Financing Agreement
(Amended and Restated Financing Agreement)

(Roads and Bridges Management and Maintenance Project – Phase II)

between

REPUBLIC OF MOZAMBIQUE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated February 24, 2014
FINANCING AGREEMENT

AGREEMENT dated February 24, 2014, entered into between the REPUBLIC OF MOZAMBIQUE ("Recipient") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS (A) under an agreement, dated July 9, 2007, between the Recipient and the Association ("Original Financing Agreement"), the Association agreed to provide the Recipient with a credit ("Original Credit") in an amount equivalent to sixty six million, one hundred thousand Special Drawing Rights (SDR 66,100,000) to assist in the financing of the Roads and Bridges Management and Maintenance Project, as described in Schedule 2 to the Financing Agreement ("Original Project");

WHEREAS (B) under an agreement, dated June 28, 2011, between the Recipient and the Association ("Amending and Restating Financing Agreement"), the Association agreed to provide the Recipient with a credit ("Additional Financing I") in an amount equivalent to twenty-six million three hundred thousand Special Drawing Rights (SDR 26,300,000) to assist in the financing of the Roads and Bridges Management and Maintenance Project, as described in Schedule 2 to the Financing Agreement ("Original Project"); and

(C ) for the purpose of providing additional financing for activities related to the Original Project, as fully described and restated in Schedule 1 to this Agreement ("Project"), the Recipient has requested a second additional Financing ("Additional Financing II");

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) 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 grant and a credit (collectively, “Financing”) in the following amounts to assist in financing the project described in Schedule 1 to this Agreement (“Project”):

(a) an amount equivalent to twenty three million seven hundred thousand Special Drawing Rights (SDR 23,700,000) (“Grant”); and

(b) an amount equivalent to ninety four million two hundred twenty two thousand eight hundred ninety four Special Drawing Rights (SDR 94,222,894) (“Credit”) which consists of: (i) the Original Credit in an amount equivalent to sixty five million, eight hundred twenty two thousand eight hundred and ninety four Special Drawing Rights (SDR 65,822,894); (ii) the Additional Financing I in an amount equivalent to twenty-six million three hundred thousand Special Drawing Rights (SDR 26,300,000); and (iii) the Additional Financing II in an amount equivalent to two million one hundred thousand Special Drawing Rights (SDR 2,100,000).

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 Balances 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 Balances shall be equal to three-fourths of one percent (3/4 of 1%).

2.05. The Payment Dates are April 15 and October 15 in each year.

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

2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions and the Amended and Restated Project Agreement.
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 — REMEDIES OF THE ASSOCIATION**

4.01. The Additional Event of Suspension consists of the following, namely that the Project Implementing Entity's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Amended and Restated Project Agreement.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

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

(a) The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.

(b) The Project Implementation Manual shall have been updated and adopted by the Recipient in a manner satisfactory to the Association.

5.02. The Additional Legal Matter consists of the following, namely that the Subsidiary Agreement has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.

5.03. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

5.04. 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 VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its minister at the time responsible for planning and development.

6.02. The Recipient’s Address is:

Ministry of Planning and Development
Av. Ahmed S. Toure, 21, 4th floor
Maputo,
Republic of Mozambique

Cable: MOBANCO  Telex: (258) 21 492-268  Facsimile: (258) 21 492-625
Maputo

6.03. The Association’s Address is:

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

Cable address: INDEVAS  Telex: 248423(MCI)  Facsimile: 1-202-477-6391
Washington, D.C.
AGREED at Maputo, Republic of Mozambique, as of the day and year first above written.

REPUBLIC OF MOZAMBIQUE

By

[Signature]

Authorized Representative
Name: Aiuba Cuceseneia
Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative
Name: Mark R. Lundell
Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to assist the Recipient in: (a) improving the coverage and conditions of its roads and bridges; (b) strengthening its institutional capacity to manage and administer the road sector; (c) establishing financing mechanisms for road maintenance; (d) promoting the use of local resources in roads construction and management; and (e) improving its road transport safety.

The Project constitutes the second phase of the Program, and consists of the following parts:

Part A: Overhead Costs

(a) Administrative costs

Support to the Project Implementing Entity and ANE, at national and provincial levels, to strengthen their administrative capacity through the provision of goods, technical assistance and Operating Costs.

(b) Capacity building

Strengthening the technical capacity of the Project Implementing Entity, ANE, and the Recipient’s ministry of public works and housing through:

(i) the provision of technical assistance in the areas of: (A) financial management; (B) procurement and contract management; (C) control systems; (D) information technology; (E) road management and maintenance; and (F) training to national and provincial staff; and

(ii) the carrying out of studies on:

(A) national and provincial roads strategies, plans and budgets;

(B) financial, technical, and procurement audits, including methods to strengthen financial management and procedures for the processing of internal financial audits;

(C) highway information and management systems;

(D) climate resilience in road design and maintenance; and

(E) financial management systems.
(c) Additional Programs

Road Safety Program

(i) Carrying out of safety related civil works on the Recipient’s road network.

(ii) Development of a road safety data management system.

Part B: Maintenance of Road Network

Carrying out of civil works for the maintenance of the Recipient’s paved and unpaved road network, including routine and periodic maintenance, local repairs and road markings.

Part C: Investments

(a) National Road Rehabilitation and Upgrade Program

Rehabilitation of the Jardim-Benfica and Xai-Xai–Chissibuca sections of the Recipient’s N1 road, including widening, surfacing, shape correction, strengthening and upgrading of the existing pavement and repairs of minor drainage structures, geometric and structural improvements to enhance traffic capacity and safety for vehicles and pedestrians.

(b) Engineering Services

Provision of consultants’ services for: (i) the supervision of the civil works referred to in Part C(a) of the Project; (ii) the supervision of the civil works to rehabilitate the Recipient’s road that runs from Massinga to Nhachengu; and (iii) the design of engineering plans to ensure the Project’s sustainability.

Part D: Emergency related works in the Limpopo River Basin

(a) Immediate Emergency Works: Carrying out of small emergency works (spot interventions), including associated consulting services.

(b) Medium Term Restoration/Rehabilitation Works: Carrying out of works related to substantive medium and long term technical solutions to be prepared under Design and Build (DBT) methodology using an Output and Performance Based (OPRC) type of contract including associated consulting services and contingencies.
Part E: Pilot Program for Climate Resilient Rural Road Infrastructure

(a) Development of: (i) national technical design standards and specifications for climate resilient roads, including (i) the carrying out of a review of existing design standards and construction maintenance approaches to ensure these better address climatic risks; and (ii) development of technical standards and maintenance approaches for paved and unpaved classified road network to include capacity-building programs for local contractors and service providers.

(b) Piloting of climate resilient road designs, including the development and piloting of improved maintenance approaches to include capacity-building programs for local contractors and service providers.

Part F: Immediate Response Contingency Fund

Establishment of an immediate response mechanism to facilitate access to rapid financing for disaster response in the aftermath of a national disaster to be triggered through formal declaration by the Recipient of national or regional state of emergency.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association ("Subsidiary Agreement"), which shall include, inter alia, that the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to:

(i) suspend or terminate the right of the Project Implementing Entity to use the proceeds of the Subsidiary Financing, or declare to be immediately due and payable or obtain a refund of all or any part of the amount of the Subsidiary Financing then withdrawn, upon the Project Implementing Entity’s failure to perform any of its obligations under the Subsidiary Agreement; and

(ii) require the Project Implementing Entity to: (A) carry out the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of this Agreement, including the ESMF, RPF, relevant Safeguard Documents, the PIM, and the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) ensure that any goods and services to be financed out of the Subsidiary Financing are procured in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Project and the achievement of the objective of the Project; (E) (1) 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 the Project; and (2) have such financial statements audited annually 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, but in any event not later than six (6) months after the end of each Fiscal Year; (F) enable the Recipient and the Association to
inspect the Project, its operation and any relevant records and documents; (G) permit the Association to make the Subsidiary Agreement and all financial statements audited pursuant to subparagraph (E) above available to the public in accordance with the Association’s policies on access to information; and (H) 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.

2. The Recipient shall exercise its rights under the Subsidiary 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 World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions without the prior written agreement of the Association.

B. Institutional Arrangements

1. The Recipient shall cause the Project to be carried out: (i) under the strategic direction and coordination of the Ministry of Public Works and Housing; and (ii) under the overall responsibility for implementation, coordination and oversight of the Project Implementing Entity.

2. The Recipient shall maintain the Road Fund as the Project Implementing Entity, throughout the implementation of the Project.

C. Anti-Corruption

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

D. EAs, RPF, and ARAP

1. The Recipient shall cause the Project Implementing Entity to: (a) carry out the Project in accordance with the mitigation measures, rules and procedures defined in: (i) the EAs prepared in respect of the civil works under Part A(c)(i), Part B, Part C(a), and Part D of the Project; and (ii) the RPF; and ARAP prepared in respect of Part C(a) of the Project, in a manner satisfactory to the Association; and (b) maintain an environmental management officer with responsibility for implementing the EAs, RPF, and ARAP for all applicable activities undertaken throughout the Project.

2. The Recipient shall cause the Project Implementing Entity and ANE to ensure that no civil works under the Project shall be eligible for financing under this Agreement, unless:
(a) an environmental screening has been carried out for the proposed civil works; and if said environmental screening concludes that an environmental management plan is required, said environmental plan has been prepared by the Recipient and approved by the Association for implementing the proposed civil works; and

(b) if the proposed civil works involves involuntary acquisition of land, a resettlement action plan has been prepared in accordance with the principles set out in the RPF and said resettlement action plan has been approved by the Association for implementing the proposed civil works.

3. Except as the Recipient and the Association may otherwise agree in writing, the Recipient shall not abrogate, amend, repeal, suspend, waive or otherwise fail to enforce the EAs, the RPF, or the ARAP referred to in sub-paragraph (1) of this paragraph or any provision thereof.

4. In case of any conflict between the terms of the EAs, RPF, and ARAP referred to in sub-paragraph (1) of this paragraph and those of this Agreement, the terms of this Agreement shall prevail.

E. Flood Response Team

1. The Borrower shall establish and, thereafter maintain, at all times during the implementation of the Project, a Flood Response Team with a mandate, composition and resources satisfactory to the World Bank (the “Flood Response Team”).

2. The Flood Response Team, supported by a technical support group, shall be responsible for implementing Part D of the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall cause the Project Implementing Agency to 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 calendar quarter, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

2. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than June 30, 2017.
B. **Financial Management, Financial Reports and Audits**

1. The Recipient shall cause the Project Implementing Entity to 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 cause the Project Implementing Entity to prepare and furnish to the Association not later than forty-five (45) days after the end of each fiscal quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall cause the Project Implementing Entity to 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 fiscal year of the Recipient. 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.

4. The Recipient shall cause the Project Implementing Entity to disclose the audited Financial Statements in a manner acceptable to the Association. The Recipient agrees that upon receipt of the Financial Statements, the Association shall make them available to the public in accordance with the Bank’s policy on access to information.

**Section III. Procurement**

A. **General**

1. **Goods, Works and Non-consulting Services.** All goods, works 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, Works and Non-consulting Services

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

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods shall be used: (a) National Competitive Bidding, subject to provisions of paragraph 3 of this Part B; (b) Direct Contracting; and (c) Shopping.

3. Additional Procedures for National Competitive Bidding (NCB):

(a) General
The procedures to be followed for NCB shall be those set forth in the Regulation, with the modifications described in the following paragraphs.

(b) Eligibility
No restriction based on nationality of bidders and/or origin of goods shall apply. Foreign bidders shall be allowed to participate in NCB without restriction and shall not be subject to any unjustified requirement which will affect their ability to participate in the bidding process such as, but not limited to, the proof that they are not under bankruptcy proceedings in the Recipient’s territory; have a local representative; have an attorney resident and domiciled in the Recipient’s territory; form a joint venture with a local firm. In cases of joint ventures, they shall confirm joint and several liability.

Prior registration, obtaining a license or agreement shall not be a requirement for any bidder to participate in the bidding process.

Recipient’s government-owned enterprises or institutions shall be eligible to participate in the bidding process only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not dependent agencies of the Recipient.

(c) Bidding Documents
Standard bidding documents acceptable to the Association shall be used for any procurement process under NCB.
(d) **Preferences**
No domestic preference shall be given for domestic bidders and/or for domestically manufactured goods.

(e) **Applicable Procurement Method Under the Regulation**
Subject to these NCB exceptions, procurement under NCB shall be carried out in accordance with the Regulation’s public competition (*Concurso Público*) method.

(f) **Bid Preparation Time**
Bidders shall be given at least twenty-eight (28) days from the date of the invitation to bid or the date of availability of bidding documents, whichever is later, to prepare and submit bids.

(g) **Bid Opening**
Bids shall be opened in public, immediately after the deadline for their submission in accordance with the procedures stated in the bidding documents.

(h) **Bid Evaluation**

(i) Qualification criteria shall be clearly specified in the bidding documents, and all criteria so specified, and only such criteria so specified shall be used to determine whether a bidder is qualified; the evaluation of the bidder’s qualifications should be conducted separately from the technical and commercial evaluation of the bid. Qualification criteria shall be applied on a pass or fail basis.

(ii) Evaluation of bids shall be made in strict adherence to the criteria declared in the bidding documents; criteria other than price shall be quantified in monetary terms.

(iii) A contract shall be awarded to the qualified bidder offering the lowest-evaluated and substantially responsive bid.

(iv) Bidders shall not be eliminated on the basis of minor, non-substantial deviations.

(i) **Rejection of All Bids and Re-bidding**
All bids shall not be rejected and new bids solicited without the Association’s prior concurrence.
(j) **Complaints by Bidders and Handling of Complaints**
The Recipient shall establish an effective and independent complaint mechanism allowing bidders to complain and to have their complaint handled in a timely manner.

(k) **Right to Inspect/Audit**
In accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed from the proceeds of the Financing shall provide that: (i) the bidders, suppliers, and contractors and their subcontractors, agents, personnel, consultants, service providers or suppliers, shall permit the Association, at its request, to inspect their accounts, records and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

(l) **Fraud and Corruption**
Each bidding document and contract financed from the proceeds of the Financing shall include provisions on matters pertaining to fraud and corruption as defined in paragraph 1.16(a) of the Procurement Guidelines. The Association may sanction a firm or individual, at any time, in accordance with prevailing Association sanctions procedures, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded an Association-financed contract; and (ii) to be a nominated sub-contractor, consultant, supplier or service provider of an otherwise eligible firm being awarded an Association-financed contract.

(m) **Debarment under National System**
The Association may recognize, if requested by the Recipient, exclusion from participation as a result of debarment under the national system, provided that the debarment is for offenses involving fraud, corruption or similar misconduct, and further provided that the Association confirms that the particular debarment procedure afforded due process and the debarment decision is final.

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. The Procurement Plan shall specify the circumstances under which such methods may be used: (a) Selection based on Consultants’ Qualifications; (b) Least-Cost Selection (c) Quality-Based Selection; (d) Single- Source Selection; (e) Single-source procedures for the Selection of Individual Consultants; and (f) Selection of Individual Consultants.

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 Credit and the Grant under the Additional Financing II (“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:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Original Credit 4308-MZ Allocated (expressed in SDR)</th>
<th>Amount of the Additional Credit 1 4892-MZ Allocated (expressed in SDR)</th>
<th>Amount of the Additional Credit II Allocated (expressed in SDR)</th>
<th>Amount of the Additional Financing II (the Grant) Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works (except as covered by Category 2 below), services</td>
<td>22,959,121</td>
<td>12,123,000</td>
<td>267,000</td>
<td>3,008,000</td>
<td>100%</td>
</tr>
<tr>
<td>(other than consultants’ services), consultants’ services (except as</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>covered by Category 3 below), Training and Operating Costs for Part A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>and Part B of the Project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Works for Part C (a)</td>
<td>39,644,834</td>
<td>10,015,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Consultants’ services for Part C (b) of the Project</td>
<td>3,218,939</td>
<td>4,162,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Unallocated</td>
<td></td>
<td></td>
<td>533,000</td>
<td>6,015,000</td>
<td></td>
</tr>
<tr>
<td>(5) Works and Consultants’ services under Parts D (b) of the Project</td>
<td></td>
<td></td>
<td>1,300,000</td>
<td>14,677,000</td>
<td></td>
</tr>
<tr>
<td>(6) Goods, Works, Consultants’ services, Training and Operating Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>under Part F of the Project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>65,822,894</td>
<td>26,300,000</td>
<td>2,100,000</td>
<td>23,700,000</td>
<td></td>
</tr>
</tbody>
</table>
B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made from the Credit and Grant under the Additional Financing II in respect of Category 5 for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 9,480,000 in the case of IDA Grant; and not to exceed SDR 840,000 in the case of IDA Credit may be made for payments made prior to this date but on or after July 1, 2013, for Eligible Expenditures.

2. The Closing Date is December 31, 2016.
SCHEDULE 3
Repayment Schedule

I. Original Financing

<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 April 15 and October 15:</td>
<td></td>
</tr>
<tr>
<td>commencing October 15, 2017, to and including April 15, 2027</td>
<td>1%</td>
</tr>
<tr>
<td>commencing October 15, 2027, to and including April 15, 2047</td>
<td>2%</td>
</tr>
</tbody>
</table>

II. Additional Financing I

<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 April 15 and October 15:</td>
<td></td>
</tr>
<tr>
<td>commencing April 15, 2021, to and including October 15, 2030</td>
<td>1%</td>
</tr>
<tr>
<td>commencing April 15, 2031, to and including October 15, 2050</td>
<td>2%</td>
</tr>
</tbody>
</table>

III. Additional Financing II

<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 April 15 and October 15:</td>
<td></td>
</tr>
<tr>
<td>commencing April 15, 2024, to and including October 15, 2033</td>
<td>1%</td>
</tr>
<tr>
<td>commencing April 15, 2034, to and including October 15, 2053</td>
<td>2%</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. “Affected Persons” means persons who, on account of an involuntary taking of land under the Project, had or would have their: (a) standard of living adversely affected; or (b) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (c) access to productive assets adversely affected, temporarily or permanently; or (d) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently; and “Affected Person” means any of the Affected Persons.


3. “Amended and Restated Project Agreement” means the agreement of even date hereof entered into by the Association and the Road Fund for the purpose of implementation of the Project.


6. “ARAP” means the abbreviated resettlement action plan in connection with the carrying out of Part C(a) of the Project, dated February 1, 2011, prepared by ANE and adopted by the Road Fund (as hereinafter defined) through an administrative order of its chairman also dated February 1, 2011, and disclosed on February 4, 2011, which sets out principles and procedures governing land acquisition, resettlement, compensation and rehabilitation of Affected Persons, as well as administrative, reporting and monitoring arrangements to ensure compliance with said plan, as such plan may be revised from time to time with the written agreement of the Association.

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

9. “EAs” means “Environmental Assessments”, the Recipient’s assessments referred to in paragraph D.1 of Section I of Schedule 2 to this Agreement and in paragraph 3 of Section I of the Schedule to the Project Agreement.


11. “Operating Costs” means the incremental expenditures which would not exist absent the Project, incurred on account of office supplies, vehicle operation and maintenance, communication and insurance costs, rental expenses, office maintenance costs, utilities, and domestic travel costs for Project staff for Project supervision.

12. “Original Credit” means the financing provided by the Association on July 9, 2007, to assist in the financing of the Original Project (as hereinafter defined) which was partially cancelled on October 27, 2010, in the amount of SDR 277,106.

13. “Original Financing Agreement” means the financing agreement for the financing of the Original Project between the Recipient and the Association, dated July 9, 2007, which was amended and restated by the Amended and Restated Financing Agreement dated June 28, 2011, as amended to the date of this Agreement.

14. “Original Project” means the Project described in the Original Financing Agreement.

15. “PIM” means the project implementation manual referred to in paragraph 2 of Section I of the Schedule to the Amended and Restated Project Agreement.


17. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated July 26, 2013, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
18. “Project Agreement” means the agreement for the implementation of the Original Project between the Association and the Project Implementing Entity (as hereinafter defined), dated July 9, 2007.

19. “Project Implementing Entity” means the Road Fund as defined here below.


23. “RPF” means “Resettlement Policy Framework,” the Recipient’s framework referred to in paragraph D of Section I of Schedule 2 to this Agreement and Section 1.3 of the Schedule to the Project Agreement, disclosed in country and the Association’s InfoShop on January 9, 2014.

24. “Subsidiary Agreement” means the agreement referred to in Section A.I of Schedule 2 to this Agreement and Section I. A of the Schedule to the Project Agreement pursuant to which the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity.

25. “Training” means expenditures to be incurred for the purchase of training materials, rental of training facilities, per diem and related travel with respect to the Project.