Financing Agreement
(Amending and Restating Financing Agreement)

Road Asset Management Project

between

REPUBLIC OF LIBERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 25, 2017
FINANCING AGREEMENT
(Amending and Restating Financing Agreement)

AGREEMENT dated July 25, 2017, entered into between REPUBLIC OF LIBERIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS (A) under an agreement dated July 13, 2011, between the Association and the Recipient ("Original Financing Agreement"), the Association agreed to provide the Recipient with a credit ("Original Financing") in an amount in various currencies equivalent to forty-three million one hundred thousand Special Drawing Rights (SDR 43,100,000) to assist in financing the project described in Schedule I to the Original Financing Agreement ("Original Project");

(B) under an agreement dated December 19, 2012, between the Association and the Recipient ("Second Financing Agreement"), the Association agreed to provide the Recipient with a credit (First Additional Financing) in an amount in various currencies equivalent to thirty-three million Special Drawing Rights (SDR 33,000,000) to assist in financing additional activities related to the Original Project;

(C) under a Trust Fund Agreement between the Recipient and the World Bank, acting as administrator of the Liberia Reconstruction Fund, the Recipient obtained a grant in the amount of one hundred eight million nine hundred thousand dollars (US$108,900,000) to assist in financing Part A of the Project;

(D) the Recipient has requested the Association to provide additional financial assistance in support of additional activities related to the Original Project by making available to the Recipient a second additional credit ("Second Additional Financing") in an amount of forty million Dollars (US$40,000,000).

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing to extend such additional assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the Association hereby agree to amend and restate the agreements referred to in Recitals (A) and (B) with effect as of the Effective Date of this Agreement, to read 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, which consists of: (a) the Original Financing in various currencies equivalent to forty-three million one hundred thousand Special Drawing Rights (SDR 43,100,000); (b) the First Additional Financing in various currencies equivalent to thirty-three million Special Drawing Rights (SDR 33,000,000); and (c) the Second Additional Financing in the amount of forty million Dollars ($40,000,000) (collectively referred to as Financing or Credit) 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 with respect to the Original Financing and First Additional Financing and Second Additional Financing 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 with respect to: (a) the Original and Additional Financing shall be equal to three-fourths of one percent (3/4 of 1%) per annum; and (b) the Second Additional Financing shall be equal to 1.42%.

2.05. The Payment Dates are June 15 and December 15 in each year.

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

2.07. The Payment Currency is Dollar.
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 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 — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following, namely, that a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out, in such a way that is detrimental to achievement of the objective of the Project.

ARTICLE V — EFFECTIVENESS; TERMINATION

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

5.02. 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 VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its Minister responsible for Finance.

6.02. The Recipient’s Address is:

Minister of Finance
Ministry of Finance
Broad Street, 1000 Monrovia 10
Republic of Liberia

e-mail: communications@mof.gov.lr
6.03. The Association's Address is:

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

Telex: Facsimile:
248423 (MCI) 1-202-477-6391

AGREED at Monrovia, Republic of Liberia, as of the day and year first above written.

REPUBLIC OF LIBERIA

By

[Signature]

Authorized Representative
Name: Bumma S. Kanndi
Title: Minst

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative
Name: Larisa Leschenko
Title: Country Manager
SCHEDULE 1

Project Description

The objective of the Project is to support the Recipient's efforts to reduce transport costs along the road corridor from Monrovia to the Guinea border and to maintain the road in good condition over a 10-year period.

The Project consists of the following parts:

Part A: Design, Rehabilitation and Maintenance of Monrovia-Ganta-Guinea Border Road

1. supporting the contractual management of two road lots, namely: (a) Monrovia – Gbarnga; and (b) Gbarnga-Ganta - Guinea border including the design, procurement, construction, rehabilitation, upgrading, periodic and routine maintenance, and control of road right of way of said road lots, through Output and Performance-based Road Contracts (OPRCs);

2. upgrading and rehabilitation of about 4.5 km of the ELWA-Red Light intersection road; and

3. construction of an intersection at ELWA.

Part B: Consultant Services, Operating Costs and Training

1. Provision of a range of technical advisory services for: (a) Monitoring the implementation of the OPRCs (performance monitoring), including: (i) performance during mobilization, design, and rehabilitation; (ii) performance and condition during routine maintenance and periodic maintenance; and (iii) data collection and analysis; and (b) Carrying out training (including workshops and seminars) for local staff and local contractors on Project management (including transactional and administrative skills), monitoring and evaluation; and supporting Project design.

2. Strengthening the institutional, technical, fiduciary (financial management and procurement) aspects, and management capacity of sector institutions, including the Infrastructure Implementation Unit (IIU), for overall coordination, implementation, performance monitoring, management and evaluation of Project activities, through:

   (a) recruitment of key staff with technical expertise in planning and budgeting, financial management, procurement and contract management, and monitoring and evaluation (competency areas); and

   (b) provision of technical advisory services and financing of operating costs, for: (i) developing detailed terms of reference for said competency areas,
evaluating and selecting qualified individuals, and monitoring staff performance; (ii) developing and implementing job-based staff training programs in said competency areas; (iii) developing and implementing a staff performance evaluation framework; and (iv) carrying out feasibility studies.

3. provision of technical advisory services through OPRCs for the preparation of the conceptual design and for monitoring and evaluation the activities under Parts A.2 and A.3 above;

4. development of a multimodal transport plan for the Recipient’s transport network;

5. provision of technical advisory services on the development of a dry inland port; and

6. provision of technical advisory services for monitoring supervision of construction of a new fuel unloading facility in the Port of Monrovia.

Part C: Road Safety and Right of Way Protection Measures

1. supporting activities for implementing selected recommendations of the study on promoting road safety;

2. carrying out road safety sensitization awareness for the public;

3. building the capacity of staff for the Infrastructure Implementation Unit and the Road Safety Secretariat on road safety; and

4. carrying out activities to protect the right of way of the Monrovia-Gbarnga-Guinea border corridor including installation of markers along the way.

Part D: Resettlement

Financing Resettlement Compensation as set forth in the table in Section IV.A of Schedule 2 to this Agreement.
SCHEDULE 2
Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Infrastructure Implementation Unit (IIU)

(a) The Recipient shall ensure that the Infrastructure Implementation Unit (IIU) established within the Ministry of Public Works, is maintained throughout the implementation of the Project, with functions and responsibilities acceptable to the Association and supported by qualified and experienced staff in adequate numbers to ensure prompt and efficient implementation of the Project.

(b) Without limitation on the foregoing, the IIU shall be responsible for technical elements, procurement, and for providing oversight in Project implementation including: (i) formulating and reviewing policies; (ii) reviewing and endorsing for approval by the Association the Annual Work Plans and Budgets; (iii) facilitating the coordination of Project activities; (iv) reviewing progress made towards achieving the Project's objective and preparing related reports; (v) managing the road asset database; (vi) ensuring compliance with environmental safeguards; and (vii) monitoring and evaluation of the Project activities.

2. Project Financial Management Unit (PFMU)

(a) The Recipient shall ensure that the Project Financial Management Unit (PFMU) established within the Ministry of Finance, is maintained throughout the implementation of the Project, with functions and responsibilities acceptable to the Association and supported by qualified and experienced staff in adequate numbers to ensure prompt and efficient implementation of the Project.

(b) Without limitation on the foregoing, the PFMU shall be responsible for carrying out day-to-day financial management of the Project, including: (i) maintenance of accounting records and preparation of financial statements; (ii) preparation of the interim un-audited financial reports; (iii) processing payment requests on behalf of the IIU; and (iv) facilitating the financial audits, pursuant to the provisions of paragraph B.3 of Section II of this Schedule 2.
B. Implementation Arrangements

1. Annual Work Plan and Budget
   (a) The Recipient shall, not later than March 1\textsuperscript{st} of each calendar year, prepare and furnish to the Association, a plan of activities covering all activities proposed to be carried out in the following calendar year, together with a budget, including amounts of Counterpart Funding required for the purpose.

   (b) The Recipient shall exchange views with the Association on each such proposed annual work plan, and shall thereafter carry out such plan of activities for such following year as shall have been agreed between the Recipient and the Association ("Annual Work Plan and Budget").

2. Public Information Strategy

   The Recipient shall, at all times during the implementation of the Project, implement a public information strategy, in form and substance satisfactory to the Association.

C. Anti-Corruption

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

D. Safeguards

1. The Recipient shall carry out the Project in accordance with the Resettlement Policy Framework ("RPF") and Environmental Management Framework ("EMF"), as well as with any site-specific Resettlement Action Plans (RAPs) and/or Environmental Action Plans (EMPs), as the case may be. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive or fail to enforce the RPF and/or EMF, or any of their provisions.

2. Without limitation to the provisions set forth in Section I.D.1 above, and for the purposes of carrying out the activities under the Project, the Recipient shall:
   (a) when applicable: (i) prepare and disclose, prior to commencement of any activities and/or works under the Project, site-specific RAPs, each and all acceptable to the Association, in accordance with the RPF; and (ii) carry out the works in accordance with the provisions of said site-specific RAPs, including full payment of Resettlement Compensation and/or the provision of relocation assistance to all Displaced Persons prior to displacement; and
(b) maintain a grievance redress mechanism acceptable to the Association, so as to enable an adequate monitoring and resolution of the issues arising as a result of the carrying out Project activities under said Project.

3. Without limitation to its other reporting obligations under this Agreement and under Section 4.08 of the General Conditions, the Recipient shall include in the Project Reports referred to in Section II.A of this Schedule, adequate information on the implementation of the Safeguard Instruments, giving details of: (a) measures taken in furtherance of such Safeguard Instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and (c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of such Safeguard Instruments. Each such report shall be furnished to the Association not later than forty-five (45) days after the end of the quarter covered by such report.

4. Safeguards-Compliant Terms of Reference

The Recipient shall ensure that:

(a) all terms of reference for any technical assistance, plans or studies carried out under the Project: (i) are consistent with, and pay due attention to, the Association’s environmental and social safeguards policies (including the Safeguard Instruments), as well as the Recipient’s own laws relating to the environment and social aspects; and (ii) shall require the evaluation of the environmental and social impacts and benefits of the various options emerging from the assistance, planning or study process, along with proposed mitigation measures; and

(b) in drafting any studies, plans or regulations under the Project, due attention will be given to said policies and laws.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

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 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.
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. 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 Financial Statements audited by external auditors 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, commencing with the fiscal year in which the first withdrawal was made 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.

4. Specific Financial Management Covenant: Auditor

The Recipient shall maintain throughout the implementation of the Project an independent and qualified external auditor, in accordance with the provision of Section III.C of this Schedule.

C. Performance Audits

1. Without limitation to the provisions of paragraph B.3 immediately above, the Recipient shall cause the Project’s external auditors, referred to in paragraph B.4 immediately above, to perform an annual audit during Project implementation, under terms of reference satisfactory to the Association, of the procurement for all goods, works, consultants’ services, training and operating costs for the Project. Each such audit of the Project’s procurement shall cover the period of one calendar year, commencing with the calendar year in which the first withdrawal was made.

2. The audit report for each such period shall: (a) be furnished to the Association not later than ninety (90) days after the end of each such period; and (b) include action plans to improve performance and/or correct any shortcomings and/or deficiencies.

Section III. Procurement

A. General

1. Goods and Works. All goods and works 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 Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods and Works**

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

2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. 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) <strong>Limited International Bidding</strong></td>
</tr>
<tr>
<td>(b) <strong>National Competitive Bidding (NCB),</strong> subject to the following additional provisions: (a) foreign bidders will be allowed to participate in the NCB procedures; (b) at least one month will be provided to submit bids after the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (c) no domestic preference will be granted for domestic bidders and for domestically manufactured goods.</td>
</tr>
<tr>
<td>(c) <strong>Direct Contracting</strong></td>
</tr>
<tr>
<td>(d) <strong>Shopping</strong></td>
</tr>
<tr>
<td>(e) <strong>Force Account</strong></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 based on Consultants' Qualifications</td>
</tr>
<tr>
<td>(c) Least-Cost Selection</td>
</tr>
<tr>
<td>(d) Fixed Budget Selection</td>
</tr>
<tr>
<td>(e) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(f) Single Source Selection</td>
</tr>
</tbody>
</table>

3. **Provisions Applicable to Procurement of Goods, Works and Consultants' Services initiated prior to the date of this Agreement.** Notwithstanding the terms and conditions of this Section III (Procurement) of this Schedule 2 to this Agreement: (i) to the extent the Initiation of Procurement Process in respect of a good, work or service to be financed out of the proceeds of the Financing occurred prior to the date of this Agreement; and (ii) there are no proceeds remaining under the Original Financing and First Additional Financing to finance such good, work or service; then, on an exceptional basis only and subject to the Association’s prior no-objection, Section III of this Schedule shall not apply to the procurement of such goods, works or services; provided, however, that the provisions of Section III (Procurement) of Schedule 2 to the Original Financing Agreement and First Additional Financing, as they read at the time of such Initiation of Procurement Process, shall apply to the procurement of such goods, works or services.

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.

E. **Specific Procurement Covenant**

The Recipient shall maintain throughout the implementation of the Project two procurement specialists to carry out procurement under the Project.
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 “Disbursement Guidelines for Investment Project Financing” dated February 2017, 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 Original Credit Allocated (Expressed in SDR)</th>
<th>Amount of the First Additional Credit Allocated (Expressed in SDR)</th>
<th>Amount of the Second Additional Credit (Expressed in USD)</th>
<th>Percentage of Expenditure to be Financed (Inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Works under Part A of the Project</td>
<td>32,800,000</td>
<td>15,800,000</td>
<td>30,000,000</td>
<td>30% under the Original Financing and 100% for the First Additional Financing and Second Additional Financing.</td>
</tr>
<tr>
<td>2. Goods, consultants’ services, Training and Operating Costs under Part B of the Project</td>
<td>10,300,000</td>
<td>17,200,000</td>
<td>200,000</td>
<td>100%</td>
</tr>
<tr>
<td>3. Unallocated</td>
<td>0</td>
<td>0</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>4. Goods, Works, consultants’ services, Training and Operating Costs under Part C of the Project</td>
<td>0</td>
<td>0</td>
<td>5,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>5. Resettlement Compensation under Part D of the Project</td>
<td>0</td>
<td>0</td>
<td>4,800,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>43,100,000</td>
<td>33,000,000</td>
<td>$40,000,000</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 for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed $3,800,000 may be made for payments made prior to this date but on or after May 1, 2017, for Eligible Expenditures under Category 5.

2. The Closing Date in respect of the Original Financing, First Additional Financing and the Second Additional Financing is June 30, 2024.

Section V. Other Undertakings

A. The Recipient shall not later than September 30, 2017, or any other date agreed with the Association update the Program in a manner satisfactory to the Association.

B. The Recipient shall:

1. open and maintain an account (the Project Account) in Dollars in a commercial bank acceptable to the Association, wherein it shall deposit its Counterpart Funds sufficient to cover the portion of counterpart financing requirements for local expenditures for which the Recipient is responsible under the Annual Work Plan and which are projected to be made under the Project in the succeeding year.

2. ensure that funds deposited in the Project Account in accordance with paragraph (1) of this section shall be used only to finance the Recipient’s contribution to the expenditures under the Project which are not financed out of the proceeds of the Financing.

3. Notwithstanding the foregoing, at any time, by notice to the Association, the Recipient may commit and allocate more than the minimum Counterpart Funding to the Project for a particular year and upon which the Counterpart Funding for the following year shall be pro-rated to the extent of said additional contribution.
SCHEDULE 3

I. Repayment Schedule for the 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 November 15 and May 15:</td>
<td></td>
</tr>
<tr>
<td>commencing November 15, 2021, to and including May 15, 2031</td>
<td>1%</td>
</tr>
<tr>
<td>commencing November 15, 2031, to and including May 15, 2051</td>
<td>2%</td>
</tr>
</tbody>
</table>

II. Repayment Schedule for the First Additional 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 May 15 and November 15:</td>
<td></td>
</tr>
<tr>
<td>commencing November 15, 2022, to and including May 15, 2032</td>
<td>1%</td>
</tr>
<tr>
<td>commencing on November 15, 2032, to and including May 15, 2052</td>
<td>2%</td>
</tr>
</tbody>
</table>

III. Repayment Schedule for the Second Additional 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 June 15 and December 15</td>
<td></td>
</tr>
<tr>
<td>commencing June 15, 2023, to and including December 15, 2054</td>
<td>1.5625%</td>
</tr>
</tbody>
</table>

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

Section I. Definitions

1. "Annual Work Plan and Budget" means each annual work plan for the Project, together with the budget and financing arrangements therefore, as approved by the Association pursuant to Section I.B.1 of Schedule 2 to this Agreement.


3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


5. "Counterpart Funding" means the following minimum amounts hereby committed by the Recipient to allocate in its budget for each year of Project implementation to finance activities under the Program and to make them timely available to ensure adequate Project implementation: (i) seven million, two hundred eighty thousand Dollars ($7,280,000), for the seventh year of Project implementation; (ii) twenty-eight million Dollars ($28,000,000) to be provided from the eighth to eleventh year of Project implementation, being a minimum of seven million Dollars per year; (iii) six million five hundred twenty thousand Dollars ($6,520,000), for the twelfth year of Project implementation; and (iv) six million Dollars ($6,000,000), for the thirteenth year of Project implementation.

6. "Displaced Person" means any person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.


8. "Environmental Management Plan" and "EMP" each means the plan prepared and adopted by Recipient, dated November 15, 2009, and updated in November 20, 2009, re-disclosed at Infoshop on April 10, 2012, and subsequently re-disclosed on April 17, 2017, defining appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental and
resettlement impacts, offset them, reduce them to acceptable levels or enhance positive impacts, as the same may be amended from time to time with the agreement of the Association.

9. “First Additional Financing” means the additional financing for the Original Project provided pursuant to the First Additional Financing Agreement.

10. “First Additional Financing Agreement” means the financing agreement for a Road Asset Management Project between the Recipient and the Association, dated December 19, 2012, as amended to the date of this Agreement (Credit No 5167-LR).


12. “Infrastructure Implementation Unit” and “IIU” each means the unit established within the Recipient’s Ministry of Public Works, and referred to in Section I.A.1(a) of Schedule 2 to this Agreement, or any successor entity thereto.

13. “Initiation of Procurement Process” means, in connection with the procurement of a good, work or service, the date on which the invitation to bid or the quote requested for such good or work or the request for proposals for such service is issued.

14. “Operating Costs” means the incremental expenses arising under the Project, and based on Annual Work Plans and Budgets approved by the Association pursuant to Section I.B.1 of Schedule 2 to this Agreement, on account of office equipment and supplies, vehicle operation and maintenance, maintenance of equipment, communication and insurance costs, office administration costs, utilities, rental, consumables, accommodation, travel and per diem, but excluding the salaries of the Recipient’s civil service.

15. “Original Financing” means the financing for the Original Project provided pursuant to the Original Financing Agreement.

16. “Original Financing Agreement” means the financing agreement for a Road Asset Management Project between the Recipient and the Association, dated July 13, 2011, as amended to the date of this Agreement (Credit No. 4950-LR).

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

18. “Output and Performance-based Road Contract” or “OPRC” means a contract made pursuant to a competitive procurement process resulting in a contractual relationship where: (i) payments are made against measured outputs; (ii) the technical specifications define the desired results; and (iii) the outputs satisfy
defined functional needs in terms of road quality, quantity and reliability, including with respect to construction, rehabilitation, upgrading, and maintenance.


20. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 20, 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.

21. “Program” means the Recipient’s National Transport Policy and Strategy dated June 5, 2009, providing a policy framework for the development of an efficient, safe, affordable, sustainable and people-centered transport system in the Recipient’s territory as said program may be amended from time to time.

22. “Project Financial Management Unit” and “PFMU” each means the Project Financial Management Unit established within the Recipient’s Ministry of Finance and referred to in Section I.A.2 of Schedule 2 to this Agreement or any successor arrangement thereto.

23. “Resettlement Action Plan” and “RAP” each means, any resettlement action plan for the Project, prepared and adopted by the Recipient in accordance with Section I.D of Schedule 2 to this Agreement.

24. “Resettlement Compensation” means the expenditures incurred in financing the cost of compensating Displaced Persons or project affected persons in accordance with the criteria outlined in the RPF.

25. “Resettlement Policy Framework” or “RPF” means the Resettlement Policy Framework of the Recipient dated October 10, 2009, and re-disclosed at Infoshop on April 10, 2012, setting forth the modalities for resettlement and compensation of Displaced Persons under the Project, as the same may be amended from time to time with the agreement of the Association.

26. “Safeguard Instruments” means collectively (i) the EMP, (ii) the RPF, and (iii) RAPs.

27. “Training” means the cost associated with the training, seminars and workshops, based on Annual Work Plans and Budget approved by the Association pursuant to Section I.B.1 of Schedule 2 to this Agreement, for reasonable expenditures (other than expenditures for consultants’ services), including: (i) travel, room, board and per diem expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (ii) course fees; (iii) training
facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.