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DOCUMENTS**

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CREDIT NUMBER 5759-LR

**Project Agreement**

(Liberia Renewable Energy Access Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

RURAL RENEWABLE ENERGY AGENCY

Dated FEBRUARY 19, 2016

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**CREDIT NUMBER 5759-LR**

**PROJECT AGREEMENT**

AGREEMENT dated FEBRUARY 19, 2016, entered into between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and RURAL RENEWABLE ENERGY AGENCY (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement (“Financing Agreement”) of same date between the Republic of Liberia (“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. 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. The Project Implementing Entity represents, by entering into this Agreement, that it is authorized to enter into this Agreement and to carry out the Project in accordance with the terms and conditions set forth or referred to in this Agreement.
- 2.03. 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.

4.02. The Association's Address is:

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

Telex:

Facsimile:

248423(MCI)

1-202-477-6391

4.03. The Project Implementing Entity's Address is:

LEC Sub-Station  
Newport Street  
P. O. Box 1280  
1000 Monrovia  
10 Liberia

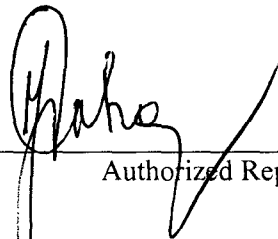
Telex:

+231-776-309-880

AGREED at Monrovia, Republic of Liberia, as of the day and year first above written.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



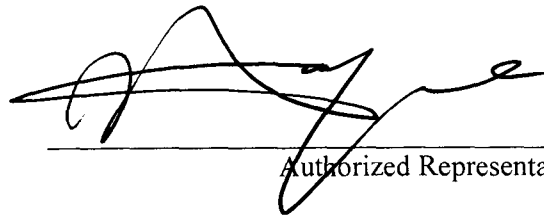
Authorized Representative

Name: INGUNA DOBRAJA

Title: COUNTRY MANAGER

RURAL RENEWABLE ENERGY AGENCY

By



Authorized Representative

Name: AUGUSTUS V. GOANUE

Title: EXECUTIVE DIRECTOR

## SCHEDULE

### Execution of the Project

#### Section I. Implementation Arrangements

##### A. Implementation Arrangements

1. The Project Implementing Entity shall maintain throughout Project implementation a Project management team, with mandate, composition and resources satisfactory to the Association, and supported by qualified and experienced staff in adequate numbers, to be responsible for implementation of the Project.
2. The Project Implementing Entity shall coordinate with MLME to ensure consistency between Project activities and sector policies for rural electrification.
3. The Project Implementing Entity shall, by not later than four (4) months after the Effective Date, hire an external auditor with terms of reference and qualifications satisfactory to the Association.
4. The Project Implementing Entity shall carry out the Project in accordance with the PIM, and shall not amend or waive any of its provisions without the prior written agreement of the Association; notwithstanding the foregoing, in the event of any inconsistency between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.
5. The Project Implementing Entity 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, the Project Implementing Entity shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

##### B. Anti-Corruption

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

##### C. Annual Work Plans

- (a) The Project Implementing Entity shall prepare and furnish to the Association for its approval, not later than March 31<sup>st</sup> in each year during the implementation of the Project, an annual work plan covering all activities proposed to be carried out in the following calendar year, including: (a) a detailed timetable for the sequencing and implementation

of such activities; and (b) a proposed budget and financing plan for such activities, including counterpart funding required for the purpose.

- (b) The Project Implementing Entity shall afford the Association a reasonable opportunity to exchange views with it on such proposed plan and budget, and thereafter allocate the necessary counterpart funds and implement or cause to be implemented of the Project during such following calendar year in accordance with such annual work plan, and on the basis of such budget, as shall have been approved by the Association.

**D. Safeguards**

1. Without limitation to any provisions within this Agreement, the Project Implementing Entity shall, except as otherwise agreed in writing by the Association:
  - (a) implement the Project in accordance with the Safeguards Instruments;
  - (b) in case of any activity under the Project requiring the adoption of an ESIA, ESMP, or RAP, as the case may be:
    - (i) proceed to have such ESIA, ESMP, or RAP, as the case may be: (A) prepared and disclosed in accordance with the ESMF and/or RPF, as applicable; (B) consulted upon adequately with people affected by the Project as per the ESMF and/or RPF, and submitted to the Association for review and approval; and (C) thereafter adopted, prior to implementation of the activity; and
    - (ii) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESIA, ESMP, and/or RAP; 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 RAP are in place, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, prior to displacement.
2. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall regularly collect, compile and submit to the Recipient and the Association as part of the Project Reports, in form and substance satisfactory to the Association, reports on the status of compliance with

the Safeguards Instruments, giving details of: (a) measures taken in furtherance of such Safeguards Instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguards Instruments; and (c) remedial measures taken or required to be taken to address such conditions.

3. The Project Implementing Entity shall afford the Association a reasonable opportunity to review and exchange views with the Recipient and the Project Implementing Entity on the reports prepared under paragraph 2 immediately above, and thereafter, shall carry out, or cause to be carried out, with due diligence, all remedial measures agreed with the Association so as to ensure the proper implementation of the Project in accordance with the Safeguards Instruments.
4. The Project Implementing Entity shall not amend, suspend, abrogate or waive, or permit to be amended, suspended, abrogated or waived, any Safeguards Instrument, or any provision thereof without the prior written agreement of the Association.
5. In the event of a conflict between the provisions of any of the Safeguards Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.
6. The Project Implementing Entity shall ensure that all terms of reference for any technical assistance and studies related to environmental and social safeguards to be carried out under the Project are prepared in form and substance satisfactory to the Association and consistent with the Association's relevant environmental and social safeguards policies.

## **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 (1) calendar semester, and shall be furnished to the Recipient and the Association not later than forty-five (45) days after the end of the period covered by such report.
2. The Project Implementing Entity shall provide to the Recipient and the Association not later than four (4) months after the Closing Date, a report referred to in Section 4.08(c) of the General Conditions and 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 prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Project Implementing Entity shall have its financial statements referred to above audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association. Each audit of these financial statements shall cover the period of one fiscal year of the Project Implementing Entity. The 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 (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Association.

**Section III. Procurement**

All goods, works and services required for the Project 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.