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**CREDIT NUMBER 7013-NE**  
**GRANT NUMBER D956-NE**

# **Project Agreement**

**(Niger Accelerating Electricity Access Project (Haské))**

**between**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**and**

**Société Nigérienne d'Electricité ("NIGELEC")**

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**CREDIT NUMBER 7013-NE**  
**GRANT NUMBER D956-NE**

### **PROJECT AGREEMENT**

AGREEMENT between the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and NIGELEC ("Project Implementing Entity" or "NIGELEC") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of the Signature Date between the Republic of Niger ("Recipient") and the Association, concerning Credit No. 7013-NE and Grant No. D956-NE. 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) apply to and form 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. NIGELEC declares its commitment to the objectives of the Project and the MPA Program. To this end, NIGELEC shall carry out Parts 1, 2.2, 4.1, 4.2 and 4.3(a) of the Project in accordance with the provisions of Article V of the General Conditions and the Schedule to this Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.

#### **ARTICLE III — TERMINATION**

- 3.01. For purposes of Section 10.05(c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty years after the Signature Date.

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**ARTICLE IV — REPRESENTATIVE; ADDRESSES**

4.01. The Project Implementing Entity's Representative is its Director General.

4.02. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

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

4.03. For purposes of Section 11.01 of the General Conditions:

(a) the Project Implementing Entity's address is:

NIGELEC  
201 avenue du Général de Gaulle (PL30)  
BP 11202 Niamey  
Republic of Niger; and

(b) the Project Implementing Entity's Electronic Address is:

Facsimile:              E-mail:  
  
(+227) 2072 3288          nigelec@intnet.ne



AGREED as of the later of the two dates written below.

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

claudia gma

Authorized Representative

Name: CLARA ANA COSTA DE SOUSA

Title: COUNTRY DIRECTOR

Date: 03/01/2022

**NIGELEC**

**By**

[Signature]

Authorized Representative

Name: Halid ALHASSANE

Title: Directeur Général

Date: 1<sup>er</sup> mars 2022

## **SCHEDULE**

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

#### **Section I. Implementation Arrangements**

##### **A. Institutional Arrangements**

1. NIGELEC shall be the lead implementing agency for the Project.
2. NIGELEC, through its implementation unit, shall vest responsibility for:
  - (a) the overall coordination of Project activities and Project oversight including: (i) defining, jointly with ANPER and ANERSOL, the Project areas, based on technical and policy development priorities; (ii) resolving challenges requiring high level intervention facing the Project; (iii) monitoring the implementation of the Project; (iv) consolidating information from said agencies and reporting on progress of implementation and evaluation of the Project; and (v) preparing Annual Work Plans and Budgets;
  - (b) the implementation (including the financial management, procurement and environmental and social aspects) of the grid activities under Parts 1, 2.2, 4.1, 4.2 and 4.3(a) of the Project. To this end, NIGELEC shall establish and maintain, throughout Project implementation, a dedicated implementation unit, with functions, responsibilities and sufficient resources acceptable to the Association, and staffed with competent personnel in adequate numbers, with qualifications, experience, integrity and terms of reference satisfactory to the Association and as set forth in the PIM ("NIGELEC PIU"); and
  - (c) recruiting, not later than three (3) months after the Effective Date, and thereafter retain at all times during Project implementation within the NIGELEC PIU, the following staff, each with terms of reference, qualifications and experience satisfactory to the Association: (i) a Project coordinator; (ii) an environmental safeguards specialist; (iii) a social safeguards specialist; (iv) a health and security specialist; and (v) a gender-based violence specialist.
3. NIGELEC shall be responsible for fiduciary and safeguards aspects of activities carried out under Part 4.2 of the Project, while the MPEER shall be responsible for technical implementation of all activities carried out under Part 4.2 of the Project, as set forth in the PIM.

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4. The Recipient's Project Steering Committee under the MPEER, shall be responsible for overall Project oversight, provision of strategic guidance to the Project Implementing Entities and approval of Annual Work Plans and Budgets. To this end, the Steering Committee shall be chaired by the Minister of MPEER, and comprised of representatives from NIGELEC, ANPER, ANERSOL, the Recipient's Ministry of Planning and Finance. To this end, the Project Steering Committee shall meet at least twice a year.
5. The Technical Working and Coordination Group shall be established by the Recipient under NIGELEC, with terms of reference, composition and powers acceptable to the Association and defined in the PIM, to be responsible for coordination between the Project Implementing Entities and monitoring of the Project implementation progress. To this end, the Technical Working and Coordination Group shall be chaired by the coordinator of the NIGELEC PIU and comprised of the coordinators of the ANPER PIU and the ANERSOL PIU, a representative of the DEREK and a representative of the MPEER; and shall meet at least once a month.

**B. Implementation Covenants**

*Project Implementation Manual and its Annex*

1. NIGELEC shall, prior to the Effective Date, prepare, and furnish to the Association for approval, a Project Implementation Manual ("PIM") containing detailed guidelines and procedures for the implementation of the Project, including: (a) administration and coordination; (b) monitoring and evaluation; (c) financial, procurement and accounting procedures; (d) social and environmental safeguards; (e) corruption and fraud mitigation measures; (f) roles and responsibilities of various agencies/entities in the implementation of Project; (g) grievance redress mechanisms; (h) terms, conditions of Equipment Subsidies under Part 1.3, and RBF Grants and RBF Subsidies under Part 3.2 and Part 3.3; (i) annexes defined in Section I.B.4 below; (j) the Anti-Corruption Guidelines; and (k) such other arrangements and procedures as shall be required for the effective implementation of the Project.
2. NIGELEC shall prepare, and furnish to the Association for approval, an annex to the PIM for implementation of Parts 1, 2.2, 4.1, 4.2, 4.3(a) of the Project, including financial management arrangements, procurement procedures and safeguards measures. Thereafter, NIGELEC shall adopt said annex approved by the Association (and thereafter to be annexed to the PIM) and implement the related Parts of the Project in accordance with the PIM and its annex, and except as the Association shall otherwise agree in writing, not amend or waive, or permit to be amended or waived any provision of the annex.

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3. In case of conflict between any of the provisions of the PIM and the annex and this Agreement, the provisions of this Agreement shall prevail.

*Equipment Manual*

4. For the purposes of implementing Part 1.3(b) of the Project, NIGELEC (with the collaboration of the Technical Consultant) shall prepare and adopt a manual which shall set forth, *inter alia*: (a) the administrative, accounting, auditing, reporting, financial, and procurement procedures for Part 1.3(b) of the Project; (b) the terms and conditions of each Equipment Subsidy Agreement (including eligibility criteria for selection of beneficiaries and expenditures to be financed); and (c) the Anti-Corruption Guidelines; in accordance with terms of reference satisfactory to the Association ("Equipment Manual").
5. NIGELEC and the Technical Consultant shall prepare and adopt the Equipment Manual approved by the Association; and shall implement Part 1.3(b) of the Project in accordance with the Equipment Manual, and except as the Association shall otherwise agree in writing, not amend or waive, or permit to be amended or waived any provision of the Equipment Manual.
6. In case of conflict between the provisions of the Equipment Manual and this Agreement, the provisions of this Agreement shall prevail.

*Procurement, Accounting and Financial Management*

7. NIGELEC, shall not later than three (3) months after the Effective Date: (a) update and thereafter maintain throughout the Project implementation period, an accounting software for its Respective Parts of the Project, acceptable to the Association; (b) recruit, and thereafter maintain throughout the Project implementation period: (i) an accountant; and (ii) two (2) procurement specialists, for the NIGELEC's Respective Part of the Project, each with experience, qualifications and on terms of reference acceptable to the Association; and (c) update and thereafter maintain throughout the Project implementation period, the terms of reference of the existing staff responsible for financial management of the NIGELEC's Respective Parts of the Project, acceptable to the Association.
8. NIGELEC, shall not later than six (6) months after the Effective Date, recruit, and thereafter maintain throughout the Project implementation period, an external auditor for the Project with experience, qualifications and on terms of reference acceptable to the Association.

**C. Subsidiary Agreement**

1. To facilitate the carrying out of its Respective Part of the Project, NIGELEC shall, prior to the Effective Date, enter into a subsidiary agreement with the Recipient



through its Ministry of Finance, under terms and conditions approved by the Association ("NIGELEC Subsidiary Agreement"), which shall include *inter alia* the following:

- (a) the Recipient shall make part of the proceeds of the Financing, allocated from time to time to Categories (1) and (5) of the table set forth in Section III.1 of Schedule 2 to the Financing Agreement, available to NIGELEC under the Subsidiary Agreement;
  - (b) the Financing under Categories (1) and (5) will be provided to NIGELEC on the same financial terms as the ones provided by the Association to the Recipient, as agreed in writing in the NIGELEC Subsidiary Agreement;
  - (c) the principal amount of the Financing made available under the Subsidiary Agreement shall be denominated and repayable in CFA Francs;
  - (d) NIGELEC shall carry out Project activities under its responsibility in accordance with this Agreement, the Financing Agreement, the PIM and annexes, the Equipment Manual, the ESCP, and the Anti-Corruption Guidelines; and
  - (e) the right of the Recipient to take remedial actions against NIGELEC, in case NIGELEC shall have failed to comply with any of its obligations under the Subsidiary Agreement, which actions may include, *inter alia*, the partial or total suspension and/or cancellation or refund of all or any part of the proceeds of the Subsidiary Financing transferred to NIGELEC pursuant to the Subsidiary Agreement (as the case may be).
2. NIGELEC shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, NIGELEC shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

**D. Equipment Subsidies under Part 1.3(b) of the Project**

- 1. To facilitate the carrying out of Part 1.3(b) of the Project, NIGELEC shall make an Equipment Subsidy for eligible energy efficient electric appliances and productive uses equipment to an Eligible Supplier in accordance with eligibility criteria, selection procedures and guidelines as set forth in the Equipment Manual.
- 2. NIGELEC, shall ensure that the proposed Eligible Supplier: (a) will be selected based on the eligible equipment supplied; (b) is a legal entity allowed to operate in Niger; (c) has met eligibility conditions pursuant to the provisions of the

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Equipment Manual; and (d) will be given an Equipment Subsidy for each eligible energy efficient electric appliances and productive uses equipment supplied.

3. NIGELEC shall recruit and, thereafter, maintain at all times during the implementation of Part 1.3(b) of the Project, a consultant ("Technical Consultant") within NIGELEC, with sufficient resources to provide technical guidance on the Equipment Subsidies design and operationalization, and with competences and responsibilities, all acceptable to the Association as set forth in the PIM.
4. Upon selection of the Eligible Supplier, NIGELEC, shall enter into a contract ("Equipment Subsidies Agreement") with each relevant Eligible Supplier under terms and conditions satisfactory to the Association, which shall set forth, *inter alia*: the responsibilities and obligations of each party; a description of the eligible electric appliances and productive uses equipment to be purchased by the Eligible Suppliers through the Equipment Subsidies and the technical, administrative and fiduciary aspects of their participation to the use of funds under Part 1.3(b) of the Project.

**E. Environmental and Social Standards**

1. NIGELEC shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, NIGELEC shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, NIGELEC shall ensure that:
  - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

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4. NIGELEC shall ensure that:

- (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
- (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including *inter alia*, labor unrest, labor dispute, or forced labor issue in equipment supply chains, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. NIGELEC shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.

6. NIGELEC shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and subcontractors to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

**Section II. Project Monitoring, Reporting and Evaluation**

**A. Project Reports**

- 1. NIGELEC shall monitor and evaluate the progress of its Respective Parts of the Project and prepare Project Reports for its Respective Parts of the Project in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of the indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar semester and shall be furnished to

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the Recipient (through PIU NIGELEC) not later than three (3) weeks after the end of the period covered by such report for incorporation and forwarding by the Recipient (through PIU NIGELEC) to the Association of the overall Project Report.

2. NIGELEC shall provide to the Recipient not later than one (1) month after the Closing Date, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.

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