Re: Republic of Niger: Advance Agreement for the Preparation of the Proposed Niger Project under the West Africa Regional Communications Infrastructure Program
Project Preparation Advance No. Q844

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Niger ("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 three million Dollars ($3,000,000) ("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 designed to put in place an integrated approach focusing on improving connectivity in the region by addressing the missing infrastructure links, providing competitive access to sub-marine cables where opportunity exists, commercializing excess capacity where electricity transmission lines and other alternative networks are the appropriate platform, and creating an enabling environment and institutional strengthening to remove existing bottlenecks for private sector participation in both regional infrastructure and applications ("Project"), for the carrying out of which the Recipient has requested the World Bank's financial assistance. The project constitutes part of the third phase of a program designed to support populations, businesses and governments across the West Africa region to have access to quality and affordable information and communication technology services on open, transparent and non-discriminatory terms ("West Africa Regional Communications Infrastructure Program" or "Program").

The Recipient represents, by confirming its agreement below, that: (i) 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 (ii) 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 returning 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 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

Ousmane Diagana
Country Director for Niger
Africa Region

AGREED:
REPUBLIC OF NIGER

By:
Authorized Representative

Name: Amadou Boukara Ossé
Title: Prime Minister, Minister of Economy, Regional and Community Development
Date: 01/19/2013

Enclosures:

(2) Disbursement Letter for the Advance of the same date as this Agreement, together with “World Bank Disbursement Guidelines for Projects”, dated May 1, 2006.
Article I
Standard Conditions; Definitions

1.01. **Standard Conditions.** The Standard Conditions (as defined in the following Section 1.02 below) constitute an integral part of this Agreement.

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) "Anti-corruption Guidelines" means the "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.

(b) "Consultants’ Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.

(c) “Hotel Datacenter” means a secure physical site where data communications media converge and are interconnected.

(d) “ISP” or “Internet Service Provider” means an organization that provides access to the internet.

(e) “IXP/Carrier” means an internet exchange processor that provides a location for carriers to exchange traffic.

(f) “Operating Costs” means the expenditures incurred by the Recipient to finance: (i) salaries of the staff of the coordination unit; (ii) per diem and travel expenses of staff required to perform their responsibilities under Project; (iii) fuel, and vehicle maintenance and insurance services; (iv) communication technology (including, without limitation, internet and telephone service); (v) rent for office space and building security and office maintenance services; (vi) translation services, photocopies and publications; and (vii) utilities and office supplies.

(g) “PPP” or “Public Private Partnership” means a government service or private business venture funded and operated through a partnership of government and one or more private sector companies.


(i) “Procurement Plan” means the Recipient’s procurement plan referred to in Section 2.06(a)(iii) of this Agreement.
(j) "PRODEX" means the coordination unit established within the Recipient’s ministry responsible for agricultural development pursuant to the provisions of the Financing Agreement (Agro-Sylvo Pastoral Exports and Markets Development Project) between the Recipient and the Association dated April 24, 2009 (Credit Number 4552-NE).

(k) "Regulatory Authority" means the Recipient’s agency which regulates business in the public interest.

(l) "Sonitel/Sahelcom" means the Recipient’s wholly-owned companies incorporated in the Recipient’s territory following the enactment of the Recipient’s Laws 2012-31 and 2012-32 dated June 5, 2012.

(m) "Standard Conditions" means the “Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility” dated July 31, 2010.

(n) "Training" means the reasonable costs associated with training and workshop participation under the Activities, consisting of travel and subsistence costs for training participants, costs (other than consulting services) associated with securing the services of trainers and presenters, rental of training facilities, translation and interpretation services, preparation and reproduction of training materials.

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:

Part A. Support for Open Access Regime and Public Private Partnership

Development of a suitable PPP framework, through the provision of the technical assistance required for: (i) the designing and negotiating instruments, contracts, related agreements, and bidding documents for the infrastructure development related to activities under the proposed Project; and (ii) the drafting of technical documents for national backbone links and IXP/Carrier Hotel/Datacenter building to be financed under the proposed Project.

Part B. Support for Policy and Regulatory Capacity Building

Provision of technical assistance to: (i) support the implementation and capacity building of the Recipient’s Regulatory Authority; and (ii) develop institutional and operational capacities of the Recipient’s line ministry in charge of information and communications technologies (ICT) in the areas of policy and regulation.

Part C. Support to Broadband Stimulation Strategies

Identifying appropriate broadband stimulation strategies to leverage the new connectivity, including support to the ISPs’ creation, utilization of universal access funds and an associated action plan, through the provision of technical assistance.
Part D. Support to Strategic Plan for Sonitel/Sahelcom and to Action Plan for the Re-launch or Privatization

Provision of technical assistance to develop a strategic and action plan for the re-launching of Sonitel/Sahelcom's privatization.

Part E. Feasibility Studies and Surveys

Carrying out of feasibility studies and surveys with regard to the missing links of the national and regional backbone and for the establishment of the IXP/Carrier Hotel Datacenter building.

Part F. Environmental and Social Safeguard Studies

Preparation and disclosure of the Project's environmental and social safeguards instruments.

Part G. Establishment of the Project Implementation Unit

Setting up, for the proposed Project, an implementation unit to be attached to the line ministry in charge of ICT, through the provision of technical assistance and consultants' services required for the purpose.

2.02. Execution of the Activities Generally. The Recipient declares its commitment to the objectives of the Activities. To this end, until a dedicated implementation unit has been established for the Project and is functional in a manner satisfactory to the World Bank, the Recipient shall carry out the Activities through PRODEX in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) the Anti-Corruption Guidelines.

2.03. Institutional and Other Arrangements. Without limitations upon the provisions of Section 2.02 above, the Recipient shall maintain, throughout the Refinancing Date, PRODEX with terms of reference and with resources acceptable to the World Bank to ensure overall coordination and management of the Activities, including procurement and financial management thereof.

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 quarter, covering the quarter, 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. Each audit of the Financial Statements
shall cover the period of one fiscal year of the Recipient, 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 months after the end of such period.

2.06. **Procurement**

(a) **General.** All goods 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:

(i) Section I of the Procurement Guidelines, in the case of goods;

(ii) Sections I and IV of the 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.

(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**

(i) Except as otherwise provided in sub-paragraph (ii) below, goods 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 for those contracts specified in the Procurement Plan: (A) National Competitive Bidding, subject to the use of the provisions of the World Bank's Guidelines and Standard Bidding Documents; (B) Shopping; and (C) Direct Contracting.

(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) Quality-based Selection; (B) Least Cost Selection; (C) Selection based on Consultants' Qualifications; (D) Single-source Selection of consulting firms; (E) Selection of Individual Consultants; and (F) 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: (i) Article III of the Standard Conditions; (ii) this Section; and (iii) 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. 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, Operating Costs and Training</td>
<td>3,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>3,000,000</td>
<td></td>
</tr>
</tbody>
</table>

3.02. Withdrawal Conditions. Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. Refinancing Date. The Refinancing Date is October 10, 2014.

Article IV
Terms of the Advance

4.01. Service Charge. The Recipient shall pay a service charge on the Withdrawn Advance Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum. The service charge shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid in arrears in accordance with the provisions of Section 4.02 of this Agreement. Service charges shall be computed on the basis of a 360-day year of twelve 30-day months.

4.02. Repayment. The Withdrawn Advance Balance shall be repaid by the Recipient to the World Bank (together with any service charges accrued thereon) in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

(a) Refinancing under the Refinancing Agreement: If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with any service charges accrued on the Advance to the date of repayment) as soon as the Refinancing Agreement...
becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such service charges, in accordance with the provisions of the Refinancing Agreement.

(b) Repayment in the absence of a Refinancing Agreement: If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by such date or at any time thereafter, it has been so executed but terminates without becoming effective, then:

(i) if the amount of the Withdrawn Advance Balance does not exceed $50,000, it shall be repaid by the Recipient to the World Bank (together with service charges accrued on the Withdrawn Advance Balance to the date of repayment) on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and

(ii) if the amount of the Withdrawn Advance Balance exceeds $50,000, it (together with service charges accrued on the Withdrawn Advance Balance to the Notice Date) (the “Aggregate Balance”) shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates (“Payment Dates”) which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date (“Notice Date”) of dispatch of such notice. The Recipient shall pay a service charge on the Aggregate Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum, payable in arrears on each Payment 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 in charge of planning.

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

Ministry of Planning, Regional and Community Development
Niamey
Republic of Niger

Facsimile:

+227 20725670
5.03. **World Bank's Address.** The World Bank’s Address referred to in Section 9.01 of the Standard Conditions is:

<table>
<thead>
<tr>
<th>International Development Association</th>
</tr>
</thead>
<tbody>
<tr>
<td>1818 H Street, N.W.</td>
</tr>
<tr>
<td>Washington, D.C. 20433</td>
</tr>
<tr>
<td>United States of America</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cable:</th>
<th>Telex:</th>
<th>Facsimile:</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDEVAS</td>
<td>248423 (MCI) or</td>
<td>1-202-477-6391</td>
</tr>
<tr>
<td>Washington, D.C.</td>
<td>64145 (MCI)</td>
<td></td>
</tr>
</tbody>
</table>