Financing Agreement
(Guinea – Mali Interconnection Project)

between

REPUBLIC OF GUINEA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between the REPUBLIC OF GUINEA ("Recipient" or "Guinea") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS (A) on May 11, 2004, the Recipient promulgated its Law no. 2004/016/AN ratifying the ECOWAS Energy Protocol ("EEP") adopted by the Authority of Heads of State and Government of the Economic Community of West African States ("ECOWAS"): (i) under the Decision A/Dec.17/01/03 dated January 31, 2003, to serve as the framework for policy reform, institutional development and investments in the energy sector in the ECOWAS member countries; and (ii) in furtherance of the Decision A/Dec.5/12/99 dated December 10, 1999, relative to the development of a cooperative mechanism for pooling the operations of the national power systems of ECOWAS member states into a unified regional electricity market ("West African Power Pool Market" or "Program");

(B) the Association initially provided support to precedent activities under the Program by extending financial assistance to the Republic of Ghana ("Ghana") to finance the First Phase of the Coastal Transmission Backbone Project pursuant to the Development Credit Agreement dated August 31, 2005, between Ghana and the Association;

(C) the Association extended financial assistance again to Ghana and to the Republic of Benin ("Benin") to finance the Second Phase of the Coastal Transmission Backbone Project under the Program pursuant, respectively, to the Financing Agreement between Ghana and the Association dated December 4, 2007, and the Financing Agreement between Benin and the Association dated March 2, 2007;

(D) thereafter, the Association extended financial assistance to the Republic of Mali ("Mali"), the Islamic Republic of Mauritania ("Mauritania") and the Republic of Senegal ("Senegal") to finance the OMVS (Organisation pour la Mise en Valeur du fleuve Sénégal) Felou Hydroelectric Project under the Program pursuant, respectively, to the Financing Agreement between Mali and the Association dated September 13, 2006, the Financing Agreement between Mauritania and the Association dated September 13, 2006, and the Financing Agreement between Senegal and the Association dated September 13, 2006;

(E) subsequently, the Association extended financial assistance to Ghana and Burkina Faso to finance the First Phase of the Inter-Zonal Transmission Hub Project under the Program pursuant, respectively, to the Financing Agreement between Ghana and the Association dated March 26, 2012 and the Financing Agreement between Burkina Faso and the Association dated August 9, 2011;
(F) next, the Association extended financial assistance to the Republic of Liberia (Liberia) in support of the West African Power Pool - Côte d'Ivoire, Liberia, Sierra Leone and Guinea Power Interconnection Project under the Program through the conclusion of the Financing Agreement between Liberia and the Association dated August 16, 2012;

(G) thereafter, the Association supported the West African Power Pool Integration and Technical Assistance Project under the Program by providing financial assistance to the West African Power Pool ("WAPP") under the Financing Agreement between the Association and the WAPP dated August 20, 2012;

(H) thereafter, the Association extended financial assistance to Senegal to finance the Organisation pour la Mise en Valeur du fleuve Sénégal ("OMVS") Transmission Expansion Project under the Program pursuant to the Financing Agreement between Senegal and the Association dated July 6, 2017;

(I) consequently, the Association extended additional financial assistance to Liberia, the Republic of Sierra Leone ("Sierra Leone") and the WAPP to further support, respectively, the aforementioned West African Power Pool - Côte d'Ivoire, Liberia, Sierra Leone and Guinea Power Interconnection Project and West African Power Pool Integration and Technical Assistance Project under the Program pursuant, respectively, to the Financing Agreement between Liberia and the Association dated December 11, 2017, the Financing Agreement between Sierra Leone and the Association dated January 4, 2018, and the Financing Agreement between the Association and the WAPP dated December 18, 2017;

(J) the Recipient, having satisfied itself as to the feasibility and priority of the project ("Project", as described in Schedule 1 hereto) under the Program, has requested the Association to assist in the financing of the Project;

(K) by a financing agreement to be entered into between Mali and the Association ("Mali Financing Agreement"), the Association will extend to Mali a grant in an amount equivalent to three million two hundred thousand Special Drawing Rights (SDR 3,200,000) and a credit in the amount of three million eight hundred thousand Euros (EUR 3,800,000) to assist Mali in financing part of the cost of activities related to the Project on the terms and conditions set forth in the Mali Financing Agreement;

(L) the African Development Bank ("AfDB"), the ECOWAS Bank for Investment and Development ("EBID"), the European Investment Bank ("EIB"), the European Union ("EU") and the Islamic Development Bank ("IsDB") (the AfDB, EBID, EIB, EU and IsDB, individually each the "Co-financeur" and collectively and indistinctively the "Co-financeurs", as further defined in the Appendix to this Agreement) intend each to make available financial assistance to the Recipient in an amount equivalent, respectively, to: (i) forty million Dollars ($40,000,000) to assist Guinea in financing part of the cost of Parts 1.A.1, 1.A.2 and 2 of the Project; (ii) forty-four million Dollars...
($44,000,000) to assist Guinea in financing part of the cost of Part 1.A.1 of the Project; (iii) forty-seven million Dollars ($47,000,000) to assist Guinea in financing part of the cost of Part 1.A.1 of the Project; (iv) twelve million Dollars ($12,000,000) to assist Guinea in financing part of the cost of Part 2.A of the Project; and (v) eighty-seven million Dollars ($87,000,000) to assist Guinea in financing part of the cost of Parts 1.A. and 1.A.2 of the Project (such amounts collectively the “Co-financing”, as further defined in the Appendix to this Agreement) on the terms and conditions set forth in the co-financing agreement entered or to be entered into, respectively, between the Recipient and each of the Co-financiers (the “Co-financing Agreements” collectively, and individually the “Co-financing Agreement”, as further defined in the Appendix to this Agreement); and

(M) Parts 1.A.1, 1.A.2, 1.A.3, 1.B and 2 of the Project will be carried out by Electricité de Guinée (“EDG” as further defined in the Appendix to this Agreement) with the Recipient’s assistance and, as part of such assistance, the Recipient will make the proceeds of the grant and the credit provided for in Article II of this Agreement available to EDG as set forth in this Agreement.

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to extend the grant and the credit provided for in Article II of this Agreement to the Recipient upon the terms and conditions set forth in this Agreement.

NOW THEREFORE the Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this 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 General Conditions or in the Preamble or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, a grant and a credit, both deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement (collectively, “Financing”) in the following amounts to assist in financing Parts 1.A.1, 1.A.2, 1.A.3, 1.B and 2 of the Project:

(a) an amount equivalent to twenty-six million one hundred thousand Special Drawing Rights (SDR 26,100,000) (“Grant”); and

(b) an amount equivalent to twenty-six million one hundred thousand Special Drawing Rights (SDR 26,100,000) (“Credit”).
2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.

2.05. The Payment Dates are March 15 and September 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.07. The Payment Currency is the Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient, through the Subsidiary Financing Agreement, shall cause Parts 1.A.1, 1.A.2, 1.A.3, 1.B and 2 of the Project to be carried out by EDG with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Project Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Events of Suspension consist of the following:

(a) The Mali Financing Agreement shall have failed to become effective by March 31, 2019.

(b) The Association has suspended in whole or in part the right of Mali to make withdrawals under the Mali Financing Agreement.

(c) EDG has failed to perform any obligation under the Project Agreement.

4.02. The Co-financing Deadline for the effectiveness of: (i) the AfDB Co-financing Agreement, is March 31, 2019; and (ii) each of the EBID Co-financing Agreement, the EIB Co-financing Agreement, the EU Co-financing Agreement and the IsDB Co-financing Agreement, is December 31, 2020.

4.03. The Additional Event of Acceleration consists of the following, namely, the event specified in paragraph (c) of Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.
ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consist of the following:

(a) EDG shall have appointed to the PIU a procurement specialist and a financial management specialist, both under terms of reference and with qualifications and experience satisfactory to the Association.

(b) EDG shall have adopted the Project Implementation Manual, including fiduciary procedures, in form and substance satisfactory to the Association.

5.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.

5.03. For purposes of Section 10.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is the minister responsible for finance.

6.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient’s address is:

Ministry of the Economy and Finance
P. O. Box 579
Conakry
Republic of Guinea; and

(b) the Recipient’s Electronic Address is:

Facsimile:
(224) 30 45 54 22
(224) 30 41 17 17
6.03. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

Telex: Facsimile:

248423 (MCI) (1) 202-477-6391
AGREED as of the Signature Date.

REPUBLIC OF GUINEA

By:

[Signature]

Authorized Representative

Name: Mamadi CAMARA

Title: Ministre des Finances

Date: 11/08/2018

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:

[Signature]

Authorized Representative

Name: [Redacted]

Title: Country Manager

Date: 11/08/2018
SCHEDULE 1

Project Description

The objectives of the Project are: (i) to increase electricity supply to the Eastern part of Guinea; (ii) to enable electricity trade between Guinea and Mali; and (iii) to increase Guinea’s electricity export capability towards other West African Power Pool countries.

The Project consists of the following parts:

Part 1: Power Transmission Infrastructure

Part 1.A: Construction of the Transmission Interconnector

Construction of the transmission interconnector between Mali and Guinea, and entailing the provision of works, goods and non-consulting and consulting services required for:

1. the construction by EDG of about 588 km of a 714 km long 225 kV double circuit transmission line from N’Zérékoré in Guinea to the Guinea/Mali border and from there to Sanankoroba in Mali, including the installation of one earthwire and OPGW along said lines for control and communications;

2. the construction by EDG of five new substations in Guinea (Fomi, Beyla, Kankan, Kerouane and Siguiri), including the installation of SCADA/telecommunication equipment and compensation equipment;

3. the extension in the substation of N’Zérékoré (Guinea), with the construction of two new 225 kV bays by EDG, and including the installation of SCADA/telecommunication equipment and compensation equipment; and

4. the extension in the substation of Sanankoroba (Mali), with the construction of two new 225 kV bays by EDM, and including the installation of SCADA/telecommunication equipment and compensation equipment.


Implementation by each Participating Country of its respective Environmental and Social Management Plan and Resettlement Action Plan, and encompassing advisory technical assistance as required therefor.
Part 2: Implementation Support and Capacity Building


Strengthening of the EDG’s implementation capabilities to carry out the Project, including for all technical aspects of Project execution, procurement, financial management, safeguards compliance, and other coordination and fiduciary aspects of Project execution, through the recruitment of an Owner’s Engineer, the provision of consulting services and the financing of the Operating Costs of the PIU.

Part 2.B: Capacity Building

Carrying out of a capacity building program to reinforce EDG, entailing the provision of technical advisory engineering services and training of its staff, equipment and tools to strengthen EDG’s capacity to operate and maintain the interconnected grid, and support to commercialize the excess capacity of the fiber optic associated with the interconnection line.

Part 2.C: Trade Facilitation

Carrying out of specialized studies and analytical work to strengthen the Recipient’s institutional and regulatory framework to facilitate the trade of electricity between the Participating Countries.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Responsibilities

1. The Ministry of Energy and Hydraulics

The Recipient, through the Ministry of Energy and Hydraulics, shall be responsible for overseeing the overall implementation of the Project and for causing Parts 1.A.1, 1.A.2, 1.A.3, 1.B and 2 of the Project to be carried out by EDG in a timely manner and with the adequate staffing and resources.

2. Joint Implementation Steering Committee (JISC)

The Recipient shall take all action required on its behalf, and cooperate with Mali, to maintain thorough Project implementation, the Joint Implementation Steering Committee under terms of reference and with members at all times satisfactory to the Association. The JISC shall be responsible in general for providing guidance and coordinating the implementation of the Project during the construction phase, from procurement activities to the supervision of works and management of the Project resources, as well as to ensure the smooth commissioning and handing over of the resulting facilities to EDG for their operation and maintenance, and in particular: (i) guiding and coordinating the Project stakeholders in carrying out the studies and works related to the construction of the interconnection line and related substations; (ii) supervising and coordinating the activities of the PIU and the project implementation unit in Mali and resolving and clarifying any issues between them; and (iii) preparing the transition to the operation phase of the Project. To that end, the JISC members shall include the Recipient’s National Director for Energy or his/her representative, the Managing Director for the ACGPMP, the National Director for Public Investments or his/her representative, the Managing Director of the *Bureau Guinéen d’Études et d’Évaluation Environnementale* or his/her representative, and the General Administrator of EDG or his/her representative, five (5) representatives from Mali, one (1) representative from the WAPP, and one representative from the Owner’s Engineer, meeting quarterly in a venue alternating between the territories of the Recipient and Mali.

B. Subsidiary Financing Agreement

1. To facilitate the carrying out of the Parts 1.A.1, 1.A.2, 1.A.3, 1.B and 2 of the Project, the Recipient shall make the proceeds of the Financing allocated from time to time to Category (1) of the table set forth in Section III.A of this Schedule.
available to the EDG under a Subsidiary Financing Agreement to be concluded between the Recipient and EDG, under terms and conditions approved by the Association, including the following conditions for the Subsidiary Financing:

(a) it shall be denominated in Dollars;

(b) it shall be the equivalent in Dollars (determined as of the date or respective dates of withdrawal from the Financing Account) of the value of the currency or currencies withdrawn from the Financing Account or paid out of the Designated Account for the Project on account of the cost of works, goods, services, training and Operating Costs and to be financed under the Subsidiary Financing out of the proceeds of the Financing allocated from time to time to Category (1);

(c) it shall be charged: (i) the maximum commitment charge payable by the Recipient on the unwithdrawn Financing balance pursuant to the provisions of Section 2.03 of this Agreement; and (ii) a service charge on the withdrawn Credit balance at the rate applicable from time to time to the Credit pursuant to the provisions of Section 2.04 of this Agreement; and

(d) a portion of it corresponding to the amount of the Credit shall be repaid to the Recipient in accordance with an amortization schedule, as set forth in the Subsidiary Financing Agreement, not exceeding the maturity of the Credit, inclusive of a grace period not exceeding six (6) years.

2. The Subsidiary Financing Agreement shall include provisions whereby the Recipient shall:

(a) require EDG: (i) to carry out Parts 1.A.1, 1.A.2, 1.A.3, 1.B and 2 the Project with due diligence and efficiency and in accordance with sound technical, economic, energy, financial, managerial, environmental, and social standards and practices satisfactory to the Association, including in accordance with the provisions of the ESMP and the RAP and pursuant to the Project Implementation Manual and the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; and (ii) to provide, promptly as needed, the resources required for the purpose;

(b) obtain rights and specify EDG’s obligations adequate to protect the interests of the Recipient and those of the Association, including:

(i) the right to suspend or terminate the right of EDG to use the proceeds of the Financing or to obtain a refund of all or any part of the amount of the Credit then withdrawn, upon EDG’s failure
to perform any of its obligations under the Subsidiary Financing Agreement;

(ii) EDG’s obligation to maintain policies and procedures adequate to enable it to monitor and evaluate, in accordance with the Monitoring and Evaluation Indicators, the progress of the Project and the achievement of its objectives;

(iii) EDG’s obligation: (A) to maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (B) at the Association’s or the Recipient’s request, to have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;

(iv) EDG’s obligation to enable the Recipient and the Association to inspect the Project, its operation and any relevant records and documents; and

(v) EDG’s obligation to prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

3. The Recipient shall exercise its rights and carry out its obligations under the Subsidiary Financing Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Financing Agreement or any of its provisions. Notwithstanding the foregoing, if any of the provisions of the Subsidiary Financing Agreement is inconsistent with the provisions of this Agreement or the Project Implementation Manual, as the case may be, the provisions of this Agreement or the Project Implementation Manual shall prevail and govern.

C. Safeguards

1. The Recipient shall take all action required on its behalf to ensure that the Project is implemented in accordance with the provisions of the Environmental and Social Management Plan (ESMP) and the Resettlement Action Plan (RAP), all in a manner satisfactory to the Association.
2. Without limitation upon the provisions of the precedent paragraph 1, the Recipient shall verify and ensure, through its own staff and/or existing environmental/social institutions, that no works are commenced under the Project until and unless all Project Affected Persons have been properly compensated in accordance with the provisions and procedures set forth in the RAP, including an up-to-date census which adequately identifies all such Project Affected Persons, and in compliance with the requirements of appropriate national and/or local authorities.

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall cause EDG to collect, compile and furnish to the Association on a quarterly basis, or promptly whenever the circumstances warrant, reports on the status of compliance with the Environmental and Social Management Plan (ESMP) and the Resettlement Action Plan (RAP), giving details of:
   (a) measures taken in furtherance of the ESMP and the RAP;
   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the ESMP and the RAP; and
   (c) remedial measures taken or required to be taken to address such conditions.

4. The Recipient shall promptly take all remedial measures referred to in paragraph 3 of this Section C as shall have been agreed by the Association.

D. Annual Work Plan and Budget (AWP&B)

The Recipient shall assist the PIU as required:

   (a) to prepare a draft AWP&B for each Fiscal Year, setting forth, inter alia: (i) a detailed description of planned Project activities for the following Fiscal Year; (ii) the sources and uses of funds therefor; and (iii) responsibility for execution of said Project activities, budgets, start and completion date, outputs, and monitoring indicators to track progress of each activity;

   (b) on or about November 30 of each Fiscal Year and after considering the comments provided by the Joint Implementation Steering Committee, to furnish to the Association for its comments and approval, the draft AWP&B and, promptly thereafter, finalize the AWP&B taking into account the Association’s views and recommendations thereon; and

   (c) to adopt and sign the final version of the AWP&B in the form approved by the Association not later than December 31 of such Fiscal Year.
Section II. **Project Monitoring, Reporting and Evaluation**

A. **Project Reports**

The Recipient shall cause EDG to furnish to the Association each Project Report for the Project not later than forty-five (45) days after the end of each calendar quarter, covering the calendar quarter.

Section III. **Withdrawal of the Proceeds of the Financing**

A. **General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures, in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in SDR)</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works, goods, non-consulting services, consulting services, training, and Operating Costs under Parts 1.A.1, 1.A.2, 1.A.3, 1.B and 2 of the Project</td>
<td>26,100,000</td>
<td>26,100,000</td>
<td>50%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>26,100,000</td>
<td>26,100,000</td>
<td></td>
</tr>
</tbody>
</table>

B. **Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date.

2. The Closing Date is June 30, 2024.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each March 15 and September 15, commencing on September 15, 2024, to and including March 15, 2056</td>
<td>1.5625%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03(b) of the General Conditions.
APPENDIX

Definitions

1. “ACGPMP” means the Recipient’s Administration et Contrôle des Grands Projets et des Marchés Publics attached to the Recipient’s Présidence.

2. “Annual Work Plan and Budget” and “AWP&B” means, each, the annual work plan and budget to be prepared on an annual basis by EDG for the Project.

3. “AfDB Co-financing” means an amount equivalent to forty million Dollars ($40,000,000) to be provided by the African Development Bank to assist in financing part of the cost of Parts 1.A.1, 1.A.2 and 2 of the Project.

4. “AfDB Co-financing Agreement” means the agreement entered or to be entered into between the Recipient and the AfDB providing for the AfDB Co-financing.

5. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, 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 and as of July 1, 2016.


7. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

8. “Co-financier” means individually each and any of AfDB, EIB, EIBD, EU and IsDB.

9. “Co-financing” means, for purposes of paragraph 14 of the Appendix to the General Conditions, individually each and any of the AfDB Co-financing, the EBID Co-financing (as hereinafter defined), the EU Co-financing (as hereinafter defined), the EIB Co-financing (as hereinafter defined), and the IsDB Co-financing (as hereinafter defined), and collectively and indistinctively any of them.

10. “EBID Co-financing” means an amount equivalent to forty-four million Dollars ($44,000,000) to be provided by the EBID to assist in financing part of the cost of Part 1.A.1 of the Project.

11. “EBID Co-financing Agreement” means the agreement entered or to be entered into between the Recipient and EBID providing for the EBID Co-financing.
12. "EIB Co-financing" means an amount equivalent to forty-seven million Dollars ($47,000,000) to be provided by the EIB to assist in financing part of the cost of Part 1.A.1 of the Project;

13. "EIB Co-financing Agreement" means the agreement entered or to be entered into between the Recipient and EIB providing for the EIB Co-financing.

14. "EU Co-financing" means an amount equivalent to twelve million Dollars ($12,000,000) to be provided by the European Union to assist in financing part of the cost of Part 2.A of the Project.

15. "EU Co-financing Agreement" means the agreement entered or to be entered into between the Recipient and the EU providing for the EU Co-financing.

16. "Designated Account" means an account into which the Association may, at the Recipient's request, deposit amounts withdrawn from the Financing Account for the purpose of paying for Eligible Expenditures as they are incurred.

17. "Electricité de Guinée" and "EDG" means, each, the national power utility of the Recipient, established in 2001 pursuant to the Recipient's Decree D/2001/098/PRG of Guinea, or any successor thereto, and the Project Implementing Entity hereunder.

18. "Energie du Mali S.A." and "EDM" means, each, the Malian company responsible for the production, transmission and distribution of energy in the country, within its concession, as well as the distribution of water created and established by Mali in 1960 pursuant to the Order (Ordonnance) No. 26/PGP dated October 14, 1960, or any successor thereto.

19. "Environmental and Social Impact Assessment" or "ESIA" means, each, the report prepared, consulted upon and disclosed in-country and in the Association's website on May 11, 2018, acceptable to the Association, identifying and assessing the potential environmental and social impacts of the activities to be undertaken under the Project, evaluating the alternatives therefor, and designing appropriate mitigation, management, and monitoring measures.

20. "Environmental and Social Management Plan" or "ESMP" means, each, the site-specific environmental and social management plan prepared by the Recipient and disclosed in-country and in the Association's website on May 11, 2018, acceptable to the Association, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the activities under the Project to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.
21. "Fiscal Year" means the twelve (12) month period corresponding to any of the Recipient's or EDG's fiscal years, which period commences on January 1 and ends on December 31 in each calendar year.


23. "IsDB Co-financing" means an amount equivalent to eighty-seven million Dollars ($87,000,000) to be provided by the IsDB to assist in financing part of the cost of Part 1.A.1 and 1.A.2 of the Project.

24. "IsDB Co-financing Agreement" means the agreement entered or to be entered into between the Recipient and IsDB providing for the IsDB Co-financing.

25. "Joint Implementation Steering Committee" and "JISC" means, each, the bi-national committee referred to in paragraph 2 of Section 1.A of Schedule 2 to this Agreement and established in Guinea by the Decision (Arrete) No. 2017/4093/MEH/CAB dated September 6, 2017, issued by the Recipient's Minister of Energy and Hydraulics.

26. "kV" means kilovolt, a unit of electromotive force equal to 1000 volts (as hereinafter defined).

27. "Managing Director for the ACGPMP" means the head of the ACGPMP.

28. "MW" means megawatt, a unit of power equal to one million watts (as hereinafter defined).

29. "Ministry of Energy and Hydraulics" means the Recipient's ministry responsible for energy and hydraulics.

30. "Monitoring and Evaluation Indicators" means the agreed monitoring and evaluation indicators set forth in the Project Implementation Manual (as hereinafter defined) to be utilized by EDG to measure the progress in the implementation of the Project and the degree to which the objectives thereof are being achieved.


32. "National Director for Public Investments" means the Director in charge of Development within the Ministry of Planning and International Cooperation.

33. "Operating Costs" means the expenditures incurred by the EDG to finance the cost, during Project implementation, of the per diems of the PIU staff, the acquisition,
operation and maintenance of vehicles, office supplies, furniture and hardware/software, and the logistical expenses related to the organization of the Joint Implementation Steering Committee meetings.

34. “OPGW” means optical fiber composite overhead ground wire, a type of cable used in overhead power lines which combines the functions of grounding and communications, and consisting of a tubular structure with one or more optical fibers in it, surrounded by layers of steel and aluminum wire.

35. “Owner’s Engineer” means the consulting firm to be employed by the Recipient under the Project with the specific responsibility for coordinating and assisting the PIU (as hereinafter defined) and the project implementation unit in Mali with: (i) overall Project management and supervision of the procurement, design, construction and preparation for operation and maintenance of the complete investments under the Project, including the full transmission line, construction and upgrade of substations; (ii) supervision and monitoring of the implementation of the Environmental and Social Management Plan and the Resettlement Action Plan and the similar safeguards instruments of Mali.

36. “Participating Countries” means, collectively and indistinctively, the Participating Countries, being the Recipient and Mali, and “Participating Country” means individually each and any of the Participating Countries.


38. “Project Affected Person” means a person who as a result of: (i) the involuntary taking of land under the Project is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood.

39. “Project Coordinator” means the person designated to fill the position created within the EDM pursuant to the Decision (Arrêté) No. 3974/MEH/566/2017 dated September 4, 2017, issued by the Recipient’s Minister of Energy and Hydraulics and reporting directly to EDM’s General Administrator.

40. “Project Implementing Entity” means EDG.

41. “Project Implementation Unit” and “PIU” means, each, the Project Implementation Unit referred to in paragraph 1 of Section I.A of the Schedule to Project Agreement created within the EDG pursuant to EDM pursuant to the

42. “Project Implementation Manual” or “PIM” means, each, the manual to be adopted by EDG for the purposes of defining the detailed implementation arrangements for the Project, and including: (i) the operational manual describing the Project activities and implementation arrangements; (ii) the procurement manual; (iii) the financial management manual; (iv) the monitoring and evaluation manual; and (v) the grievance handling mechanism manual, as the same may be amended from time to time with the agreement of the Association.

43. “Resettlement” means: (i) the involuntary (i.e., an action that may be taken without a person’s informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected persons, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.

44. “Resettlement Action Plan” or “RAP” means the resettlement and rehabilitation action plan prepared by the Recipient and disclosed in-country and in the Association’s website on May 11, 2018, acceptable to the Association, and developed by the Recipient for the Project Affected Persons located permanently or temporarily in a Project area which involves Resettlement, and covering the following: (i) a baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of Resettlement sites and programs for improvement or restoration of livelihoods and standards of living; an implementation schedule for Resettlement activities; and detailed cost estimate; (ii) measures designed to ensure that the Project Affected Persons: (A) are informed about their options and rights pertaining to Resettlement, consulted on, offered choices among, and provided with technically and economically feasible Resettlement alternatives; and (B) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (iii) if the impacts include physical relocation, that the displaced persons are: (A) provided assistance (such as moving allowances) during relocation; (B) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; and (C) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and
standards of living; (iv) affordable and accessible grievance procedures, taking into account the availability of judicial recourse and community and traditional dispute settlement mechanisms; and (v) provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training, or job opportunities.

45. "SCADA" means Supervisory Control and Data Acquisition system, an industrial computer system that monitors and controls the process of substations, transformers and other electrical assets.

46. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.

47. "Subsidiary Financing" means a credit and grant made or proposed to be made by the Recipient out of the proceeds of the Financing to EDG for the purposes of carrying out the Project.

48. "Subsidiary Financing Agreement" means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Financing available to EDG for the purposes of carrying out of the Project.

49. "volt" means the unit of electric potential or electromotive force, consisting of the difference in electric potential between two points of a conducting wire when an electric current of one ampere dissipates one watt of power between those points.

50. "watt" means the unit of power defined as a derived unit of 1 joule per second, and used to quantify the rate of energy transfer.