

REPUBLIQUE DU NIGER

Niamey, le 25 MAR. 2004

MINISTRE DE L'ECONOMIE  
ET DES FINANCES

CABINET



N° 000264 MF/E/CAB

LE MINISTRE

*A*

Monsieur le Représentant  
Résident de la Banque  
Mondiale  
- Niamey -

### BORDEREAU D'ENVOI

DESIGNATION	NOMBRES DE PIECES	OBSERVATIONS
Transmission du protocole de don TF053064 «don Norvégien»	1	« pour attribution dûment signé »
Total	1	

Pour le Ministre de l'Economie et des Finances  
P.O le Conseiller

**JACQUES NIGNON**



**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) 477-1234  
Cable Address: INTBAFRAD  
Cable Address: INDEVAS

March 1, 2004

H.E. Mr. Ali Mahaman Lamine Zeine  
Minister of Economy and Finance  
Niamey, Republic of Niger

Dear Sir:

Re: Norwegian Grant for Niger's Basic Education Program  
Grant No. TF053064

I am writing on behalf of the International Bank for Reconstruction and Development and the International Development Association (collectively the Bank) to indicate the Bank's agreement, as administrator of grant funds provided by Norway (the Administrator), to make a grant in an amount not exceeding six million nine hundred and fifty thousands Norwegian Krone (NOK 6,950,000.00) (the Grant) to the Republic of Niger (the Recipient), in one tranche.

The Grant is made in response to the Recipient's request for financial assistance and for the purposes and on the terms and conditions set forth in the Annex to this Letter Agreement. The Recipient represents, by confirming its agreement below, that it is authorized to contract and withdraw the Grant for the said purposes and on the said terms and conditions.

The Administrator has received from the Recipient a letter, dated September, 2002, (the Niger Basic Education Program), containing the Recipient's Basic Education Ten-Year Program (2002-2012), and describing a program of actions, objectives and policies designed to achieve basic education for all in the Recipient's territory (hereinafter called the Program), declaring the Recipient's commitment to the execution of the Program, and requesting assistance from the Administrator in support of the Program during the execution thereof.

Please note that it is the Administrator's policy to make publicly available this Letter Agreement and any information related thereto, after this Letter Agreement has become effective and the Recipient has given its consent to such disclosure. The Recipient, by countersigning this Letter Agreement, confirms its consent to such disclosure.


Please confirm your agreement with the foregoing, on behalf of the Republic of Niger, by countersigning and dating the form of confirmation on the two original copies of this Letter Agreement, and returning one original, as countersigned, to us. Upon receipt by IDA of the copy of this Letter Agreement countersigned by you, this Letter Agreement will become effective as of the date of countersignature of this Letter Agreement.

Very truly yours,  
INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
INTERNATIONAL DEVELOPMENT ASSOCIATION  
as Administrator of Grant Funds provided under BNPP

By:   
Diarietou Gaye  
Acting Country Director for Niger  
Africa Region

AGREED:

REPUBLIC OF NIGER

By:   
Name: H.E. Mr. Ali Mahaman Lamine Zeine  
Title: Minister of Economy and Finance

Date: 10 MAR. 2004



**Purposes, Terms, and Conditions of the Grant**

1. Purposes and Activities

1.1. The purpose of the Grant is to assist the Recipient, through the Ministry of Basic Education (MEBA), to increase enrollment and completion of primary education through the development and implementation of policy reforms and interventions developed around the following objectives: (i) implementation and consolidation of the new teacher recruitment policy; (ii) improvement of textbooks distribution and availability; and (iii) strengthening capacity in MEBA. The activities within the Program (the Activities) supported by the Grant are as follows:

(a) Increase Access to Primary Education

Support to: (i) the recruitment of new contractual teachers to meet the additional demand of education during the 2003-2004 school year; (ii) payment of all contractual teachers on time during the 2003-2004 school year; and (iii) construction of classrooms as planned.

(b) Improve Quality Education

Improvement of the quality of basic education including: (i) provision and distribution of textbooks and other pedagogical materials; and (ii) in-service training of teachers through transfer of resources to the *Cellules d'Animation Pédagogique*.

2. Execution of the Activities

2.1. The Recipient shall carry out the Activities under the Program with due diligence and efficiency, promptly provide the funds, facilities, services and other resources required for that purpose; and from time to time exchange views with the Administrator's representatives on the progress and results of the Activities. Without limitation on the foregoing, the Recipient shall prepare and furnish to the Administrator a report, in form and substance satisfactory to the Administrator, on the results and impact of the Activities, in accordance with the provisions of paragraph 5.1 (b) below.

3. Withdrawal of Grant Proceeds

3.1. Withdrawals from the proceeds of the Grant shall be made in one tranche in the Bank account opened to that effect by the Ministry of Finance upon: (i) receipt of a signed copy of this Letter-Agreement; and (ii) a written application for withdrawal of such funds in the form specified by the Bank, signed on behalf of the Recipient by the Minister in charge of finance or such other person as he or she shall have authorized in writing, with pertinent payment instructions. Authenticated specimen signatures of the person authorized to sign withdrawal applications shall be provided with the first application bearing his or her signature.

3.2. The Recipient shall complete all Activities by June 30, 2004, or such later date as the Bank shall notify to the Recipient (the "Completion Date"). In the event that any Grant funds remain uncommitted by the Completion Date, such funds shall be returned to the Bank.

#### Disbursement of the Grant

4.1. The Recipient shall exercise the same care in the administration of the funds of the Grant as it exercises in the administration of its own funds, having due regard to economy and efficiency and the need to uphold the highest standards of integrity in the administration of public funds.

4.2. The Recipient undertakes that the proceeds of the Grant shall not be used to finance expenditures excluded pursuant to the provisions of the Attachment to this Agreement. If the Administrator shall have determined at any time that any proceeds of the Grant shall have been used to make a payment for an expenditure so excluded, the Recipient shall, promptly upon notice from the Administrator: (i) deposit into the Grant an amount equal to the amount of said payment; or (ii) if the Administrator shall so request, refund such amount to the Administrator. Amounts refunded to the Administrator upon such request shall be credited to the Grant Account for cancellation.

#### 5. Accounts, Audits and Reports

5.1. (a) The Recipient shall: (i) have the Deposit Account audited each calendar year up to and including the calendar year where the Grant funds were last expended, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Administrator; (ii) furnish to the Administrator as soon as available, but in any case not later than four months after the end of each calendar year, a certified copy of the report of such audit by said auditors, of such scope and in such detail as the Administrator shall have reasonably requested; and (iii) furnish to the Administrator such other information concerning the Deposit Account and the audit thereof as the Administrator shall have reasonably requested.

(b) The Recipient shall maintain regular contact with the Administrator and provide the Administrator with semi-annual progress reports in a form and substance satisfactory to the Administrator. Not later than June 30, 2005, the Recipient shall submit to the Administrator a final report summarizing the Activities financed by the Grant and assessing the results achieved by the Activities compared to their objectives.

#### 6. Suspension and Cancellation

6.1. The Administrator may at any time, by notice to the Recipient, suspend the right of the Recipient to make further withdrawals from the Grant Account if any of the following events has occurred and is continuing: (a) the Recipient has failed to comply with any of its obligations herein specified; (b) the right of the Recipient, or any other entity to which the Administrator has made a loan with the guarantee of the Republic of Niger, to make withdrawals under any loan agreement with the Bank or any development credit agreement with the International Development Association shall have been suspended; (c) a situation has arisen which shall make it improbable that the Program or a significant part thereof, will be carried out; or (d) an action has been taken or a policy has been adopted to reverse any action or policy under the Program in a manner that would, in the opinion of the Administrator adversely affect the achievement of the objectives of the Program.

6.2. The Administrator may, by written notice to the Recipient, terminate the right of the Recipient to make further withdrawals from the Grant Account: (a) at any time after the right of the Recipient to make withdrawals from the Grant Account shall have been suspended pursuant to the provisions of paragraph 6.1 above; or (b) if the Recipient shall have failed to take action, satisfactory to the Administrator, within six months after the effective date hereof, to carry out the Activities.

### Excluded Expenditures

For purposes of Section 4.3 of this Agreement, the proceeds of the Grant shall not be used to finance any of the following expenditures:

1. expenditures for goods or services supplied under a contract which any national or international financing institution or agency other than the Administrator shall have financed or agreed to finance, or which the Administrator shall have financed or agreed to finance under another credit or a loan;
2. expenditures for goods included in the following groups or subgroups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the Administrator by notice to the Recipient:

<u>Group</u>	<u>Subgroup</u>	<u>Description of Items</u>
112	-	Alcoholic beverages
121	-	Tobacco, unmanufactured, tobacco refuse
122	-	Tobacco, manufactured (whether or not containing tobacco substitutes)
525	-	Radioactive and associated materials
667	-	Pearls, precious and semiprecious stones, unworked or worked
718	718.7	Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors
728	728.43	Tobacco processing machinery
897	897.3	Jewelry of gold, silver or platinum

group metals (except watches and watch cases) and goldsmiths' or silversmiths' wares (including set gems)

Gold, non-monetary (excluding gold ores and concentrates)

3. expenditures for goods intended for a military or paramilitary purpose or for luxury consumption;
4. expenditures for environmentally hazardous goods (for purposes of this paragraph the term "environmentally hazardous goods" means goods, the manufacture, use or import of which is prohibited under the laws of the Recipient or international agreements to which the Recipient is a party);
5. expenditures (a) in the territories of any country which is not a member of the Administrator or for goods procured in, or services supplied from, such territories or (b) on account of any payment to persons or entities, or any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and
6. expenditures under a contract in respect of which the Administrator determines that corrupt or fraudulent practices were engaged in by representatives of the Recipient or of a beneficiary of the Grant during the procurement or execution of such contract, without the Recipient having taken timely and appropriate action satisfactory to the Administrator to remedy the situation.