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CREDIT NUMBER 5635- UG

# Project Agreement

(Regional Communications Infrastructure Program Phase V Uganda Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

NATIONAL INFORMATION TECHNOLOGY AUTHORITY, UGANDA

Dated February 04, 2016

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**PROJECT AGREEMENT**

AGREEMENT dated February 04, 2016, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and NATIONAL INFORMATION TECHNOLOGY AUTHORITY, UGANDA (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement (“Financing Agreement”) of same date between the REPUBLIC OF UGANDA (“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 the Project in accordance with the provisions of Article IV of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Association and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Agreement.

**ARTICLE III — TERMINATION**

- 3.01. For purposes of Section 8.05(c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty (20) years after the date of this Agreement.

**ARTICLE IV — REPRESENTATIVE; ADDRESSES**

- 4.01. The Project Implementing Entity’s Representative is its Executive Director.



Handwritten signature and initials CMC

4.02. The Association's Address is:

International Development Association  
1818 H Street, N.W.  
Washington, DC 20433  
United States of America

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

4.03. The Project Implementing Entity's Address is:

National Information Technology Authority - Uganda (NITA-U)  
Palm Courts, Plot 7A, Rotary Avenue (Former Lugogo Bypass)  
P.O. Box 33151, Kampala - Uganda

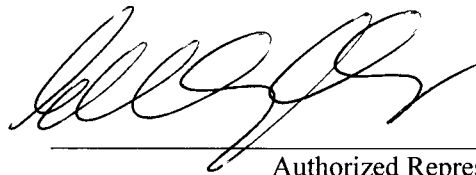
Telephone: +256-417-801038 | Fax: +256 417-801050 | Email: [info@nita.go.ug](mailto:info@nita.go.ug)

  
CMC

AGREED at Kampala, Republic of Uganda, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



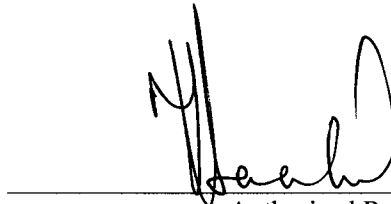
Authorized Representative

Name: CHRISTINA MALMBERG CALVO

Title: COUNTRY MANAGER

NATIONAL INFORMATION TECHNOLOGY AUTHORITY,  
UGANDA

By



Authorized Representative

Name: JAMES SAANA

Title: Executive Director

## SCHEDULE

### Execution of the Project

#### Section I. Implementation Arrangements

##### A. Institutional arrangements

1. The Project Implementing Entity shall establish - and thereafter maintain throughout the implementation of the Project - a project implementation office with composition, mandate and resources satisfactory to the Association. To this end, and without limitation to above provision, the Project Implementing Entity shall:
  - (a) not later than two (2) months after the Effective Date recruit a procurement specialist in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement,, with qualifications, experience and terms of reference satisfactory to the Association; and
  - (b) not later than three (3) months after the Effective Date recruit an environmental specialist – on a retainer basis - in accordance with the provisions of Section III of this Schedule, with qualifications, experience and terms of reference satisfactory to the Association.
  - (c) not later than six (6) months after the Effective Date, recruit:
    - (i) a Project accountant, in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement, with qualifications, experience and terms of reference satisfactory to the Association;
    - (ii) a social scientist - on a retainer basis - in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement,, with qualifications, experience and terms of reference satisfactory to the Association; and

##### B. Project Implementation Manual

1. The Project Implementing Entity shall prepare a Project implementation manual in form and substance satisfactory to the Association, containing detailed arrangements and procedures for implementation of the Project including inter alia: (a) institutional coordination and day-to-day implementation of the Project; (b) disbursement, procurement, and financial management arrangements; (c) environmental and social safeguards management; (d) monitoring and evaluation, reporting and communication, including performance indicators; (e) a capacity building program for designated Project implementation staff; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.



2. The Project Implementing Entity shall: (a) furnish to and exchange views with the Association on such manual promptly upon its preparation; and (b) thereafter adopt such manual as shall have been approved by the Association (Project Implementation Manual or PIM).
3. The Project Implementing Entity shall ensure that the Project is carried out in accordance with the arrangements and procedures set out in the PIM (provided, however, that in case of any conflict between the arrangements and procedures set out in the PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail), and shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the PIM or any of its provisions without prior approval in writing by the Association.

**C. Anti-Corruption**

The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

**D. Safeguards**

1. The Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Safeguard Frameworks and any other Safeguard Instrument prepared or to be prepared by the Project Implementing Entity in accordance with subparagraph 2 below.
2. Whenever a Safeguard Instrument shall be required for any proposed Project activity in accordance with the provisions of any Safeguard Framework, the Project Implementing Entity shall ensure that:
  - (a) prior to the commencement of such activity, proceed to have such Safeguard Instrument: (i) prepared in accordance with the provisions of the corresponding Safeguard Framework, as the case may be; (ii) furnished to the Association for review and approval; and (iii) thereafter adopted and disclosed as approved by the Association, in a manner acceptable to the Association; and
  - (b) thereafter such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Safeguard Instrument; and
  - (c) in the case of any resettlement activity under the Project involving Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before necessary resettlement measures consistent with the relevant RAP have been executed, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, prior to displacement.
3. The Project Implementing Entity shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, any Safeguard Framework or any Safeguard Instrument, unless the Association has provided its prior approval thereof in writing, and the Project



Implementing Entity has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. Without limitation on its other reporting obligations under this Agreement, the Project Implementing Entity shall collect, compile and submit to the Association each calendar year (or at such other frequency as may be agreed with the Association) consolidated reports on the status of compliance with the Safeguard Frameworks and the Safeguard Instruments, as applicable, giving details of: (a) measures taken in furtherance of the said documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

**E. Annual Work Plans and Budgets**

1. The Project Implementing Entity shall prepare and furnish to the Association not later than December 15<sup>th</sup> of each Fiscal Year during the implementation of the Project (beginning in the calendar year 2015), a work plan and budget containing *inter alia*: (i) all activities proposed to be implemented under the Project during the following Fiscal Year; (ii) a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing therefor and disbursement schedule; and (iii) the training plan for such period.
2. The Project Implementing Entity shall ensure that in preparing any training plan proposed for inclusion in an annual work plan and budget it shall identify in the training plan: (i) the objective and content of the Training envisaged; (ii) the selection method of the institutions or individuals conducting such Training, and said institutions if already known; (iii) the expected duration and an estimate of the cost of said Training; and (iv) the selection method of the personnel who will attend the Training, and number and names of such personnel if already known.
3. The Project Implementing Entity shall afford the Association a reasonable opportunity to exchange views with the Project Implementing Entity on each such proposed work plan and budget and shall thereafter ensure that the Project is implemented with due diligence during said following Fiscal Year in accordance with such work plan and budget as shall have been approved by the Association (“Annual Work Plan and Budget”).
4. The Project Implementing Entity shall not make or allow to be made any changes to the approved Annual Work Plan and Budget without prior approval in writing by the Association.

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

**A. Project Reports**

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 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 year, and shall be furnished to



the Association not later than sixty (60) days after the end of the period covered by such report.

2. The Project Implementing Entity shall provide to the Recipient not later than four months after the Closing Date, for incorporation in the report referred to in Section 4.08(c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.

**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 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.
3. Not later than six (6) months after the Effective Date, the Project Implementing Entity shall automate its accounting system, all in a form and substance satisfactory to the Association.
4. The Project Implementing Entity shall provide to its Project Implementation Office training on Bank financial management guidelines and procedures not later than six (6) months after the Effective Date, all in a form and substance satisfactory to the Association.

**Section III. Procurement**

All goods, works and services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement.

