The World Bank
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION
1818 H Street N.W.
Washington, D.C. 20433
U.S.A.
(202) 473-1234
Cable Address: INTEBND

Re: Republic of Senegal: Advance Agreement for the Preparation of the Proposed Dakar Bamako Railway Improvement Project
Project Preparation Advance No. Q977

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H. E. Amadou Ba
Minister of Economy and Finance
Ministry of Economy and Finance
Rue René Ndiaye Angle, Avenue Carde
B. P. 4017
Dakar
Republic of Senegal

Re: Republic of Senegal: Advance Agreement for the Preparation of the Proposed Dakar Bamako Railway Improvement Project
Project Preparation Advance No. Q977

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Senegal ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank") proposes to extend to the Recipient an advance out of the World Bank’s Project Preparation Facility in an amount not to exceed two million United States Dollars (US$2,000,000) ("Advance") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in financing the activities described in the Annex ("Activities"). The objective of the Activities is to facilitate the preparation of a proposed project ("Project"), designed to enhance the competitiveness of railway on the Dakar – Bamako transport corridor, for the carrying of which the Recipient has requested the World Bank’s financial assistance.

The Recipient represents, by confirming its agreement below, that: (a) it understands that the provision of the Advance does not constitute or imply any commitment on the part of IBRD or IDA to assist in financing the Project; and (b) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of this Agreement.

Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and return it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the countersignature; provided, however, that the offer of this
Agreement shall be deemed withdrawn if the World Bank has not received this countersigned copy within ninety (90) days after the date of signature of this Agreement by the World Bank, unless the World Bank has established a later date for such purpose.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By Vera Songwe
Country Director for Africa Region

[Signature]

AGREEMENT
REPUBLIC OF SENEGAL
Plan
By: Amadou BA
Authorized Representative

Name: Monsieur Amadou BA
Title: Ministre de l'Economie, des Finances et du Plan
Date: 18 juin 2016

Enclosures:


(2) Guidelines on “Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011.


Article I
Standard Conditions; Definitions


1.02. Definitions. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement; and the following additional terms shall have the following meanings:

(a) "ANCF" and "National Agency for Railway, each means the Agence Nationale des Chemins de Fer established pursuant to Decree no. 2005-98 of February 10, 2005.

(b) "Operating Costs" means the incremental expenditures incurred on account of the Activities implementation including, inter alia, office supplies, transportation, office administration, insurance, publication of training materials, reasonable bank charges relating to operation of the designated account, and salaries of locally contracted employees, but excluding consultant fees and salaries of civil servants.

(b) "Training" means the reasonable costs of training attributable to seminars, workshops, study tours, along with tuition, travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials and other activities directly related to course preparation and implementation.

Article II
Execution of the Activities

2.01. Description of the Activities. The Activities for which the Advance is provided consist of the following parts:

(a) Carrying out of a techno-economic feasibility study on inter alia the optimal investments required to revitalize the Dakar-Bamako railway system.

(b) Assessment of existing human resources capacities and preparation of a human resources development plan to accompany the reform of the Dakar-Bamako railway system.

(c) Provision of technical assistance for the recruitment of experts, including, inter alia, railway experts to assist in the preparation and implementation of a program of activities to revitalize the Dakar-Bamako railway system.

(d) Preparation of the Project's manuals, including the operational manual and the administrative and financial procedures manual.

(e) Acquisition of fiduciary management software for the purpose of the Project.

2.02. Execution of the Activities Generally. The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall carry out the Activities through the
ANCf in accordance with the provisions of: (a) Article II of the Standard Conditions, (b) this Article II, and (c) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IIEA Credits and Grants”, dated October 15, 2006 and revised in January 2011.

2.03. Institutional and Other Arrangements. Without limitation upon the provisions of Section 2.02 above, the Recipient shall maintain, throughout the Refinancing Date, the ANCF, in form and substance and with functions and resources satisfactory to the World Bank, including staff with qualifications, experience and terms of reference satisfactory to the World Bank, to be responsible for the overall coordination and implementation of the Activities, including financial management, procurement and monitoring and evaluation.

2.04. Monitoring, Reporting and Evaluation of the Activities. The Recipient shall monitor and evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the Standard Conditions.

2.05. Financial Management. (a) The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.09 of the Standard Conditions.

(b) The Recipient shall ensure that interim un-audited financial reports for the Activities are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the provisions of Sections 2.09 (b) of the Standard Conditions.

(i) If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, the Recipient shall have the Financial Statements included in the first audit of financial statements required under the Refinancing Agreement.

(ii) If, by the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, such audit of the Financial Statements shall cover the period of the Advance, commencing with the fiscal year in which the first withdrawal under the Advance was made. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of the Recipient’s fiscal year in which the Refinancing Date occurs.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the World Bank may request an audit of the Financial Statements prior to the Refinancing Date, covering such period as is indicated in its request. The audited Financial Statements for such period shall be furnished to the World Bank not later than six (6) months after the end of such period.
2.06. **Procurement**

(a) **General.** All goods, non-consulting services and consultants’ services required for the Activities and to be financed out of the proceeds of the Advance shall be procured in accordance with the requirements set forth or referred to in:


(ii) Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014) (“Consultant Guidelines”) in the case of consultants’ services; and

(iii) the provisions of this Section, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Activities in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines (“Procurement Plan”).

(b) **Definitions.** The capitalized terms used in the following paragraphs of this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

(c) **Particular Methods of Procurement of Goods and Non-consulting services**

(i) Except as otherwise provided in sub-paragraph (ii) below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

(ii) The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (A) Limited International Bidding; (B) National Competitive Bidding, subject to the additional provisions below; (C) Shopping; and (D) Direct Contracting.

(iii) The Additional Provisions for National Competitive Bidding are as follows:

(A) bids shall be advertised in national newspapers with wide circulation;

(B) bids evaluation, bidder qualification and award criteria shall be specified clearly in the bidding documents;

(C) bidders shall be given an adequate response time (minimum four weeks following the date of the invitation to bid or the date of
availability of the bidding documents, whichever is later) to prepare and submit bids;

(D) bids shall be awarded to the lowest evaluated bidder;

(E) eligible bidders, including foreign bidders, shall not be precluded from participating; and

(F) no preference margin shall be granted to domestic contractors.

(d) **Particular Methods of Procurement of Consultants’ Services**

(i) Except as otherwise provided in item (ii) below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

(ii) The following methods may be used for the procurement of consultants’ services for those assignments which are specified in the Procurement Plan: (A) Least Cost Selection; (B) Selection based on Consultants’ Qualifications; (C) Single-source Selection of consulting firms; (D) Selection of Individual Consultants; and (E) Single-source procedures for the Selection of Individual Consultants.

(e) **Review by the World Bank of Procurement Decisions.** The Procurement Plan shall set forth those contracts which shall be subject to the World Bank’s Prior Review. All other contracts shall be subject to Post Review by the World Bank.

**Article III**

**Withdrawal of the Advance**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Advance in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the Advance (“Category”), the amount of the Advance allocated to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Advance Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants’ services, non-consulting services, Operating Costs, and Training under the Activities</td>
<td>2,000,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT**

2,000,000
Date. The service charge shall be computed on the basis of a 360-day year of twelve 30-day months.

Article V
Recipient’s Representative; Addresses

5.01. Recipient’s Representative. The Recipient’s Representative referred to in Section 9.02 of the Standard Conditions is its Minister at the time responsible for finance.

5.02. Recipient’s Address. The Recipient’s Address referred to in Section 9.01 of the Standard Conditions is:

Ministry of Economy and Finance
Rue René N’diaye
B.P. 4017
Dakar
Senegal

Cable: MINIFINANCES

Telex: 3203 g

Facsimile: 221-821-1630

5.03. World Bank’s Address. The World Bank’s Address referred to in Section 9.01 of the Standard Conditions is:

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

Cable: INDEVAS

Telex: 2484:3 (MCI) or 6414: (MCI)

Facsimile: 1-202-477-6391