Project Agreement
(Power Sector Recovery Project Additional Financing)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

FIDUCIARY AGENCY FOR PROJECT ADMINISTRATION
PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") and FIDUCIARY AGENCY FOR PROJECT ADMINISTRATION ("Project Implementing Entity") ("Project Agreement") in connection with the Financing Agreement ("Financing Agreement") of the Signature Date between the DEMOCRATIC REPUBLIC OF SAO TOME E PRÍNCIPE ("Recipient") and the Association, concerning Grant No. D587-ST. 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. 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, with the assistance of EMAE for Parts 2 and 3 of the Project, all 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 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 fifteen (15) years after the Signature Date.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

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

Facsimile:  
1-202-477-6391

For purposes of Section 11.01 of the General Conditions:

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

Agência Fiduciaria de Administração Projetos  
Prédio da Afriland First Bank – 2o andar  
Avenida Kwame Nkrumah  
CP 1029 São Tomé  
São Tomé e Príncipe; and

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

Facsimile:  
00239 222 2505  
E-mail:  
afap2@yahoo.com.br
AGREED as of the later of the two dates written below.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

____________________________
Authorized Representative

Olivier Lambert

Name: Olivier Lambert
Title: Country Manager
Date: 30-Apr-2020

FIDUCIARY AGENCY FOR PROJECT ADMINISTRATION

By

____________________________
Authorized Representative

[Signature]

Name: [Signature]
Title: [Signature]
Date: 07-mai-2020
SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Operational Manual

1. No later than ninety (90) days after the Signature Date, the Project Implementing Entity shall update, and thereafter maintain and carry out the Project, in accordance with the provisions of a manual (the Operational Manual) acceptable to the Association, which shall include, *inter alia*:

   2. (a) a detailed description of Project activities and institutional arrangements for the Project;

   (b) the Project administrative, accounting, auditing, reporting, financial (including cash flow aspects in relation thereto), procurement and disbursement procedures;

   (c) the monitoring indicators for the Project;

   (d) the institutional and administrative mechanisms established to ensure inter-institutional coordination;

   (e) the functions, responsibilities and composition of the Steering Committee and the Working Group;

   (f) the basic criteria for EMAE customers to receive high efficiency light bulbs; and

   (g) the ESMF, ESIA, ESMP, SS-ESMPs and C-ESMPs.

3. Except as the Association may otherwise agree in writing, the Project Implementing Entity shall not abrogate, amend, suspend, waive or otherwise fail to enforce the Operational Manual or any provision thereof.

4. In case of any conflict between the terms of the Operational Manual, and this Agreement and the Financing Agreement, the provisions of this Agreement and the Financing Agreement shall prevail.
B. Safeguards

1. The Project Implementing Entity shall ensure, that the Project is carried out with due regard to appropriate health, safety, social, and environmental standards and practices, and in accordance with the Safeguards Instruments.

2. The Project Implementing Entity shall take such measures as shall be necessary or appropriate to ensure compliance with the requirements of the ESIA in a manner satisfactory to the Association.

3. The Project Implementing Entity, prior to the Project Implementing Entity carrying out works under Part 3 of the Project shall:
   (a) carry out site-specific environmental impact assessments, under terms of reference acceptable to the Association, for the relevant works;
   (b) prepare, consult and disclose respective SS-ESMPs in a manner acceptable to the Association and as set forth in the ESMF;
   (c) before issuing bidding documents for any works contract, prepare and submit to the Association for its approval:
      (i) the proposed design and site for the works and the relevant SS-ESMPs in form and substance satisfactory to the Association; and
      (ii) the draft contract for such works to ensure that the provisions of the relevant SS-ESMPs are adequately included in the related contract.

4. The Project Implementing Entity shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of Safeguard Instruments; (b) adopt and implement measures to assess and manage the risks and impacts of labor influx and workers’ camps; (c) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures on environmental, social, health and safety, gender-based violence and violence against children; all as applicable to such civil works commissioned or carried out pursuant to said contracts.

5. Except as the Association shall otherwise agree, the Project Implementing Entity shall ensure that none of the provisions of the Safeguard Instruments is abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.
6. The Project Implementing Entity shall ensure that: (a) all consultancies related to technical assistance, design and capacity building under the Project, the application of whose results could have environmental, social and health and safety implications, as determined in consultation with the Association, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Association; and (b) such terms of reference shall require the technical assistance, design and capacity building activities to take into account the requirements of the applicable Bank Safeguards Policies and EHS Guidelines.

7. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall:

(a) take all measures necessary on its part to regularly collect, compile, and submit to the Association, as part of the Project Reports, and promptly in a separate report whenever the Bank may require, information on the status of compliance with the Safeguards Instruments, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the Safeguards Instruments; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the Safeguards Instruments; and (iii) corrective and preventive measures taken or required to be taken to address such conditions;

(b) promptly furnish to the Association a copy of each [monthly] progress report prepared and submitted by any entity (including any engineer) supervising the Project's civil works, the Project's contractors and/or subcontractors; and

(c) promptly notify the Association 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.

8. The Project Implementing Entity shall maintain throughout Project implementation, and publicize, the availability of a grievance mechanism, in form and substance satisfactory to the Association, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to 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 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 the Recipient not later than two weeks after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Project Report.

2. The Project Implementing Entity shall provide to the Recipient not later than 6 months 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.