

Public Disclosure Authorized

OFFICIAL DOCUMENTS

CREDIT NUMBER 5870-CI

Financing Agreement

(Transport Sector Modernization and Corridor Trade Facilitation Project)

between

REPUBLIC OF COTE D'IVOIRE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 14 SEPT 2016, 2016

CREDIT NUMBER 5870-CI

FINANCING AGREEMENT

AGREEMENT dated 14 SEPT 2016, 2016, entered into between the REPUBLIC OF COTE D'IVOIRE ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS the Project financed by this Agreement is designed to provide technical and financial assistance to enable the effective implementation by the Recipient of transport and customs-related reforms and modernization measures identified in connection with the financing agreements for the Regional Trade Facilitation and Competitiveness Development Policy Credits entered into by the World Bank with each of the Recipient and Burkina Faso, on July 8, 2015.

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral 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 Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount of twenty-six million four hundred thousand Euro (EUR 26,400,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment; and (b) three-fourths of one percent (3/4 of 1%) per annum.

- 2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to the greater of: (a) the sum of one and a quarter percent (1.25%) per annum plus the Basis Adjustment; and (b) zero percent (0%) per annum.
- 2.06. The Payment Dates are May 15 and November 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project, and cause the following components of the Project to be carried out through the respective Implementing Agencies as follows and in accordance with the provisions of Article IV of the General Conditions:
 - (a) Part 1 through the TDMT
 - (b) Part 2 through the FDTR
 - (c) Part 3 through Ivoirian Customs
 - (d) Part 4 through the OSER
 - (e) Part 5 through the PCU
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 4.02. For purposes of Section 8.05(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 date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is its Minister under the Prime Minister in charge of the Ministry of Economy and Finance, or his or her successor.

5.02. The Recipient's Address is:

Ministry of Economy & Finance
BP V 163
Abidjan
Côte d'Ivoire

Cable:	Facsimile:
MINFIN	225-20-30-25-25
Abidjan	225-20-30-25-28

5.03. The Association's Address is:

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

Cable:	Facsimile:
INDEVAS	1-202-477-6391
Washington, D.C.	

AGREED at *Abidjan, Côte d'Ivoire*, as of the day and year first above written.

REPUBLIC OF COTE D'IVOIRE



Authorized Representative

Name: Adama Kone

Title: Ministre auprès du Premier Ministre chargé de l'Économie et des Finances

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Pierre Laporte

Title: Country Director

SCHEDULE 1

Project Description

The objective of the Project is to improve the efficiency and safety of transport services on the Ivoirian section of the Abidjan, Ivory Coast – Ouagadougou, Burkina Faso road transport corridor (“Corridor”).

The Project consists of the following parts:

PART 1: Institutional strengthening and capacity building support for public and private sector participants in the transport sector

Strengthening the capacity of the Recipient and of professional associations in the transport sector to effectively provide efficient support and services to private operators and promoting the professionalization of the road transport services industry, including:

- (a) strengthening of the institutional capacity of the TDMT and other agencies (such as the Traffic Fluidity Observatory (*Observatoire de la Fluidité des Transports*) and Road Racket Fighting Unit (*Unité de Lutte Contre le Racket*);
- (b) capacity building for professional transport sector associations and support to transport operators;
- (c) establishment of a modern market-based freight allocation mechanism;
- (d) supporting communication and coordination activities to facilitate trade on the Ivoirian section of the Corridor; and
- (e) supporting regional dialogue with Burkina Faso on transport and transit facilitation issues on the Corridor.

PART 2: Development of a Heavy Cargo Truck renewal scheme

Supporting the development of a self-sustaining, Heavy Cargo Truck renewal scheme and institutional strengthening of the FDTR to ensure it has adequate institutional and management capacity to administer and manage the truck renewal scheme on behalf of the Recipient, including:

- (a) supporting the design of institutional and implementation arrangements among the commercial banks, FDTR, PCU and the commercial operators applying for truck renewal;

- (b) supporting the selection of a contractor through competitive bidding for Truck Scrapping under the truck renewal scheme; and
- (c) supporting capacity building and technical assistance for the FDTR to more effectively manage the truck renewal scheme on behalf of the Recipient.

PART 3: Support to customs modernization and trade facilitation on the Ivoirian section of the Corridor

Improving the efficiency of trade and transit procedures on the Ivoirian section of the Corridor, including:

- (a) supporting the interconnection of the existing customs' management system on the Corridor and implementation of new ICT systems to facilitate regional trade by aligning customs procedures;
- (b) modernization of customs' clearance procedures and promotion of coordination between customs departments, to reduce congestion at a gateway port (Abidjan) and border posts on the Corridor and capacity building for customs officials;
- (c) training and capacity building to customs and external users of the Ivoirian Customs management system; and
- (d) supporting communication and sensitization campaigns for operators operating on the Ivoirian section of the Corridor.

PART 4: Road safety on the Ivoirian section of the Corridor

Improving the safety of providing transport services on the Ivoirian section of the Corridor and institutional strengthening and capacity building of the Recipient's road safety agency, the OSER, including:

- (a) capacity building for the OSER and monitoring of road safety on the Corridor;
- (b) sensitization and road safety campaigns on the Ivoirian section of the Corridor;
- (c) identification and mapping of accident black spots on the Ivoirian section of the Corridor; and
- (d) training equipment and other materials for OSER's national training center.

PART 5: Project management, monitoring, and evaluation

Support the Recipient in critical project management, monitoring, and evaluation functions, including:

- (a) providing operating costs for the Project's expansion of the already established and functioning Emergency Infrastructure Renewal Project ("EIRP") Project Coordination Unit ("PCU");
- (b) undertaking Project management, financial and technical audits;
- (c) monitoring, reporting and evaluation of Project activities;
- (d) supporting citizen engagement along the Corridor;
- (e) undertaking studies and technical assistance to facilitate Project implementation and experience sharing; and
- (f) supporting HIV/AIDS prevention campaigns, including monitoring of HIV/AIDS along the Ivoirian section of the Corridor.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Steering Committee (PSC)

- (a) The Recipient shall establish and maintain, throughout Project implementation, a Project Steering Committee with terms of reference, composition and resources, satisfactory to the Association.
- (b) The Project Steering Committee, chaired by the Minister of Transport or his representative, shall ensure strategic direction, overall supervision of the Project, and adequate coordination with line Ministries and alignment with sector strategies. The PSC shall meet on a quarterly basis, or as otherwise agreed with the Association, to review progress in the implementation of the Project and ensure strategic oversight of the Project.
- (c) The Recipient shall designate the Directorate of Inspection in the Office of the Prime Minister (*Inspection Générale des Finances (IGF)*) to be responsible for the internal audit of the Project, pursuant to modalities described in more details in the Project Implementation Manual.

2. The Project Technical Committee (PTC)

- (a) The Recipient shall establish and maintain, throughout Project implementation, a Project Technical Committee with terms of reference, composition and resources, satisfactory to the Association.
- (b) The Project Technical Committee, chaired by the Project coordinator from the PCU, shall be responsible for the technical oversight and implementation of all Project components, subcomponents, and activities to ensure that the Project meets all of its objectives. The PTC shall include the coordinator of the PCU and designated focal points from the designated implementation agencies (TDMT, FDTR, OSER, and Ivoirian Customs).

3. Project Coordination Unit (PCU)

- (a) The Recipient shall maintain, throughout Project implementation, within the Ministry of Economic Infrastructure, in support of the Ministry of Transport, a Project Coordination Unit with terms of reference, composition and resources, satisfactory to the Association.
- (b) The PCU shall be responsible for: (i) the overall fiduciary aspects of the Project; (ii) monitoring and evaluation and sensitization activities of the Project; (iii) technical and financial audits of Project activities, as specified in the Project Implementation Manual; (iv) undertaking procurement for the Project; and (v) providing necessary guidance to the Implementing Agencies. The Recipient shall ensure that, throughout the implementation of the Project, the PCU has sufficient resources available, including staff sufficient in number, with terms of reference, qualifications and experience satisfactory to the Association including, *inter alia*: (i) a Project coordinator; (ii) a deputy Project coordinator; (iii) a procurement specialist (subject to the provisions of Section V.A.1 below); and (iv) an accountant.

4. Implementing Agencies

- (a) Under the coordination of the PCU, throughout Project implementation, each Implementing Agency shall be responsible for the preparation and technical implementation of its respective activities and shall report to the PCU. The Recipient shall ensure that, throughout Project implementation, each Implementing Agency maintains a level of institutional resources and capacity sufficient and considered satisfactory by the Association to efficiently prepare and implement its respective activities under the Project.

B. Project Implementation Manual

- (a) The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Project Implementation Manual and, unless the Recipient and the Association otherwise agree in writing, shall not amend or waive any provision of the Project Implementation Manual in a manner which, in the opinion of the Association, could have a material adverse impact on the implementation of the Project.
- (b) Any amendments to the Project Implementation Manual shall be made with the prior written approval of the Association. In case of any conflict between the provisions of the Project Implementation Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Annual Work Plan and Budget

- (a) The Recipient shall prepare and furnish to the Association, not later than December 31 of each year during implementation of the Project, a consolidated Annual Work Plan and Budget for the following year including a detailed timetable for the sequencing and implementation of Project activities, including the roles of respective parties in implementation, such as the PCU and other implementing entities, and the types of expenditures required for such activities, along with a proposed financing plan for such expenditures.
- (b) The Recipient shall exchange views with the Association on each such proposed Annual Work Plan and Budget, and thereafter carry out the program of activities for that year as shall have been agreed between the Recipient and the Association.
- (c) The Recipient shall not amend the Annual Work Plan and Budget without the Association's prior written approval.

D. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

E. Safeguards

- 1. The Recipient shall, in relation to Part 2 of the Project, include the ESIA Terms of Reference in the bidding documents for the competitive bidding process to select a suitably qualified operator to manage the Truck Scrapping. The Recipient shall also specify in such bidding documents that: (i) such operator shall prepare a draft ESIA and ESMP for the planned facility(ies) where the Truck Scrapping will occur; (ii) the Truck Scrapping shall not commence until the ESIA and ESMP have been reviewed and approved by the Association; and (iii) the Truck Scrapping shall be undertaken in accordance with the ESIA and ESMP.
- 2. Prior to the commencement of the Truck Scrapping, the Recipient shall: (i) prepare and furnish to the Association an ESIA and ESMP for its review; and (ii) adopt and publicly disclose the ESIA and ESMP approved by the Association. During the Truck Scrapping, the Recipient shall: (i) implement all measures required pursuant to the ESIA and ESMP; and (ii) ensure that the implementation of the Truck Scrapping is in accordance with the ESIA and ESMP.
- 3. In addition to the ESIA, the Recipient shall ensure that: (a) an Environmental Audit is conducted on an annual basis, or as otherwise agreed with the Association, to make sure the ESMP is properly and thoroughly implemented and any adverse

impacts identified during the ESIA preparation and during the Truck Scrapping are mitigated in a proper and efficient manner satisfactory to the Association; (b) each Environmental Audit report prepared during the Project implementation is shared with the Association for its review; (c) each Environmental Audit report satisfactory to the Association is adopted and publicly disclosed by the Recipient; and (d) all measures required pursuant to said Environmental Audit are fully and properly implemented.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report. Each Project Report shall contain reporting on the implementation of any social or environmental safeguards measures.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Non-consulting Services.** All goods and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association 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.

B. Particular Methods of Procurement of Goods and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. **Other Methods of Procurement of Goods and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding subject to the following additional provisions: the Recipient shall use the Association's standard bidding documents or other bidding documents which shall have been found acceptable to the Association prior to their use; (b) Shopping; (c) Selection of UNCTAD; and (d) Direct Contracting, subject to the Association's prior written approval.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least-Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms, subject to the Association's prior written approval; (f) procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants, subject to the Association's prior written approval.

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall 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 Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in Euro)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, non-consulting services, and consultants' services (including audits), Training, Operating Costs for Parts 1, 2(b), 2(c), 3, 4 and 5 of the Project	13,200,000	100%
(2) Goods, non-consulting services, and consultants' services (including audits), Training, Operating Costs for 50% of Part 2(a) of the Project	13,200,000	100%
TOTAL AMOUNT	26,400,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals of up to an aggregate amount not to exceed EUR 900,000 may be made for payments made prior to such date but on or after May 23, 2016.
2. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made under Category (2) of the Financing for Part 2(a) of the Project, unless and until the Recipient has adopted an implementation manual defining all the modalities of the truck renewal scheme to be implemented under the Project. Such manual shall specify all the details of the truck renewal scheme, such as: (a) criteria for selecting a truck operator for consideration under the truck renewal scheme; (b) specifications of the typology of trucks that are eligible for the truck renewal scheme; (c) criteria to ensure that the trucks selected for the truck renewal scheme ply primarily on the Corridor; (d) criteria to ensure that the trucks that are selected for the truck renewal scheme meet new vehicle registration standards, including in terms of technical inspections, insurance requirements and license plates; (e) technical specifications needed for the valuation of trucks proposed to be scrapped; and (f) guidelines for carrying out of truck renewal lines of credit, including the eligibility criteria and detailed procedures for the management, selection, approval and implementation of such lines of credit.
3. The Closing Date is June 30, 2021.

Section V. Other Undertakings

A. Staff

1. No later than three (3) months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, the Recipient shall have recruited for the PCU a Project coordinator, a deputy Project coordinator, an accountant and a procurement specialist for the Project, with terms of reference, qualifications and experience satisfactory to the Association.
2. No later than three (3) months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, the Recipient shall update the Project Implementation Manual to include specific arrangements related to Part 2 of the Project, satisfactory to the Association.
3. No later than six (6) months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, the Recipient shall have recruited an external auditor for the Project, for the purpose of completing the audit referred to in Section II.B.3 of this Schedule, with terms of reference, qualifications and experience satisfactory to the Association.

B. Mid-Term Review

No later than eighteen (18) months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association in writing, the Recipient and the Association shall carry out a mid-term review of the Project, covering the progress achieved in the implementation of the Project. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association three (3) months prior to the beginning of such mid-term review of the Project, or on such other date agreed upon with the Association in writing, a report integrating the results of the monitoring and evaluation activities performed pursuant to this Agreement, on the progress achieved in the carrying out of the Project during the period preceding the date of such report, and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives of the Project during the period following such date.

C. Counterpart Funding

Without limitation upon the provisions of Section 4.03 of the General Conditions, the Recipient has agreed to contribute an amount of EUR 13,200,000 as a Government contribution to support 50% of the activities under Part 2(a) of the Project ("Counterpart Funds"). These Counterpart Funds shall be included in the annual work plans and budgets for the Project and shall be made available to the Project in installments of EUR 3,200,000 for 2017, EUR 5,000,000 for 2018 and EUR 5,000,000 for 2019, or such other timing as the Association may approve.

SCHEDULE 3
Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each May 15 and November 15, commencing November 15, 2021 to and including May 15, 2041	1.5625%

* 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 C

onditions.

APPENDIX

Section I. Definitions

1. “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.
2. “Basis Adjustment” means the Association’s standard basis adjustment for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
5. “Corridor” means the road transport corridor running from Abidjan, Ivory Coast to Ouagadougou, Burkina Faso.
6. “Emergency Infrastructure Renewal Project” or “EIRP” means the Emergency Infrastructure Renewal Project under a Financing Agreement entered into between the Recipient and the Association, dated July 16, 2012, (Grant No. H790-CI).
7. “Environmental Audit” means a study that aims to ensure there are no residual adverse impacts after the implementation of the ESMP that might cause a concern to environment components or communities.
8. “ESIA” means an environmental and social impact assessment to be completed as set forth in Section I.E.2 for the Truck Scrapping, for which the environmental and social adverse impacts are expected to be moderate, site-specific and easily manageable.
9. “ESIA Terms of Reference” mean the terms of reference to be included in bidding documents for the Truck Scrapping, disclosed in country and at the World Bank’s *Infoshop* on May 2, 2016.
10. “ESMP” means an environmental and social management plan to be completed for the Truck Scrapping as part of the ESIA and consisting of mitigations measures to avoid, reduce or compensate environmental and social adverse impacts.

11. “FDTR” means the Road Transport Development Fund (*Fonds de Développement des Transports Routiers*).
12. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
13. “Heavy Cargo Truck” means a truck whose gross weight is at least twenty tons.
14. “Implementing Agency” means an entity or agency of the Recipient that is a direct beneficiary of an activity implemented under the Project including: the TDMT, the FDTR, the Ivoirian Customs, and the OSER.
15. “Ivoirian Customs” means the Directorate General of Customs Services (*Direction Générale des Douanes*).
16. “Operating Costs” means the reasonable cost of the following expenditures required for the Project: office supplies, vehicle, office equipment and office operation and maintenance, communication and insurance costs, banking charges, rental expenses, utilities, transport, accommodation and per diem for Project supervision carried out by Project staff, and salaries of Project contractual staff (but excluding the salaries of officials of the Recipient’s civil service).
17. “OSER” means the Road Safety Agency (*Office de la Sécurité Routière*).
18. “Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
19. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 26, 2016, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
20. “Project Coordination Unit” or “PCU” means the unit within the Ministry of Economic Infrastructure, as described in Section I.A.3 of Schedule 2 of this Agreement.
21. “Project Implementation Manual” means the manual, including any schedules thereto, adopted by the Recipient, outlining implementation, organizational, administrative, monitoring and evaluation, financial management, disbursement, procurement and accounting procedures, as shall have been agreed with the Association for purposes of Project implementation, as the same may be amended from time to time with the prior written consent of the Association.

22. "Project Steering Committee" or "PSC" means the committee established by the Recipient referred to in Section I.A.1 of Schedule 2 of this Agreement.
23. "Project Technical Committee" or "PTC" means the committee established by the Recipient referred to in Section I.A.2 of Schedule 2 of this Agreement.
24. "TDMT" means the Directorate General of Transport and Traffic Management at the Ministry of Transport (*Direction Générale des Transports et de la Circulation*).
25. "Training" means the reasonable costs associated with training and workshop participation under the Project, consisting of travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to course or workshop preparation and implementation.
26. "Truck Scrapping" means the truck scrapping activity of rundown, unsafe trucks, including for salvage and renewal, to be undertaken as part of the truck renewal scheme of Part 2 of the Project.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.02 is modified to read as follows:

"Section 3.02. Service Charge and Interest Charge

 - (a) *Service Charge.* The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.
 - (b) *Interest Charge.* The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months."
2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of “Interest Charge”, and renumbering the subsequent paragraphs accordingly:

“32. “Interest Charge” means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b).”

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix (“Payment Date”) is modified by inserting the words “Interest Charges” between the words “Service Charges” and “Commitment Charges”.

5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix (“Service Charge”) is modified by replacing the reference to Section 3.02 with Section 3.02 (a).