with individuals costing less than \$50,000 equivalent each; (e) training, Grants and Operating costs; all under such terms and conditions as the Association shall specify by notice to the Borrower.

SCHEDULE 2

Description of the Project

The objective of the Project is to improve living conditions in selected village communities in the Borrower's territory through: (a) capacity building and (b) investments in economic, social and environmental activities carried out by these communities.

The Project consists of the following Parts, subject to such modifications thereof as the Borrower and the Association may agree upon from time to time to achieve such objective:

Part A: Capacity Building

1. Capacity Building of ADCs

Support to approximately 295 existing ADCs and 700 newly created ADCs under this Project in, *inter alia*: (a) institutional and organizational management; (b) assessment of needs and their priority for inclusion in PDCVs and PICVs; (c) managing and accounting of funds; (d) procurement and contracting; (e) carrying out of baseline studies; and (f) coordination with national and regional investments and activities, such as HIV/AIDS awareness and prevention events; through the provision of technical assistance services and training.

2. Capacity Building of Rural Municipalities

Support to approximately ten Rural Municipalities in, *inter alia*: (a) establishment of PDMs that integrate PDCVs and PICVs; and (b) prioritizing small works in road construction to ease access to village communities, through the provision of technical assistance services and training.

3. Capacity Building of Agricultural Services

Support to Agricultural Services in, *inter alia*: (a) improved client responsiveness; (b) administrative management and request processing techniques; and (c) targeted service delivery; through provision of technical advisory services and training, acquisition of equipment and vehicles, acquisition of office supplies and carrying out of works.

4. Capacity Building of MERs

Support to selected MERs in, *inter alia*: (a) technical know-how; and (b) delivery efficiency, through the provision of technical advisory services and training, and the acquisition of equipment.

Part B: Provision of Grants for the Carrying out of Subprojects

1. Village Investment Fund

Provision of Grants for the carrying out of Subprojects in rural investments by ADCs complying with the PDCVs and PICVs, comprising, *inter alia*: (a) village wells, (b) soil and water conservation infrastructure works such as dykes and small dams; (c) village gardens and plant farms diversifying agricultural output; (d) livestock health promotion activities such as vaccination parks; (e) activities protecting the natural resource base such as dune fixation, vegetal cover regeneration; and (f) income-generating activities such as mills, village stores, agricultural rental equipment.

2. Rural Communal Road Fund

Provision of Grants to selected Rural Municipalities for the carrying out of infrastructure works improving access to rural roads at the local level and feasibility studies related to said works.

3. MER Support

Provision of Grants to selected MERs for the acquisition of equipment.

Part C: Project Management and Supervision

1. Supporting CCU and RCUs in, *inter alia*: (a) coordination, administration, supervision and dissemination of results of Project implementation; (b) establishment of management- and information-dissemination systems able to convey attainment of Project performance indicators to decision-makers; (c) preparing and launching reports and documentaries in the local press, rural radio, and television; through the provision of training programs to selected staff in CCU and RCUs, acquisition of equipment, provision of technical advisory services, and operating costs.

2. Supporting monitoring and evaluation of Project implementation through the acquisition of vehicles, computer equipment and software; the provision of technical advisory services to CCU, travel expenses to communication personnel visiting Project sites, and operating costs.

* * *

The Project is expected to be completed by June 30, 2010.

SCHEDULE 3

Procurement and Consultants' Services

Section I. Procurement of Goods and Works

Part A: General

Works and goods shall be procured in accordance with the provisions of Section I of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 and revised in January and August 1996, September 1997 and January 1999 (the Guidelines) and the following provisions of this Section I.

Part B: International Competitive Bidding

1. Except as otherwise provided in Part C of this Section, goods and works shall be procured under contracts awarded in accordance with the provisions of Section II of the Guidelines and paragraph 5 of Appendix 1 thereto.

2. The following provisions shall apply to goods to be procured under contracts awarded in accordance with the provisions of paragraph 1 of this Part B.

(a) Preference for domestically manufactured goods

The provisions of paragraph 2.55 and 2.56 of the guidelines and Appendix 2 thereto shall apply to goods manufactured in the territory of the Borrower.

(b) Grouping of contracts

To the extent practicable, contracts for goods shall be grouped into bid packages estimated to cost \$250,000 equivalent or more each.

Part C: Other Procurement Procedures

1. National Competitive Bidding

Goods estimated to cost less than \$250,000 equivalent per contract and works estimated to cost less than \$250,000 equivalent per contract, may be procured under contracts awarded in accordance with the provisions of paragraphs 3.3 and 3.4 of the Guidelines, provided, however, that: (a) all bids shall be submitted in one envelope which shall be opened in public; (b) points systems will not be used for bid evaluation for goods and works; (c) contracts awards shall be published; (d) any bidder shall be given adequate response time (four weeks) for preparation and submission of bids; (e) bid evaluation and bidder qualification criteria shall clearly be specified in bidding

documents and applied in accordance with internationally accepted standards; (f) eligible firms shall not be precluded from participation to bid; (g) enterprises which are majority owned by the state are allowed to bid only if they can establish that they are legally and financially autonomous, operate under commercial law and do not report to the agency signing the contract, (h) the award shall be made to the lowest evaluated bidder in accordance with pre-determined and transparent methods; (i) bid evaluation reports shall clearly state the reasons for rejection of any non-responsive bid; and (j) prior to issuing the first call for bids, draft standard bidding documents shall have been prepared by the Borrower, in form and substance acceptable to the Association, and submitted to the Association for review and approval.

2. National Shopping

Goods estimated to cost less than \$50,000 equivalent per contract may be procured under contracts awarded on the basis of national shopping procedures in accordance with the provisions of paragraphs 3.5 and 3.6 of the Guidelines.

3. Procurement of Small Works

Works estimated to cost less than \$50,000 equivalent per contract, may be procured under lump-sum, fixed-price contracts awarded on the basis of quotations obtained from three (3) qualified domestic contractors in response to a written invitation. The invitation shall include a detailed description of the works, including basic specifications, the required completion date, a model form of agreement in form and substance acceptable to the Association, and relevant drawings, where applicable. The award shall be made to the contractor who offers the lowest price quotation for the work as described in the written invitation to bid, and who has, in the opinion of the Association, the experience and resources to complete the contract successfully.

4. Community Participation

Goods and works required for Subprojects under Part B of the Project shall be procured in accordance with procedures acceptable to the Association and set forth in the Project Implementation Plan.

Part D: Review by the Association of Procurement Decisions

1. Procurement Planning

The proposed procurement plan for the Project shall be updated and furnished to the Association for its review and approval every six months, in accordance with the provisions of paragraph 1 of Appendix 1 to the Guidelines. Procurement of all goods and works shall be undertaken in accordance with such procurement plan as shall have been approved by the Association, and with the provisions of said paragraph 1.

2. Prior Review

With respect to: (i) the first three contracts for works and the first three contracts for goods, regardless of the amount; and (ii) each contract for works and goods estimated to cost the equivalent of \$250,000 or more, the procedures set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines shall apply.

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Guidelines shall apply.

Section II. Procurement of Consultant Services

Part A: General

Consultants' services shall be procured in accordance with the provisions of Sections I and IV of the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the Bank in January 1997 and revised in September 1997, January 1999 and May 2002 (the Consultant Guidelines), paragraph 1 of Appendix 1 thereto, Appendix 2 thereto and the following provisions of Section II of this Schedule.

Part B: Quality- and Cost-based Selection

1. Except as otherwise provided in Part C of this Section, consultants' services shall be procured under contracts awarded in accordance with the provisions of Section II of the Consultant Guidelines, and the provisions of paragraphs 3.13 through 3.18 thereof applicable to quality- and cost-based selection of consultants.

2. The following provision shall apply to consultants' to be procured under contracts awarded in accordance with the provisions of the preceding paragraph: the short list of consultants for services estimated to cost less than \$100,000 equivalent per contract, may comprise entirely national consultants in accordance with the provisions of paragraph 2.7 and footnote 8 of the Consultant Guidelines.

Part C: Other Procedures for the Selection of Consultants

1. Selection Based on Consultants' Qualifications

Services under contracts estimated to cost less than \$100,000 equivalent per contract and required for (a) studies and surveys, training related to local economic development; and (b) to support to Project administration under Part C of the Project, may be procured under contracts awarded in accordance with the provisions of paragraphs 3.1 and 3.7 of the Consultant Guidelines.

2. Individual Consultants

Services for tasks that meet the requirements set forth in paragraph 5.1 of the Consultant Guidelines shall be procured under contracts awarded to individual consultants in accordance with the provisions of paragraphs 5.1 through 5.3 of the Consultant Guidelines.

Part D: Review by the Association of the Selection of Consultants

1. Selection Planning

A plan for the selection of consultants, which shall include contract cost estimates, contract packaging, and applicable selection criteria and procedures, shall be furnished to the Association for its review and approval prior to the issuance to consultants of any requests for proposals. Such plan shall be updated every six months during the execution of the Project, and each such updating shall be furnished to the Association for its review and approval. Selection of all consultants' services shall be undertaken in accordance with such selection plan (as updated from time to time) as shall have been approved by the Association.

2. Prior Review

(a) With respect to each contract for the employment of consulting firms estimated to cost the equivalent of \$100,000 per contract or more, the procedures set forth in paragraphs 2, 3 and 5 of Appendix 1 to the Consultant Guidelines shall apply.

(b) With respect to each contract for the employment of individual consultants estimated to cost the equivalent of \$50,000 or more, the qualifications, experience, terms of reference and terms of employment of the consultants shall be furnished to the Association for its prior review and approval. The contract shall be awarded only after said approval shall have been given.

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Consultant Guidelines shall apply.

SCHEDULE 4

Implementation Program

Section I: General

1. The Borrower shall implement the Project in accordance with the procedures, guidelines, timetables and other criteria set forth in the PEP and, except as the Association shall otherwise agree, the Borrower shall not amend, or waive any provision thereof if, in the opinion of the Association, such amendment or waiver may materially and adversely affect the implementation of the Project.

Section II: Reviews, Supervision and Coordination

2. The Borrower shall:

(a) maintain, until the completion of the Project, policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with the indicators set forth in Schedule 6 to this Agreement, the carrying out of the Project and the achievement of the objective thereof;

(b) prepare, under terms of reference satisfactory to the Association, and furnish to the Association, for the first time during the twelfth month following the Effective Date, or such later date as the Borrower and the Association shall agree upon, and thereafter in regular intervals of twelve months until the completion of the Project, a report integrating the results of the monitoring and evaluation activities performed pursuant to paragraph (a) of this Section, on the progress achieved in the carrying out of the Project during the period preceding the date of said report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objective thereof during the period following such date. In particular the report shall contain a detailed assessment of: (i) approved Grants, rejected Grants and pending Grant applications; (ii) the implementation of environmental protection activities and the reporting on environmental aspects in monitoring reports; and (iii) the quality and timeliness of the reports furnished in accordance with Section 4.02 of this Agreement;

(c) review, in a meeting with the Association (the Annual Review), at a date 45 days following the submission of the report referred to in subparagraph (b) of this paragraph, or such later date as the Borrower and the Association shall agree upon, said report, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objective thereof, based on the conclusions and recommendations of said report, the Association's views on the matter and the procedures set forth in the PEP; et

- (d) Comment:
- (i) in the report prepared for the first Annual Review, on: (a) the performance record of ADCs in contracting with suppliers, contractors and service providers and of CCU in providing timely payments to the latter; and (ii) reasons, if any, why fund management under Part B.1 of the Project ought not to be transferred from CCU to ADCs following the first Annual Review;
 - (ii) in the report prepared for the second Annual Review, on: (a) the performance record of ADCs in contracting with suppliers, contractors and service providers and of CCU in providing timely payments to the latter; and (b) reasons, if any, why fund management under Part B.2 of the Project ought not to be transferred from CCU to Rural Municipalities following the second Annual Review; and
 - (iii) in the report prepared for the second and fourth Annual Review, on the performance of the staff of CCU and RCUs.

3. Midterm Review

The Borrower shall:

(a) By July 31, 2007, or such other date as the Association shall agree upon, carry out jointly with the Association, a midterm review (Midterm Review). The Borrower shall invite representatives of Agricultural Services, CP and CRD to participate, and take all actions it considers necessary to ensure the participation of representatives of ADCs and Rural Municipalities and NGOs active under the Project in such Midterm Review. Such Midterm Review shall cover the progress achieved in the implementation of the Project under an agenda encompassing the agenda of the Annual Reviews, and, more specifically, the achievements under Part B of the Project.

(b) No later than one month prior to the Midterm Review, the Borrower shall furnish to the Association, for its review and comments, a report, in such detail, as the Association shall reasonably request, on the implementation of the Project in preparation of said Midterm Review. This report shall include, in particular an assessment of the performance of ADCs and Rural Municipalities in managing funds and investment and service contracts under Parts B.1 and B.2 of the Project, respectively.

(c) Following such Midterm Review, the Borrower shall act promptly and diligently in order to take any corrective action deemed necessary by the Association to remedy any shortcoming noted in the implementation of the Project, or to implement such

other measures as may have been agreed upon between the Borrower and the Association in furtherance of the objective of the Project and in accordance with the PEP.

4. The Borrower shall, until the Closing Date:

- (a) maintain staff in CCU, comprising:
 - (i) the national Project coordinator,
 - (ii) an accountant;
 - (iii) an expert in monitoring and evaluation;
 - (iv) an expert in capacity building and training for ADCs and Rural Municipalities;
 - (v) an expert in rural infrastructure;
 - (vi) an expert in natural resources and environmental safeguard issues;
 - (vii) an expert in gender and social safeguard issues;
 - (viii) an expert in crop and livestock services;
 - (ix) an expert in communication;
 - (x) an expert advising on the establishment of ADCs;
 - (xi) an expert in logistics and personnel;
 - (xii) internal auditor;
 - (xiii) the administrative and financial director;
 - (xiv) the procurement specialist; and
 - (xv) the information technology specialist,

at all times suitably qualified and experienced and supported by staff in adequate numbers, satisfactory to the Association;

(b) maintain CCU as the Project implementation unit, as set forth in the instrument establishing said CCU, operating in accordance with guidelines set forth in the PEP and this Schedule 4, including, *inter alia*, the task of assisting ADCs to register in accordance with Law No. 098-64 of the Borrower;

(c) maintain RCUs, established in the regions of the Borrower's territory where ADCs are supported, attached to MDRE's *Délégation régionale du développement rural*, and staffed with, *inter alia*: (i) a regional coordinator, responsible for monitoring and evaluation; (ii) an accountant, mandated to assist ADCs in financial matters; and (iii) a data entry and database maintenance agent, recruited in accordance with the provisions set forth in Section II of Schedule 3 to this Agreement, all suitably qualified and experienced at all times satisfactory to the Association, and in charge of, *inter alia*: (i) support of the implementation of PDCVs, PICVs and PDMs capacity building programs, and managing the monitoring and evaluation system of the Project in their respective region; and

(d) maintain CP with members, prerogatives and obligations as outlined in the *Arrêté* establishing it.

5. The Borrower shall:

(a) within six months from the Effective Date, or such other date as the Borrower and the Association shall agree upon, establish RCUs in all regions in the territory of the Borrower with ADCs as Beneficiaries, with the personnel set forth in paragraph 4. (c) of this Schedule 4 in accordance with the provisions of Section II of Schedule 3 to this Agreement; and

(b) as soon as a new ADC is selected as Beneficiary, carry out a baseline diagnostic study pursuant to the modalities set forth in the PEP.

Section III: Subprojects

6. General

(a) The Borrower shall make the proceeds of the Credit allocated from time to time to Category (5) of the table set forth in paragraph 1 of Schedule 1 to this Agreement available to Beneficiaries under a Subproject Grant Agreement to be entered into, respectively, between the Borrower and each Beneficiary pursuant to the terms and conditions set forth in the PEP and this Section III; and

(b) Without limitation upon the provisions of paragraph 1 of this Schedule, shall not hold any Subproject eligible for financing out of the proceeds of the Credit unless CRD has determined, upon appraisal of a study supporting the Grant application, conducted in accordance with the guidelines set forth in the PEP, that the Subproject and the Beneficiary satisfy the respective eligibility criteria specified in said PEP, and that a Subproject Grant Agreement for the financing of said Subproject has been executed pursuant to the requirements set forth in the PEP and this Section III and is legally binding upon the parties.

7. Eligibility Criteria for Subprojects

(a) The eligibility criteria for the selection of all Subprojects shall comprise an environmental impact analysis, ensuring that: (i) full consistency with environmental appraisal criteria set out in the PEP and notably the ESMF, PMP and RPF, as applicable, are contained therein; (ii) mitigation measures to minimize adverse effects of the proposed Subproject have been incorporated in an action plan and into the Subproject implementation design; (iii) a contribution in cash by the Beneficiary, where required, and a contribution from the Project Account, where required, has been deposited into a designated account; and (iv) the maintenance plan for the Subproject has been considered satisfactory.

(b) The eligibility criteria for the selection of Subprojects under Part B.1 of the Project include: (i) the verification that the ADC Beneficiary has been registered in accordance with Law No. 098-64 of the Borrower and (ii) a verification of compatibility with the respective PDCV or PICV, as the case may be.

(c) The eligibility criteria for the selection of Subprojects under Part B.2 of the Project include the compatibility with national infrastructure programs, as applicable.

(d) The eligibility criteria for the selection of Subprojects under Part B.3 of the Project include the verification of the financial technical soundness of the MER.

8. Eligibility Criteria for Grants

(a) The financing out of the proceeds of a Grant shall not be used to cover taxes or duties levied on or in respect of works, goods or services relating to a Subproject, or any part thereof; and

(b) total financing out of the proceeds of the Credit for any one ADC Beneficiary be not in excess of the equivalent of \$45,000 equivalent.

9. Terms and Conditions for Subsidiary Grant Agreements

Without limitation to the provisions set forth in paragraphs 6, 7 and 8 of this Section III, a Subproject financed by a Grant shall be carried out pursuant to a Subproject Grant Agreement, to be concluded between the Borrower and the Beneficiary in accordance with the provisions set forth in the PEP and providing for, *inter alia*, the following:

(a) the obligation to carry out and maintain the Subproject in accordance with the PEM with due diligence and efficiency and in accordance with appropriate technical, environmental, financial and commercial practices and to maintain adequate records in such form and detail as the Borrower may reasonably request;

(b) the obligation that works, goods and services to be financed out of the proceeds of the Credit for a Subproject shall be procured according to the provisions of Schedule 3 to this Agreement and that such goods, works and services shall be used exclusively for the carrying out of the Subproject;

(c) the right to inspect, by the Borrower or the Association, or jointly with qualified representatives of the Association, or the Borrower, if the Association, or the Borrower, shall so request, the works, plans, studies and construction sites relevant to the Subproject, and any relevant documents;

(d) the right to appropriate remedies, acceptable to the Association, should the carrying out, or the maintenance of the Subproject, as the case may be, not be conformed to the regulations set forth in the PEM and the Subsidiary Grant Agreement and thereby unfavorably influence the economic return of the Subproject; and

(e) the right to obtain all such information as the Borrower or the Association shall reasonably request, relating to the administration and financial condition of the Subproject.

10. The Borrower shall exercise its rights under the Subproject Grant Agreement in such manner as to protect the interests of the Borrower and the Association and to accomplish the purpose of the Project, and, except as the Association shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subproject Grant Agreement or any provision thereof.

SCHEDULE 5

Special Accounts

1. For the purposes of this Schedule:

(a) (i) the term “eligible Categories” means, for the purpose of Special Account A, Categories (1), (2), (3), (4), (5) (c) and (6), set forth in the table in Schedule 1 to this Agreement; and (ii) the term “eligible Categories” means for the purpose of Special Account B, Categories (5) (a) and (b), set forth in the table in paragraph 1 of Schedule 1 to this Agreement;

(b) the term "eligible expenditures" means expenditures means expenditures in respect of the reasonable cost of goods and services required for Parts A, B and C of the Project and to be financed out of the proceeds of the Credit allocated from time to time to the eligible Categories in accordance with the provisions of Schedule 1 to this Agreement;

(c) (i) the term "Authorized Allocation” means, for the purpose of Special Account A, an amount equivalent to one million five hundred thousand Dollars (\$1,500,000) to be withdrawn from the Credit Account and deposited into the Special Account pursuant to paragraph 3 (a) of this Schedule, provided, however, that unless the Association shall otherwise agree, the Authorized Allocation shall be limited to an amount equivalent to seven hundred and fifty thousand Dollars (\$750,000) until the aggregate amount of withdrawals from the Credit Account plus the total amount of all outstanding special commitments entered into by the Association pursuant to Section 5.02 of the General Conditions shall be equal to or exceed the equivalent of four million Special Drawing Rights (SDR 4,000,000), and

(ii) the term "Authorized Allocation” means, for the purpose of Special Account B, an amount equivalent to three million Dollars (\$3,000,000) to be withdrawn from the Credit Account and deposited into the Special Account pursuant to paragraph 3 (a) of this Schedule, provided, however, that unless the Association shall otherwise agree, the Authorized Allocation shall be limited to an amount equivalent to one million five hundred thousand Dollars (\$1,500,000) until the aggregate amount of withdrawals from the Credit Account plus the total

amount of all outstanding special commitments entered into by the Association pursuant to Section 5.02 of the General Conditions shall be equal to or exceed the equivalent of eight million Special Drawing Rights (SDR 8,000,000).

2. Payments out of the respective Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Association has received evidence satisfactory to it that the respective Special Account have been duly opened, withdrawals of the Authorized Allocations and subsequent withdrawals to replenish the respective Special Account shall be made as follows:

(a) For withdrawals of an Authorized Allocation, the Borrower shall furnish to the Association a request or requests for deposit into the respective Special Account of an amount or amounts, which do not exceed the aggregate amount of the respective Authorized Allocation. On the basis of such request or requests, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the respective Special Account such amount or amounts as the Borrower shall have requested.

(b) (i) for replenishment of the respective Special Account, the Borrower shall furnish to the Association requests for deposits into the respective Special Account at such intervals, as the Association shall specify.

(ii) Prior to or at the time of each such request, the Borrower shall furnish to the Association the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or payments in respect of which replenishment is requested. On the basis of each such request, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the respective Special Account such amount as the Borrower shall have requested and as shall have been shown by said documents and other evidence to have been paid out of the respective Special Account for eligible expenditures. All such deposits shall be withdrawn by the Association from the Credit Account under the respective eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Borrower out of the respective Special Account, the Borrower shall, at such time as the Association shall reasonably request, furnish to the Association such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Association shall not be required to make further deposits into any Special Account:

(a) if, at any time, the Association shall have determined that all further withdrawals should be made by the Borrower directly from the Credit Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement;

(b) if the Borrower shall have failed to furnish to the Association, within the period of time specified in Section 4.01 (b) (ii) of this Agreement, any of the audit reports required to be furnished to the Association pursuant to said Section in respect of the audit of the records and accounts for the Special Accounts;

(c) if, at any time, the Association shall have notified the Borrower of its intention to suspend in whole or in part the right of the Borrower to make withdrawals from the Credit Account pursuant to the provisions of Section 6.02 of the General Conditions; or

(d) once the total unwithdrawn amount of the Credit allocated to the eligible Categories for the respective Special Account, minus the total amount of all outstanding special commitments entered into by the Association pursuant to Section 5.02 of the General Conditions with respect to the Project, shall equal the equivalent of twice the amount of the respective Authorized Allocation.

Thereafter, withdrawal from the Credit Account of the remaining unwithdrawn amount of the Credit allocated to the eligible Categories shall follow such procedures as the Association shall specify by notice to the Borrower. Such further withdrawals shall be made only after and to the extent that the Association shall have been satisfied that all such amounts remaining on deposit in the respective Special Account as of the date of such notice will be utilized in making payments for eligible expenditures.

6. (a) If the Association shall have determined at any time that any payment out of a Special Account: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule; or (ii) was not justified by the evidence furnished to the Association, the Borrower shall, promptly upon notice from the Association: (A) provide such additional evidence as the Association may request; or (B) deposit into such Special Account (or, if the Association shall so request, refund to the Association) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Association shall otherwise agree, no further deposit by the Association into said Special Account shall be made until the Borrower has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Association shall have determined at any time that any amount outstanding in Special Account will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from the Association, refund to

the Association such outstanding amount.

(c) The Borrower may, upon notice to the Association, refund to the Association all or any portion of the funds on deposit in a Special Account.

(d) Refunds to the Association made pursuant to paragraphs 6 (a), (b) and (c) of this Schedule shall be credited to the Credit Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.

SCHEDULE 6

Outcome Indicators

Outcome Indicators

- By the end of the project, at least 75% of income-generating sub-projects implemented by ADCs have a financial rate of return above 10%
- By the end of the project, 80% of ADCs perceive improvement in environmental sustainability because of project interventions.
- By the end of the project, 80% of ADCs perceive significant improvement in quality of life because of project interventions;
- By the end of the project, quantitative impact evaluation of project is positive

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