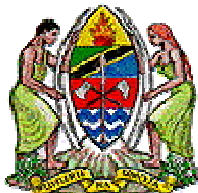


**THE UNITED REPUBLIC OF TANZANIA**  
**MINISTRY OF FINANCE AND ECONOMIC AFFAIRS**



**MILLENNIUM CHALLENGE ACCOUNT – TANZANIA**

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**IMPLEMENTING ENTITY AGREEMENT**

**By and between**

**MILLENNIUM CHALLENGE ACCOUNT-TANZANIA**

**and**

**THE NATIONAL BUREAU OF STATISTICS**

**Dated this 18<sup>th</sup> day of January 2010**

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## IMPLEMENTING ENTITY AGREEMENT

This IMPLEMENTING ENTITY AGREEMENT (“*Agreement*”) is made as of 18<sup>th</sup> day of January, 2010, by and between Millennium Challenge Account -Tanzania, an independent autonomous office established under the laws of the United Republic of Tanzania through Government Notice No. 202 published in the official gazette on September 21, 2007 (“*MCA-Tanzania*”) on behalf of the Government of the United Republic of Tanzania (“*Government*”) and the National Bureau of Statics (“*NBS*”), an executive agency established under the Executive Agencies Act No. 30, 1997 (as amended 2009) through an establishment order dated 26<sup>th</sup> March 2000, in its capacity as implementing entity (the “*Implementing Entity*”). MCA-Tanzania and the Implementing Entity are referred to herein collectively as “*Parties,*” and each individually as a “*Party.*”

### RECITALS

**WHEREAS**, the United States of America, acting through the Millennium Challenge Corporation (“*MCC*”), and the Government, acting through the Ministry of Finance and Economic Affairs, executed that certain Millennium Challenge Compact on February 17, 2008 (“*Compact*”) that sets forth the general terms and conditions on which MCC will provide funding of up to US\$ 698,136,000 to the Government for a Millennium Challenge Account program to advance economic growth and reduce poverty in the United Republic of Tanzania (“*Program*”);

**WHEREAS**, the Government has established MCA-Tanzania as a permitted designee authorized to act on behalf of the Government in order to manage and oversee the implementation of this Compact and the Program;

**WHEREAS**, the Compact provides that MCA-Tanzania may in turn use certain Government affiliates as implementing entities for the execution of specific components of the Program; and

**WHEREAS**, the Parties hereby wish to set forth their respective roles and responsibilities in connection with data gathering (including baseline studies) in connection with the Water Sector Project (“*Project Activity*”).

**NOW THEREFORE**, in consideration of the mutual promises and covenants contained herein, the Parties, intending to be legally bound, hereby agree as follows:

### ARTICLE 1 DEFINITIONS; PRINCIPAL COMPACT DOCUMENTS

Section 1.1 Capitalized terms used but not defined herein shall have the meanings set forth in the Compact.

Section 1.2 The Parties shall carry out their responsibilities under this Agreement in accordance with the following documents, as amended from time to time (“*Principal Compact Documents*”): (a) the Compact; (b) any agreement governing the use of Compact Implementation Funding; (c) the Program Implementation Agreement; (d) any other agreement duly entered into by MCA-Tanzania and relevant to the Project Activity, and (e) any implementation plan duly adopted by MCA-Tanzania and relevant to the Project Activity.

## **ARTICLE 2 AUTHORIZATION; APPOINTMENT**

Section 2.1 MCA-Tanzania hereby authorizes and appoints the Implementing Entity to perform, in accordance with the terms and conditions of this Agreement, the obligations and responsibilities set forth in this Agreement, including in Annex I hereto (such obligations and responsibilities, collectively, “*Responsibilities*”).

Section 2.2 The Parties may amend in writing from time to time the Responsibilities in a manner consistent with the terms of the Principal Compact Documents, with the prior written approval of MCC for any material amendments.

Section 2.3 The Implementing Entity shall report directly to the Director of Monitoring and Evaluation of MCA-Tanzania.

Section 2.4 In accordance with Section 3.2 of the Compact, nothing in this Agreement shall be construed as releasing or discharging the Government, acting through MCA-Tanzania, from its obligations under the Principal Compact Documents.

## **ARTICLE 3 MCA-TANZANIA RESPONSIBILITIES**

Section 3.1 MCA-Tanzania shall supervise the Implementing Entity in accordance with its responsibilities set forth under Annex II and coordinate with the Fiscal Agent to ensure that all contractors implementing any component of the Project Activity under the Implementing Entity’s supervision are paid properly and promptly, consistent with the procedures described in the fiscal accountability plan duly adopted by MCA-Tanzania (“*Fiscal Accountability Plan*”) and, at all times, within thirty (30) days of the receipt of a valid, certified and acceptable invoice.

## **ARTICLE 4 IMPLEMENTING ENTITY RESPONSIBILITIES**

Section 4.1 The Implementing Entity shall exercise all skill, reasonable care, prudence and diligence in the discharge of its duties and obligations as would be expected from a skilled and experienced implementing entity, and shall carry out all Responsibilities in a timely and cost-effective manner and in conformity with professionally sound technical, financial and management practices requisite for successful carrying out of the Responsibilities, and in accordance with internationally accepted practices. The Implementing Entity shall use at least

the same standard of due care in handling all funds (including MCC Funding) in its performance of this Agreement as it would use with the Government's funds, and at least the reasonable prudent care of a bank fiduciary.

Section 4.2 The Implementing Entity shall cooperate fully with all reasonable requests for information or action by MCA-Tanzania, including assisting MCA-Tanzania with the production of any periodic reports required under the Principal Compact Documents.

Section 4.3 The Implementing Entity shall cooperate fully with the Fiscal Agent and shall ensure prompt processing of any invoices received in connection with any goods, services or works related to the Project Activity.

Section 4.4 In connection with the performance of the services related to this Agreement, the Implementing Entity, its agents and its employees shall be exempt from Taxes to the extent set forth in Section 2.7 of the Compact. The Implementing Entity shall promptly submit all documentation to the applicable authority for the reimbursement of any Taxes paid, notify the Fiscal Agent and MCA-Tanzania of any Taxes paid, and cooperate fully with the Fiscal Agent and MCA-Tanzania in connection with any action to seek prompt and proper exemption or reimbursement of such Taxes paid consistent with the MCA-Tanzania Fiscal Accountability Plan.

Section 4.5 The Implementing Entity shall obtain all licenses, consents, approvals and permits ("**Licenses**") necessary to enable it and its personnel to perform the Responsibilities.

Section 4.6 The Implementing Entity shall indemnify, defend and hold harmless each of MCA-Tanzania (including its directors, officers, employees, affiliates, agents, advisors and representatives) and MCC (including its directors, officers, employees, affiliates, agents, advisors and representatives) (MCA-Tanzania, MCC and any such affiliate or person an "**MCC Indemnified Party**") from and against any and all claims, losses, actions, liabilities, costs, damages or expenses, including reasonable attorneys' fees and expenses (but excluding any lost profits or other special, incidental, indirect, punitive or consequential damages (except as set forth in Section 4.6(a)), regardless of the form of action and whether or not any such damages were foreseeable or contemplated (collectively, the "**MCA-Tanzania Losses**") arising from or in connection with the negligence, bad faith, willful or intentional misconduct of the Implementing Entity, or a breach of this Agreement by the Implementing Entity, except if and to the extent that any such MCA-Tanzania Losses are attributable to the gross negligence or the willful misconduct of MCA-Tanzania.

(a) In the event that any payment to any vendor or individual is delayed by more than thirty (30) days after the date of receipt of a valid, certified and acceptable invoice by MCA-Tanzania due to the negligence or willful misconduct of the Implementing Entity, the Implementing Entity shall be liable for, and shall indemnify all MCC Indemnified Parties from and against, any claims (including claims for interest) from such vendors or individuals.

(b) MCA-Tanzania shall indemnify, defend and hold harmless the Implementing Entity (including its directors, officers, employees, affiliates, agents, advisors and representatives) from and against any and all claims, losses, actions, liabilities, costs, damages or

expenses, including reasonable attorneys' fees and expenses (but excluding any lost profits or other special, incidental, indirect, punitive or consequential damages), regardless of the form of action and whether or not any such damages were foreseeable or contemplated (collectively, the "**Implementing Entity Losses**") arising from or in connection with the negligence, bad faith, willful or intentional misconduct of MCA-Tanzania, or a breach of this Agreement by MCA-Tanzania, except if and to the extent that any such Implementing Entity Losses are attributable to the gross negligence or the willful misconduct of the Implementing Entity.

(c) In the event that any amounts are owed by MCA-Tanzania to the Implementing Entity as the result of any delay or default of MCA-Tanzania, or as a result of Section 4.6(b), MCA-Tanzania shall be solely liable for the payment of such amounts (such payment to be made from national funds), and in no event shall such payments be authorized or made from any MCC Funding, nor shall Program assets be used to satisfy any such obligations.

(d) Except as provided in Section 4.6(a), in no event shall either Party be liable to the other Party or any third party for consequential, special, incidental or punitive losses, damages or expenses (including, without limitation, lost profits) arising from or in connection with this Agreement, even if such Party has been advised of the possible existence thereof.

## **ARTICLE 5 REIMBURSEMENTS; NO FEES**

Section 5.1 MCA-Tanzania shall reimburse the Implementing Entity for certain costs and expenses and other direct charges incurred by the Implementing Entity as set forth in Annex III hereto and in accordance with the Principal Compact Documents, in connection with the Implementing Entity's performance of the Responsibilities. The Parties may amend Annex III provided such amendment is in writing, with the prior written approval of MCC for any material amendments.

Section 5.2 The Implementing Entity shall not be entitled to, and shall not receive, any payment of fees for performance of the Responsibilities under this Agreement.

## **ARTICLE 6 IMPLEMENTING ENTITY COVENANTS AND REPRESENTATIONS**

Section 6.1 The Implementing Entity shall use only qualified, experienced, and reliable staff for the performance of its Responsibilities. The Implementing Entity shall be responsible for and shall take all necessary action with respect to any misconduct or failure of any staff retained by the Implementing Entity. Further, upon the request of MCA-Tanzania, the Implementing Entity shall take all reasonable action requested by MCA-Tanzania to address any misconduct or failure of the Implementing Entity staff.

(a) Any replacement, modification or addition to the Implementing Entity's staff performing the Responsibilities shall be subject to the prior written approval of MCA-Tanzania. Such approval shall not be unreasonably withheld. However, any potential interruption, delay or

material alteration of the Implementing Entity Responsibilities shall be a sufficient reason for MCA-Tanzania to deny such approval.

(b) The Implementing Entity shall not enter into any arrangement, agreement or subcontract or grant a sub-award with any other person or entity, including a Government affiliate, involving MCC Funding without the prior written consent of MCA-Tanzania and MCC.

Section 6.2 The Implementing Entity shall provide such certifications, approvals, information and documents or take such other actions (a) as necessary for any Disbursement or re-Disbursement, in accordance with applicable requirements contained in, or incorporated by, reference to the Principal Compact Documents, (b) as otherwise designated to the Implementing Entity in this Agreement (such approvals or certifications will be solely in the context and as appropriate in the course of performing the Responsibilities) or (c) as may reasonably be requested by MCA-Tanzania from time to time. Any such certifications or approvals may not be unreasonably withheld or delayed by the Implementing Entity.

Section 6.3 The Implementing Entity shall undertake not to enter into any agreement in conflict with this Agreement or any other Principal Compact Documents.

Section 6.4 The Implementing Entity hereby represents and warrants that, as of the effective date of this Agreement, neither the Implementing Entity nor any of its officers, directors, or employees involved in the provision of services contemplated by this Agreement has ever been convicted of any narcotics offenses and is not engaging or participating, has never engaged or participated, and will not engage or participate during the term of this Agreement, in drug trafficking, terrorism, sex trafficking, prostitution, fraud, felony, any misconduct injurious to MCC or MCA-Tanzania, any activity contrary to the national security interests of the United States or any other activity that materially and adversely affects the ability of the Government or any other party to effectively implement, or ensure the effective implementation of, the Program or any Project or to otherwise carry out its responsibilities or obligations under or in furtherance of the Principal Compact Documents or that materially adversely affects the Program assets or any Permitted Account.

## **ARTICLE 7 TERMINATION**

Section 7.1 Subject to written approval of MCC, this Agreement shall terminate upon the first to occur of the following:

(a) Either Party terminates this Agreement at any time upon not less than thirty (30) days' written notice to the other Party;

(b) In the event of a material breach by the Implementing Entity of a representation, covenant, obligation or responsibility under this Agreement, MCA-Tanzania elects to terminate this Agreement by written notice; or

(c) The Compact terminates or expires in accordance with its terms or otherwise; *provided*, the terms of this Agreement may be extended by notice from MCA-Tanzania in

writing for a longer period following the termination or expiration of the Compact if MCC instructs MCA-Tanzania to so extend this Agreement, including if MCC determines that additional time is required to resolve any litigation, claims or audit findings or any statutory requirements.

Section 7.2 Upon termination of this Agreement, the Implementing Entity shall ensure the orderly and timely transfer of all Program assets and all records, documents and information (including all documents containing or relating to confidential information), together with all electronic copies thereof, to MCA-Tanzania or such other agent or representative designated by MCA-Tanzania, and the Implementing Entity shall take, or cause to be taken, any other actions reasonably requested by MCA-Tanzania to ensure the proper transition of any services provided by the Implementing Entity pursuant to this Agreement. Unless otherwise agreed by the Parties, no charges or expenses of any kind shall be charged from the effective date of any suspension or termination of this Agreement, and the Implementing Entity, any of its sub-contractors or Providers shall be entitled solely to payment or reimbursement for permitted and valid charges incurred prior to the effective date of such suspension or termination.

## **ARTICLE 8 GENERAL PROVISIONS**

Section 8.1 Any document or other communication required, permitted, or submitted by a Party to another Party under this Agreement (or MCC as applicable) must be in writing, in English, and sent to a Party or Parties (or MCC as applicable) at the address indicated below, or at such other address as such Party (or MCC as applicable) may designate:

To MCA-Tanzania:

Chief Executive Officer,  
Millennium Challenge Account-Tanzania  
Attention: Mr. Salum Ramadhani, Director of Monitoring and Evaluation (DME)  
Kivukoni Front/Ohio Street  
P.O. Box 8327  
Dar es Salaam, Tanzania  
Facsimile: 255 22 2124644  
Email: sramadhani@mca-t.go.tz

To the Implementing Entity:

Director General,  
National Bureau of Statistics (NBS)  
Attention: Mr. Ahmed Makbel/Mlemba Abassy  
Kivukoni Front  
P.O. Box 796,  
Dar es Salaam, Tanzania  
Facsimile: + 255 22 2130852  
Email: makbel@nbs.go.tz, abassy@nbs.go.tz To MCC:

Millennium Challenge Corporation  
Attention: Vice President for Compact Implementation  
(with a copy to the Vice President and General Counsel)  
875 Fifteenth Street, N.W.  
Washington, D.C. 20005  
United States of America  
Facsimile: (202) 521-3700  
Email: [VPIImplementation@mcc.gov](mailto:VPIImplementation@mcc.gov) (for the Vice President for Compact Implementation)  
Email: [VPGeneralCounsel@mcc.gov](mailto:VPGeneralCounsel@mcc.gov) (for the Vice President and General Counsel)

Section 8.2 For all purposes relevant to this Agreement, the Implementing Entity shall be represented by the individual holding the position of Director General (the “**Principal Representative**” of the Implementing Entity) and MCA-Tanzania shall be represented by the individual holding the position of, or acting as, Chief Executive Officer (the “**Principal Representative**” of MCA-Tanzania), each of whom, by written notice, may designate one or more additional representatives (each, an “**Additional Representative**”) for all purposes other than signing amendments to this Agreement. The names of each Party’s Principal Representative and any Additional Representatives shall be provided, with specimen signatures, to the other Party, and each Party may accept as duly authorized any instrument signed by such representatives relating to the implementation of this Agreement. A Party may replace its Principal Representative with an individual of equivalent or higher rank and seniority upon written notice to the other Party, which notice will include the specimen signature of such new Principal Representative.

Section 8.3 The Implementing Entity shall not assign, delegate or otherwise transfer its rights or obligations under this Agreement without the prior written consent of MCA-Tanzania and MCC.

Section 8.4 Except as otherwise provided herein, this Agreement may be amended or modified only by written agreement, signed by the Principal Representatives of MCA-Tanzania and the Implementing Entity, and with prior approval by MCC, notwithstanding any law, regulation, or decree that purports to amend or modify any term or condition thereof.

Section 8.5 This Agreement shall become effective on the later of (a) the date on which the Principal Representatives of MCA-Tanzania and the Implementing Entity have signed this Agreement and (b) the date on which MCC provides written approval of this Agreement (**the “Effective Date”**)

Section 8.6 The General Provisions Annex found on the MCC Website (the “**General Provisions Annex**”) is incorporated herein by reference. For purposes of this Agreement, references to the “Contract Party” in the General Provisions Annex shall be deemed to be references to the Implementing Entity and references therein to the MCA Entity shall be deemed to be references to MCA-Tanzania.

Section 8.7 Each annex and schedule to this Agreement constitutes an integral part of this Agreement.

**[SIGNATURE PAGE FOLLOWS ON NEXT PAGE]**

**IN WITNESS WHEREOF**, MCA-Tanzania and the Implementing Entity, each acting through its duly authorized representative, have caused this Agreement to be executed in their names and delivered as of 18<sup>th</sup> day of January, 2010.

**MILLENNIUM CHALLENGE ACCOUNT-TANZANIA**

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Witnessed by**

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**NATIONAL BUREAU OF STATISTICS**

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Witnessed by**

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

## IMPLEMENTING ENTITY RESPONSIBILITIES

The Implementing Entity shall provide services to MCA-Tanzania, and undertake the obligations and responsibilities, as expressly provided in this Annex in connection with the implementation of the Project Activity.

### **1. General Provisions**

1.1 According to this Agreement, NBS shall undertake certain activities related to the Project Activity.

1.2 The Project Activity is to conduct data gathering exercise for MCA-Tanzania's Water Sector Project. NBS will conduct this exercise as part of the National Panel Survey (NPS), which is conducted annually. The first round of the NPS started in 2008. The second round of NPS is expected to start in January, 2010 and will be implemented over a period of one year. The second round of the NPS will constitute the baseline for the MCA-Tanzania's Water Sector Project.

1.3 The NBS will use the survey instruments that have been developed by the NBS for the NPS, and will include additional questions related to water consumption so as to capture relevant data for the Water Sector Project.

1.4 On an ongoing and as needed basis, NBS may request information related to Water Sector Project sites from MCA-Tanzania which NBS reasonably believes is necessary to perform its obligation under this Agreement.

1.5 The Implementing Entity shall ensure that all reports and documents required under the Principal Compact Documents and this Agreement are available (and delivered to MCA-Tanzania) in English, unless otherwise specified in the document requiring the report.

**2. "NBS Responsibilities" shall comprise all of the following:**

#### **2.1 General Responsibilities**

NBS will undertake the responsibilities necessary to ensure timely and successful implementation of the Project Activity and will advise MCA-Tanzania in matters pertinent to the Project Activity.

## 2.2 **Specific Responsibilities**

2.2.1 NBS will prepare and manage the Project Activity's implementation schedule and will monitor and prepare Progress reports.

2.2.2 NBS shall revise the NPS questionnaire to reflect additions requested by MCA-Tanzania; and shall provide a final version of the National Panel Survey (NPS) for review and approval by MCA-Tanzania. This document may be provided in electronic form, unless otherwise requested in hardcopy by MCA-Tanzania.

2.2.3 Should it become necessary to conduct field tests on the additional questions requested by MCA-Tanzania, the NBS will provide the following: 1) a report on the methodology, expenditures, and outcome of the field tests; 2) any further revisions to the language of the overall survey that resulted from the field tests for review and approval by MCA-Tanzania.

2.2.4 NBS shall administer the NPS with additional questions related to water consumption to the entire NPS sample.

2.2.5 NBS shall administer the NPS with additional questions related to water consumption to approximately 640 additional households (approximately 320 in Morogoro and 320 in Dar es Salaam).

2.2.6 NBS shall conduct training of additional enumerators due to the addition of households as requested by MCA-Tanzania. Under this Agreement, NBS shall train these additional enumerators, and will be funded by MCA-Tanzania for these costs. Training is normally conducted annually prior to start of each round of the survey.

2.2.7 NBS shall clean and process the entire NPS data set (all sections of the questionnaire and for all regions of the country), and submit, to MCA-Tanzania, this cleaned data set, in electronic form, along with the codebook and other relevant documentation, to enable future analysis of data; within the dataset, NBS shall identify program beneficiaries (not by name, but by a dummy variable) in accordance with section 20 subsection (1) of the Statistics Act, 2002. NBS shall ensure that the quality of the work meets the required standards.

2.2.8 NBS shall manage and provide responses to all requests for information received about the field work;

2.2.9 NBS shall perform other duties relating to the Project Activity as agreed with the MCA-Tanzania as applicable.

## MCA-TANZANIA RESPONSIBILITIES

MCA-Tanzania shall undertake the obligations and responsibilities, as expressly provided in this Annex in connection with the implementation of the Project Activity.

### 1. MCA-Tanzania Responsibilities

#### 1.1 General Responsibilities

MCA-Tanzania will reimburse NBS for services rendered under Annex I and in accordance with the budget under Annex III of this agreement.

#### 1.2 Specific Responsibilities

1.2.1 Prior and during the survey, MCA-Tanzania will be responsible for providing information related to Water Sector Project sites and indicators found in the MCA-Tanzania M&E Plan related to the Water Sector Projects.

1.2.2 MCA-Tanzania shall be responsible for approving the final version of the NPS questionnaire.

1.2.3 MCA-Tanzania shall be responsible for monitoring progress of the data-collection process.

1.2.4 MCA-Tanzania shall be responsible for funding NBS for additional costs related to fieldwork and processing for the additional sample, approximately 640 households, in Morogoro and Dar-es-salaam in accordance with Annex III.

1.2.5 MCA-Tanzania is obliged to treat all the gathered data as confidential in accordance with Section 20 subsection (1) of the Statistics Act, 2002.

1.2.6 MCA-Tanzania is obliged to treat all the gathered data as confidential for a period of one year after field work is completed to allow for cleaning and processing of data. Upon the one-year anniversary of fieldwork, MCA-Tanzania may make public the NPS datasets in accordance with paragraph 1.2.5 above.

