Julv, 31, 2017

H. E. Adama KONE
Ministry of Economy and Finance
Abidjan

Republic of Cote d'Ivoire

Re: Republic of Cote d'Ivoire: Advance Agreement for the Preparation of the Proposed CI-Energies Guarantee Project Project Preparation Advance No. IDA V1070-CI

Excellency:

In response to the request for financial assistance made on behalf of the Republic of Cote d'Ivoire ("Recipient"), I am pleased to inform you that the International Development Association ("World Bank") proposes to extend to the Recipient an advance out of the World Bank's Project Preparation Facility in an amount not to exceed one million Dollars ($ 1,000,000) ("Advance") on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex, to assist in financing the activities described in the Annex ("Activities"). The objective of the Activities is to facilitate the preparation of a proposed project designed to improve the sector's financial performance by refinancing the short term liabilities of CI-Energies ("Project"), for the carrying out of which the Recipient has requested the World Bank's financial assistance.

The Recipient represents, by confirming its agreement below, that: (a) it understands that the provision of the Advance does not constitute or imply any commitment on the part of IBRD or IDA to assist in financing the Project; and (b) it is authorized to enter into this Agreement and to carry out the Activities, repay the Advance and perform its other obligations under this Agreement, all in accordance with the provisions of this Agreement.
Please confirm the Recipient’s agreement to the foregoing by having an authorized official of the Recipient sign and date the enclosed copy of this Agreement, and returning it to the World Bank. Upon receipt by the World Bank of this countersigned copy, this Agreement shall become effective as of the date of the notice of effectiveness from the World Bank to the Recipient, confirming in accordance with the provisions of Section 6.02 of the Annex to this Agreement that the World Bank has accepted the supporting document provided by the Recipient to the World Bank to establish that the condition of effectiveness listed in Section 6.01 of the Agreement has been satisfied.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Katrina M. Sharkey
Acting Country Director for Côte d'Ivoire
Africa Region

AGREEED:
REPUBLIC OF COTE D'IVOIRE

By: Authorized Representative

Name: 

Title: 

Date: August 31, 2017

Adama KONE

Enclosures:
(1) "Standard Conditions for Advances Made by the World Bank under its Project Preparation Facility", dated July 31, 2010
(2) Disbursement Letter for the Advance of the same date as this Agreement, together with "World Bank Disbursement Guidelines for Projects", dated May 1, 2006
(3) Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016
Article I
Standard Conditions; Definitions


1.02. Definitions. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement, and the following additional terms shall have the following meanings:


(b) “Implementing Entity” means Société des Énergies de Côte d’Ivoire or CI-Energies.

(c) “Subsidiary Agreement” means the agreement referred to in Section 2.03 (b) of this Annex pursuant to which the Recipient shall make the proceeds of the Advance available to the Implementing Entity.

Article II
Execution of the Activities

2.01. Description of the Activities. The Activities for which the Advance is provided consist of the following, namely, the provision of advisory services for the carrying out of financial, transactional and legal services to be provided by international firms to the Recipient.

2.02. Execution of the Activities Generally. The Recipient declares its commitment to the objectives of the Activities. To this end, the Recipient shall cause the Activities to be carried out by the Implementing Entity in accordance with the provisions of: (a) Article II of the Standard Conditions; (b) this Article II; and (c) the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.

2.03. Institutional and Other Arrangements. Without limitation upon the provisions of Section 2.02 above:

(a) The Recipient shall, throughout the Refinancing Date, cause the Implementing Entity to be responsible for the overall implementation of the Activities, including financial management, accounting and procurement. To this end, the Recipient shall take all necessary actions on its part to ensure that the Implementing Entity is, at all times during the implementation of the Activities, maintained with: (i) mandate, composition and resources satisfactory to the World Bank; and (ii) adequate staff with qualifications and experience satisfactory to the World Bank for a prompt and efficient implementation of the Activities.

(b) The Recipient, to facilitate the carrying out of the Activities, make the proceeds of the Advance available to the Implementing Entity on a grant basis under a subsidiary agreement...
between the Recipient and the Implementing Entity, pursuant to terms and conditions approved by
the World Bank ("Subsidiary Agreement").

(c) The Recipient shall exercise its rights under the Subsidiary Agreement in such
manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes
of the Advance. 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 which shall include,
inter alia:

(i) the obligations and commitments of the implementing Entity with respect to
the carrying out of the Activities;

(ii) the terms and conditions under which the Recipient shall make the proceeds
of the Advance available to the Implementing Entity; and

(iii) the obligation for the Implementing Entity to ensure that the Activities are
carried out in accordance with the provisions of the Anti-Corruption Guidelines.

2.04. Monitoring, Reporting and Evaluation of the Activities. The Recipient shall monitor and
evaluate the progress of the Activities in accordance with the provisions of Section 2.08 of the
Standard Conditions.

2.05. Financial Management. (a) The Recipient shall ensure that a financial management
system is maintained in accordance with the provisions of Section 2.09 of the Standard Conditions.

(b) The Recipient shall ensure that interim un-audited financial reports for the Activities
are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each
calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

(c) The Recipient shall have its Financial Statements audited in accordance with the
provisions of Sections 2.09 (b) of the Standard Conditions.

(i) If, on or before the Refinancing Date, a Refinancing Agreement has been
executed by all of its parties, the Recipient shall have the Financial Statements included in the first audit
of financial statements required under the Refinancing Agreement.

(ii) If, by the Refinancing Date, no Refinancing Agreement has been executed
by all of its parties, such audit of the Financial Statements shall cover the period of the Advance,
commencing with the fiscal year in which the first withdrawal under the Advance was made. The
audited Financial Statements for such period shall be furnished to the World Bank not later than six
(6) months after the end of the Recipient's fiscal year in which the Refinancing Date occurs.

(iii) Notwithstanding the provisions of paragraphs (i) and (ii) of this Section, the
World Bank may request an audit of the Financial Statements prior to the Refinancing Date, covering
such period as is indicated in its request. The audited Financial Statements for such period shall be
furnished to the World Bank not later than six (6) months after the end of such period.

2.06. Procurement

All consulting services required for the Activities and to be financed out of the proceeds of
the Advance shall be procured in accordance with the requirements set forth or referred to in the
"World Bank Procurement Regulations for Borrowers under Investment Project Financing" dated July 1, 2016 ("Procurement Regulations") and the provisions of the Recipient's procurement plan for the Activities dated July 14 ("Procurement Plan") provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

**Article III**

**Withdrawal of the Advance**

3.01. **Eligible Expenditures.** The Recipient may withdraw the proceeds of the Advance in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may 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 World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the following table. The table specifies each category of Eligible Expenditures that may be financed out of the proceeds of the Advance ("Category"), the amount of the Advance allocated 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 Advance Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Consulting services under the Activities</td>
<td>1,000,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>1,000,000</td>
<td></td>
</tr>
</tbody>
</table>

3.02. **Withdrawal Conditions.** Notwithstanding the provisions of Section 3.01 of this Agreement, no withdrawal shall be made for payments made prior to the date of countersignature of this Agreement by the Recipient.

3.03. **Refinancing Date.** The Refinancing Date is March 30, 2018.

**Article IV**

**Terms of the Advance**

4.01. **Service Charge.** The Recipient shall pay a service charge on the Withdrawn Advance Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum. The service charge shall accrue from the respective dates on which amounts of the Advance are withdrawn and shall be paid in arrears in accordance with the provisions of Section 4.02 of this Agreement. Service charges shall be computed on the basis of a 360-day year of twelve 30-day months.

4.02. **Repayment.** The Withdrawn Advance Balance shall be repaid by the Recipient to the World Bank (together with any service charges accrued thereon) in accordance with the provisions of Article IV of the Standard Conditions and the following provisions:

(a) **Refinancing under the Refinancing Agreement:** If, on or before the Refinancing Date, a Refinancing Agreement has been executed by all of its parties, then the full amount of the Withdrawn Advance Balance shall be repaid to the World Bank (together with any service charges
accrued on the Advance to the date of repayment) as soon as the Refinancing Agreement becomes effective, by means of a withdrawal by the World Bank of an amount of the Refinancing Proceeds equivalent to the Withdrawn Advance Balance plus such service charges, in accordance with the provisions of the Refinancing Agreement.

(b) **Repayment in the absence of a Refinancing Agreement:** If, on or before the Refinancing Date, no Refinancing Agreement has been executed by all of its parties, or if, by such date or at any time thereafter, it has been so executed but terminates without becoming effective, then:

(i) if the amount of the Withdrawn Advance Balance does not exceed $50,000, it shall be repaid by the Recipient to the World Bank (together with service charges accrued on the Withdrawn Advance Balance to the date of repayment) on such date as the World Bank shall specify in a notice to the Recipient, which shall in no event be earlier than 60 days following the date of dispatch of such notice; and

(ii) if the amount of the Withdrawn Advance Balance exceeds $50,000, it (together with service charges accrued on the Withdrawn Advance Balance to the Notice Date) (the “Aggregate Balance”) shall be paid by the Recipient to the World Bank in ten approximately equal semiannual installments, in the amounts and on the dates (“Payment Dates”) which the World Bank shall specify in a notice to the Recipient. In no event shall the first Payment Date be set earlier than 60 days following the date (“Notice Date”) of dispatch of such notice. The Recipient shall pay a service charge on the Aggregate Balance at the rate of three-fourths of one percent (3/4 of 1%) per annum, payable in arrears on each Payment Date. The service charge shall be computed on the basis of a 360-day year of twelve 30-day months.

**Article V**

**Additional Remedies**

5.01. **Additional Events of Suspension.** The Additional Event of Suspension consists of the following, namely, that the CI-Energies Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of CI-Energies to perform any of its obligations under the Subsidiary Agreement.

5.02. **Additional Events of Acceleration.** The Additional Event of Acceleration consists of the following, namely, that the event specified in Section 5.01 of the Annex to this Agreement has occurred.

**Article VI**

**Effectiveness; Termination**

6.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the following condition, namely, the Subsidiary Agreement referred to in Section 2.03 (b) of this Annex has been executed on behalf of the Recipient and the Implementing Entity.

6.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 6.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to
make withdrawals from the PPA Account if this Agreement had been effective, the World Bank may
postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have)
ceased to exist.

6.03. Termination for Failure to Become Effective. This Agreement and all obligations of the parties
under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement,
unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the
purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VII

Recipient's Representative; Addresses

7.01. Recipient's Representative. The Recipient's Representative referred to in Section 9.02 of
the Standard Conditions is its Minister responsible for finance.

7.02. Recipient's Address. The Recipient's Address referred to in Section 9.01 of the Standard
Conditions is:

Ministry of Economy and Finance
BP V 163
Abidjan
Republic of Cote d'Ivoire

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

7.03. World Bank's Address. The World Bank’s Address referred to in Section 9.01 of the
Standard Conditions is:

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

Telex: Facsimile:
248423 (MCI) or (1)-202-477-6391
64145 (MCI)