Agreement Providing for the Amendment and Restatement of the Financing Agreement

(Rebuilding Energy Infrastructure and Access Project)

between

REPUBLIC OF HAITI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated November 6, 2012
As amended and restated on December 22, 2017
FINANCING AGREEMENT

AGREEMENT dated November 6, 2012, as amended and restated on December 22, 2017, entered into between REPUBLIC OF HAITI ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). 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 in an amount equivalent to fifty-nine million seven hundred thousand Special Drawing Rights (SDR 59,700,000) ("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. The Recipient’s Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is its Minister of Economy and Finance.

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 Payment Dates are June 30 and December 31 in each year.

2.05. The Payment Currency is United States dollars.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall: (a) carry out Parts 1 and 3 of the Project through MTPTC; and (b) cause Part 2 of the Project to be carried out by the EDH
pursuant to the provisions of the Subsidiary Agreement, all in accordance with
the provisions of Article IV of the General Conditions.

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 Additional Conditions of Effectiveness consists of the following:

(a) the Operational Manual for the Project has been adopted by the
Recipient, in a manner satisfactory to the Association; and

(b) the Subsidiary Agreement has been executed on behalf of the Recipient,
through MTPTC and MEF respectively, and EDH, in a manner
satisfactory to the Association.

4.02. The Additional Legal Matter consists of the following requirement, namely, that
the Subsidiary Agreement has been duly signed by the Recipient, through
MTPTC and MEF respectively, and EDH and is legally binding upon the
Recipient and EDH in accordance with its terms.

4.03. Without prejudice to the provisions of the General Conditions, the Effectiveness
Deadline is the date ninety (90) days after the date of this Agreement, but in no
case later than eighteen (18) months after the Association’s approval of the
Financing.

4.04. 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 years after the date of this
Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. Except as provided in Section 2.02 of this Agreement, the Recipient’s
Representative is its Minister of Economy and Finance.

5.02. The Recipient’s Address is:

Ministère de l’Economie et des Finances
5, Ave Charles Sumner/Turgeon
Port-au-Prince
République d’Haïti
Telephone: (509) 22 99 10 23

5.03. The Association’s Address is:

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

Cable: INDEVAS Telex: 248423 (MCI) Facsimile: 1-202-477-6391
Washington, D.C.

AGREED at Washington, D.C./Port-au-Prince, as of the day and year first above written.

REPUBLIC OF HAITI

By

Authorized Representative

Name: Jude A. P. Salomon
Title: Minister of Economy and Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Michelle C. Keane
Title: Acting Country Director, LC8C
SCHEDULE 1

Project Description

The objectives of the Project are to: (a) strengthen the Recipient’s energy policy and planning capacity; (b) improve the sustainability and resilience of the Recipient’s electricity sector and restore and expand access to reliable electricity services; and (c) provide financial assistance in case of an Energy Sector Emergency.

The Project consists of the following parts:

Part 1: Strengthening Energy Sector Institutions and Improving Energy Access

1.1. Strengthening the institutional capacity of MTPTC and enhancing governance and transparency in the Recipient’s energy sector, through:

(a) the establishment and staffing of an energy unit at MTPTC by: (i) hiring external experts to provide technical assistance to said energy unit on matters related to, *inter alia*, the development of an energy sector regulatory framework; and (ii) providing training to staff and carrying out of workshops;

(b) the provision of technical assistance to the energy unit in order to, *inter alia*: (i) establish a planning framework for the Recipient’s energy sector and carry out an action plan for the implementation thereof; (ii) strengthen the technical capacity of the energy unit; (iii) monitor the implementation of energy sector activities; (iv) provide technical assistance to ANARSE; and (v) support the Recipient for the contractual re-negotiation process with independent power producers;

(c) the carrying out of outreach activities and information dissemination campaigns through the energy unit to establish a dialogue on matters relevant to the energy sector between energy consumers, energy service providers, the relevant institutions of the Recipient and EDH, and

(d) the provision of support to Project management.

1.2. Improving off-grid electricity access, through:

(a) (i) the development of new off-grid electricity connections solutions; (ii) the establishment of a regulatory framework therefor; and (iii) the provision of training of MTPTC staff to enhance their supervisory capacity; and
(b) the acquisition and installation of new off-grid electricity connections, such as public solar lighting, solar home systems and/or mini-grids, and, if needed, the acquisition and installation of rapid response connections, such as solar lanterns.

**Part 2: Enhancing EDH’s Performance and Rehabilitating and Expanding Infrastructure**

2.1. Enhancing EDH’s performance, through:

(a) the strengthening of its management capacity;

(b) the provision of technical assistance to support EDH on technical, commercial, financial and electricity sector planning matters, including, *inter alia*, assistance for improving resilience and readiness for responding rapidly to natural disasters and to carry out studies (on grid rehabilitation and extension work; rehabilitation of the Drouet micro-hydroelectric plant; and on a dispatching system), as well as supervision and implementation of said studies;

(c) the carrying out of technical assistance to enhance EDH’s capacity to supervise compliance with environmental and social standards, including the Association’s Safeguard Policies;

(d) the carrying out of a master plan for EDH to assess, *inter alia*, electricity demand and define priority investments to meet such demand; and

(e) the provision of technical assistance to assist EDH in carrying out of external financial audits referred to in Section II.B.3 of Schedule 2 to this Agreement, as well as human resources audits.

2.2. Rehabilitating electricity grids and extending access thereto, through:

(a) the rehabilitation of five (5) grid circuits in the Recipient’s Port-au-Prince metropolitan area, including the acquisition and installation of metering equipment required therefor;

(b) the rehabilitation of the micro hydroelectric plant in Drouet; and

(c) the construction of a modern dispatching system to help improve transparency in the electricity sector.

**Part 3: Energy Sector Risk and Emergency Response Contingent Reserve**

Providing support upon occurrence of an Energy Sector Emergency through:
(a) the carrying out of Emergency Recovery and Rehabilitation Activities; and/or

(b) technical assistance to support MTPTC and EDH in its response to an Energy Sector Emergency.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall, for purposes of the Project, maintain throughout Project implementation the PCU which shall:

(a) have its staff appointed in accordance with the provisions of Section III of Schedule 2 to this Agreement, each one of them to have at all times during Project implementation, terms of reference, functions and resources satisfactory to the Association;

(b) be responsible, *inter alia*, for: (i) field coordination of Project activities; and (ii) Project procurement, financial management and reporting;

(c) remain under the authority of MTPTC and report periodically to the Minister in charge thereof, as specified further in the OM; and

(d) provide the necessary institutional support to EDH in matters such as procurement, financial management, compliance with environmental and social standards, including the Association's Safeguard Policies, and monitoring and evaluation.

2. The Recipient shall:

(a) establish by November 30, 2012, and maintain throughout Project implementation, a Project steering committee responsible for Project oversight, orientation and coordination, chaired by the Recipient's Prime Minister and composed of one representative from each MEF, MTPTC and EDH;

(b) ensure that the Project steering committee meets at least twice a year to review Project implementation;

B. Subsidiary Agreement

1. To facilitate the carrying out of Part 2 of the Project by EDH, the Recipient, through MTPTC and MEF, shall make the proceeds of the Financing available to EDH under a subsidiary agreement between the Recipient and EDH, under terms and conditions approved by the Association ("Subsidiary Agreement") which shall include the following:
(a) the obligation of EDH to carry out Part 2 of the Project in accordance with the pertinent provisions of this Agreement;

(b) the requirement that legal representation and administration of the Board of Directors and other managerial and executive functions in respect of EDH, be at all times during Project implementation satisfactory to the Association;

(c) the requirement that EDH shall be the unit responsible for the technical implementation of Part 2 of the Project;

(d) the requirement that EDH shall carry out Part 2 of the Project in accordance with the OM; and

(e) the obligation of EDH to undergo an annual external financial audit.

2. The Recipient shall exercise its rights and carry out its obligations 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 Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive, or fail to enforce the Subsidiary Agreement or of any of its provisions.

C. Implementation Documents

1. (a) The Recipient, through MTPTC, shall adopt an Operational Manual satisfactory in form and substance to the Association consisting of different schedules setting forth, respectively, rules, methods, guidelines, specific development plans, standard documents and procedures for the carrying out of the Project, including the following:

(i) (A) the detailed description of Project implementation activities, their sequencing and the prospective timetable and benchmarks in relation thereto; and (B) the institutional arrangements in respect thereof and the ensuing respective responsibilities for the Project activities, including, inter alia, the financing, reporting and auditing aspects thereof;

(ii) (A) the Project administrative, accounting, auditing, reporting, financial and disbursement procedures, including all pertinent standard documents and model contracts in relation thereto; and (B) the institutional arrangements in respect thereof;

(iii) the plan for the training and capacity building activities under the Project;
(iv) the plan for the monitoring, evaluation and supervision of the Project;

(v) any frameworks or plans pursuant to Section I.F of this Schedule 2; and

(vi) the Negative List.

2. In the event that any provision of the OM shall conflict with any one under this Agreement, the terms of this Agreement shall prevail.

3. The OM shall only be amended from time to time in consultation with, and after approval of, the Association.

D. Energy Sector Emergency Expenditures under Part 3 of the Project

1. In an event of an Energy Sector Emergency, the Recipient shall: (a) clearly establish a causal relationship between the relevant Energy Sector Emergency and the need to withdraw the proceeds of the Financing allocated to Category (5); and (b) prepare and furnish to the Association a list of potential Energy Recovery and Rehabilitation Activities, including a procurement plan, a proposed flow of funds structure, and the implementation arrangements, all acceptable to the Association.

2. In connection with the preparation of the list of potential Emergency Recovery and Rehabilitation Activities, the Recipient shall exchange views with the Association on the proposed Emergency Recovery and Rehabilitation Activities, and shall thereafter adopt, and carry out the activities under such list, as agreed with the Association, all in a manner acceptable to the Association.

3. Prior to implementing the Emergency Recovery and Rehabilitation Activities, the Recipient shall carry out all fiduciary, social and environmental assessments required by the Association (under terms of reference satisfactory to the Association and with scope and detail satisfactory to the Association) and prepare and implement all plans required by the Association (under terms of reference satisfactory to the Association and with scope and detail satisfactory to the Association).

4. Without prejudice to the Negative List, an investment activity shall only be included in the Emergency Recovery and Rehabilitation Activities if:

(a) it is initiated in response to an Energy Sector Emergency and the Recipient has not rescinded its declaration of an Energy Sector Emergency;
(b) it aims to provide emergency support to affected persons in need of electricity and other energy services and/or repair or rehabilitate energy infrastructure damaged by the event of an Energy Sector Emergency;

(c) the Association has reviewed and approved the Emergency Recovery and Rehabilitation Activity prior to such an Emergency Recovery and Rehabilitation Activity’s initiation; and

(d) the requirements set forth in subparagraphs (a) to (c) of this paragraph have been met and contracts for the execution of the investment activity have been awarded and signed (and on-site work under such contracts has commenced) after forty-five (45) calendar days, but no more than one hundred and eighty (180) calendar days, have passed since the declaration of an Energy Sector Emergency referred to in paragraph (a) above.

5. On an exceptional basis, and with the approval of the Association, the 45 and 180 calendar day limits set forth in paragraph 4(d) of this Section, may, before the relevant limit expires, be extended in writing by the Association for any particular commencement of any activity under Part 3 of the Project if the nature of the Energy Sector Emergency is such as to justify, in the Association’s opinion, delays in the commencement of such work.

E. Anti-Corruption

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

F. Safeguards

1. The Recipient, through MTPTC, shall: (a) ensure that the Project is carried out in accordance with the provisions of the Environmental and Social Management Framework and Resettlement Policy Framework; and (b) cause EDH to carry out the pertinent part of Part 2 of the Project in accordance with the Mirebalais Environmental Management Plan and Mirebalais Abbreviated Resettlement Action Plan. Except as the Association shall otherwise agree, the Recipient shall not amend or waive, or permit to be amended or waived, any provision of the aforementioned frameworks or plans, as the case may be, if such amendment or waiver may, in the opinion of the Association, materially or adversely affect the implementation of the Project.

2. Wherever required under the terms of the Environmental and Social Management Framework and/or Resettlement Policy Framework in respect of the Project other than under the pertinent part of Part 2 of the
Project to be carried out in accordance with the Mirebalais Environmental Management Plan and Mirebalais Abbreviated Resettlement Action Plan, the Recipient shall, prior to implementation of said part of the Project, prepare and furnish to the Association, for its approval thereof, a satisfactory Environmental Management Plan, and/or Resettlement Action Plan, as the case may be, which plan should thereafter:

(a) be adopted and locally disclosed; and

(b) implemented in accordance with its terms and in a manner acceptable to the Association.

3. Prior to the commencement of any works under Part 2 of the Project which involve PCBs, as determined by the Recipient in accordance with criteria acceptable to the Association, the Recipient shall: (a) prepare, consult and disclose a Persistent Organic Pollutant Management Plan, satisfactory to the Association, for said specific works; and (b) immediately thereafter, cause EDH to implement said plan in accordance with its terms, and in manner acceptable to the Association.

4. In the event of any conflict between the provisions of the Environmental and Social Management Framework, the Resettlement Policy Framework, any Environmental Management Plans, any Resettlement Action Plans, the Mirebalais Environmental Management Plan and Mirebalais Abbreviated Resettlement Action Plan or any Persistent Organic Pollutant Management Plans, and those of this Agreement, the latter shall prevail.

5. The Recipient shall take all measures necessary on its part to regularly collect, compile, and submit to the Association, on a quarterly basis, reports on the status of compliance with the Environmental and Social Management Framework, the Resettlement Policy Framework, any Environmental Management Plans, any Resettlement Action Plans, the Mirebalais Environmental Management Plan and Mirebalais Abbreviated Resettlement Action Plan and any Persistent Organic Pollutant Management Plans, giving details of:

(a) measures taken in furtherance of said frameworks and plans;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of said frameworks and plans; and
(c) remedial measures to be taken or required to be taken to address any such conditions referred to in (b) above.

6. The Recipient, through MTPTC, shall ensure that the terms of reference for any consultancy in respect of any Project activity under Parts 1 and 2 of the Project shall be satisfactory to the Association following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the Association Safeguards Policies then in force, as applied to the advice conveyed through such technical assistance.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall: (a) through MTPTC: (i) monitor and evaluate the progress of Parts 1 and 3 of the Project; and (ii) prepare Project Reports for Parts 1 and 3 of the Project in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators agreed with the Association and set forth in the OM; and (ii) ensure that EDH monitor and evaluate the progress of Part 2 of the Project; and (b) prepare Project Reports for Part 2 of the Project in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators agreed with the Association and set forth in the OM. Each such Project Report as prepared respectively by MTPTC and EDH shall cover the period of one calendar semester, and shall all be furnished to the Association by MTPTC not later than 45 days after the end of the period covered by such report.

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 as part of the Project Report 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 Project Financial Statements audited and shall cause EDH to have its financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, all in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Project’s Financial Statements and those of EDH shall cover the period of one Fiscal Year of the Recipient and of EDH. Each audit of the Financial Statements shall cover the
period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

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 the Procurement Guidelines or 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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting, subject to the Association’s prior consent</td>
</tr>
<tr>
<td>(d) Procurement from United Nations Agencies, in accordance with paragraph 3.10 of the Procurement Guidelines</td>
</tr>
</tbody>
</table>
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 table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-Based Selection</td>
</tr>
<tr>
<td>(b) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c) Least Cost Selection</td>
</tr>
<tr>
<td>(d) Selection based on Consultant’s Qualifications</td>
</tr>
<tr>
<td>(e) Single Source Selection, subject to the Association’s</td>
</tr>
<tr>
<td>prior written consent</td>
</tr>
<tr>
<td>(f) Procedures for the selection of Individual</td>
</tr>
<tr>
<td>Consultants</td>
</tr>
</tbody>
</table>

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:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services, training and Operating Costs for Part 1.1 (a), (b), (c) and (d), and for Part 1.2 (a) and (b) of the Project</td>
<td>15,649,600</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants' services, training and Operating Costs for Part 1.2 (c) of the Project</td>
<td>0</td>
<td>Pro Memoriam</td>
</tr>
<tr>
<td>(3) Goods, works, non-consulting services, consultants' services, training and Operating Costs for Part 2.1 (b), (c), (d), (e), (f) and (g) and Part 2.2 (a) and (d) of the Project</td>
<td>10,688,735</td>
<td>Pro Memoriam</td>
</tr>
<tr>
<td>(4) Goods, works, non-consulting services, consultants' services, training and Operating Costs for Part 2.1 (a), and 2.2 (b) and (c) of the Project</td>
<td>0</td>
<td>Pro Memoriam</td>
</tr>
<tr>
<td>(5) Goods, works, non-consulting services, consultants' services, training and Operating Costs for Part 3 Project</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>Category</td>
<td>Amount of the Financing Allocated (expressed in SDR)</td>
<td>Percentage of Expenditures to be Financed (inclusive of Taxes)</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>-----------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>(6) Refund of Preparation Advance</td>
<td>0</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(7) Goods, works, non-consulting services, consultants' services, training and Operating Costs for Part 2.1 (b), (c), (d), and (e), and Part 2.2 (a) and (b) of the Project</td>
<td>14,883,765</td>
<td>100%</td>
</tr>
<tr>
<td>(8) Goods, works, non-consulting services, consultants' services, training and Operating Costs for Part 2.1 (a) of the Project</td>
<td>663,385</td>
<td>100%</td>
</tr>
<tr>
<td>Cancelled as of November 10, 2017,</td>
<td>17,814,515.27</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>59,700,000</td>
<td></td>
</tr>
</tbody>
</table>

For purposes of this table the term "Operating Costs" means the incremental expenses incurred on account of Project implementation, including office supplies, vehicle operation and maintenance, insurance costs, office administration costs, utilities, travel, per diem and supervision costs and salaries of locally contracted employees, and as approved by the Association.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made prior to the date of this Agreement.

2. Without limitation to the provisions of Sections I. D and IV.B.1 (b) of this Schedule, and upon occurrence of an Energy Sector Emergency, the Association may, upon request of the Recipient and as the Association may deem appropriate, reallocate a portion of the proceeds of the Financing allocated to Categories (1) through (4), or a combination thereof, to Category (5) in order to assist the Recipient in carrying out Part 3 of the Project.
3. The Closing Date is November 29, 2019.
SCHEDULE 3

List of Prohibited Activities under Part 3 of the Project

1. Dam construction, reconstruction, rehabilitation or strengthening.

2. Activities affecting natural protected areas recognized as national or municipal protected areas (or buffer zones thereof), other than as required to mitigate damage caused by the Energy Sector Emergency.

3. Land clearance and leveling (when affecting critical natural habitats and natural land contours, natural habitats for this purpose being those water or land areas where most of the original plant and animal species are present), except for clearing or debris resulting from the Energy Sector Emergency.

4. Land reclamation (i.e., drainage of wetlands or filling of water bodies to create land).

5. Hazardous waste management and disposal, as well as manufacture, transport and use of pesticides and other hazardous and/or toxic materials (except small amounts of solvents, degreasing materials, paints, fuels and the like used during construction).

6. River training (i.e., realignment, contraction or deepening of an existing river channel, or excavation of a new river channel).

7. Activities involving industrial plants (large-scale) and industrial estates.

8. New road construction or major upgrading or realignment of roads (major means: changing the road category, such as from seasonal to all-weather or secondary to primary; adding new lanes; or changing road surface).

9. New irrigation, drainage and flood control works.

10. Activities which involve:

   (i) (A) any river, canal, lake or similar body of water that forms a boundary between, or any river or body of surface water that flows through, two or more states, whether Association members or not; (B) any tributary or other body of surface water that is a component of any waterway described in (A) immediately above; and (C) any bay, gulf, strait or channel bounded by two or more states or, if within one state, recognized as a necessary channel of communication between the open sea and other states and any river flowing into such waters;
(ii) hydroelectric, irrigation, flood control, navigation, drainage, water and sewerage, industrial and similar projects that involve the use or potential pollution of international waterways as described in paragraph (i) immediately above; and

(iii) detailed design and engineering studies of projects under paragraph (ii) immediately above, including those to be carried out by the Association as an executing agency or in any other capacity.

(b) The activities set forth in subparagraph 10 (a) of this Schedule 3, shall not be prohibited under the Project:

(i) if a bordering state formally expressed in writing to the Association and the Recipient its no-objection to such activities; or

(ii) if: (A) for any ongoing scheme, projects involving additions or alterations that require rehabilitation, or other changes that in the judgment of the Association: (1) will not adversely change the quality or quantity of water flows to the other riparians; and (2) will not be adversely affected by the other riparians' possible water use. The exception in (ii) herein shall apply only to minor additions or alterations to the ongoing scheme; it does not cover works and activities that would exceed the original scheme, change its nature, or so alter or expand its scope and extent as to make it appear a new or different scheme; (B) water resource surveys and feasibility studies on or involving international waterways. However, if the Recipient decides to finance the activities mentioned in (B) herein as part of any Emergency Recovery and Reconstruction Activity, then such activities shall include in the terms of reference for the activities, an examination of any potential riparian issues; or (C) any project that relates to a tributary of an international waterway where the tributary runs exclusively in one state and the state is the lowest downstream riparian, unless there is concern that the project could cause appreciable harm to other states.

11. Activities of any type classifiable as category A for environmental purposes pursuant to Bank Safeguard Policy relating to Environmental Assessment (OP 4.01).

12. Conversion or degradation of critical natural habitats as defined in Annex A of the Bank Safeguard Policy relating to Natural Habitats (OP 4.04).
13. Mere consumption or transfer of ownership.
15. Purchase or rental of land.
16. Purchase of equipment for disaster preparedness.
17. Provision of welfare or other social assistance.
18. Cash compensation to parties affected by the Energy Sector Emergency.
APPENDIX

Section I. Definitions

1. "ANARSE" means Agence Nationale de l'Autorite de Regulation du Secteur de l'Énergie, the Recipient's National Regulatory Agency for the Energy Sector, as established and operating under the Recipient’s Presidential Decree published in the Recipient’s Official Gazette ("Le Moniteur") on February 3, 2016.


3. “Association Safeguards Policies” means the Association’s operational policies and procedures set forth in the Association’s Operational Manual under OP/BPs 4.01, 4.04, 4.09, 4.10, 4.11, 4.12, 4.36, 4.37, 7.50 and 7.60 as said manual is published under www.worldbank.org/opmanual.

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


6. "EDH" means Electricité d’Haiti, the Recipient’s power utility, established as a legal entity pursuant to Décret (decree) signed and published by the Recipient’s executive branch on August 20, 1989.

7. “Emergency Recovery and Rehabilitation Activity” means an investment activity under Part 3 of the Project, consisting of a combination of works, goods or technical advisory services, aimed at responding to damage caused by an Energy Sector Emergency which meets the criteria set forth Section in I.D.4 of Schedule 2 to this Agreement.

8. “Energy Sector Emergency” means the imminent or actual occurrence of a natural or man-made crisis or disaster, which, in the opinion of the Association, has the capacity to cause major adverse economic and/or social impacts in the Recipient’s energy sector.

9. “Environmental Management Plan” means an environmental management plan prepared by the Recipient, agreed with the Association, as such plan may be updated from time to time by agreement between the Recipient and the Association, setting forth the measures to be taken during the implementation and
operation of the Project to offset or reduce adverse environmental impacts to levels acceptable to the Association.

10. "Environmental and Social Management Framework" means the Recipient's framework, dated August 9, 2012, agreed with the Association, for the environmental and social screening process to be followed in identifying, assessing, and mitigating the potential adverse environmental and social impact associated with the Project.


12. "MEF" means the Recipient's Ministry of Economy and Finance or any successor or successors thereto, acceptable to the Association.

13. "Mirebalais Abbreviated Resettlement Action Plan" means EDH's plan, dated August 9, 2012, approved by the Association, for land acquisition, resettlement and compensation of persons affected in connection with parts of Part 2 of the Project, as the same may be amended from time to time with the agreement of the Association.

14. "Mirebalais Environmental Management Plan" means EDH's environmental management plan, dated August 9, 2012, as approved by the Association, as such plan may be updated from time to time by agreement between EDH and the Association, setting forth the measures to be taken during the implementation and operation of the pertinent parts of Part 2 of the Project to offset or reduce adverse environmental impacts to levels acceptable to the Association.


16. "Negative List" means the list, approved by the Association, and included in the Operational Manual specifying the activities which are not eligible for financing pursuant to Schedule 3 to this Agreement.

17. "Operational Manual" or "OM" means the manual for Project implementation as referred to in Section I.C.1 (a) of Schedule 2 to this Agreement.

18. "PCB" means polychlorinated biphenyl, a chemical and pollutant widely used in electrical transformers.
19. "PCU" or "Project Coordination Unit" means the project coordinating unit established under the Electricity Loss Reduction Project (Grant Number H251-0-HA).

20. "Persistent Organic Pollutant Management Plan" means any management plan prepared by the Recipient, agreed with the Association, as such plan may be updated from time to time by agreement between the Recipient and the Association, setting forth the measures to be taken during the implementation and operation of Part 2 of the Project to offset or reduce adverse environmental impacts resulting from persistent organic pollutants to levels acceptable to the Association.

21. "Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association and on behalf of the Recipient on September 26, 2012.


23. "Procurement Plan" means the Recipient's procurement plan for the Project, dated August 8, 2012 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.

24. "Resettlement Action Plan" means a plan, approved by the Association, to be prepared by the Recipient pursuant to Section 1.F.2 of Schedule 2 to this Agreement, for land acquisition, resettlement and compensation of persons affected in connection with the Project, as the same may be amended from time to time with the agreement of the Association.

25. "Resettlement Policy Framework" means the Recipient's policy framework, dated August 9, 2012, agreed with the Association, for compensation, resettlement and rehabilitation of persons affected by the Project, setting forth the guidelines, principles and procedures for mitigating any adverse impact that may arise from resettlement under the Project.

26. "Subsidiary Agreement" means the agreement referred to in Section 1.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to EDH.