Financing Agreement

(Transport Systems Improvement Project)

between

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 15, 2016
AGREEMENT dated June 15, 2016, entered into between FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA ("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 credit in an amount equivalent to two hundred thirteen million Special Drawing Rights (SDR 213,000,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are August 1 and February 1 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 Parts A and B of the Project through AARTB and Part C of the Project through FTA, 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, namely that the Recipient, through both AARTB and FTA, has each adopted its respective Project Implementation Manual in accordance with Section I.D of Schedule 2 to this Agreement.

4.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of this Agreement.

4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister of Finance and Economic Cooperation.

5.02. The Recipient’s Address is:

Ministry of Finance and Economic Cooperation
P.O. Box 1905
Addis Ababa
Federal Democratic Republic of Ethiopia

Telex: Facsimile:

21147 (251-11) 1551355
5.03. 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 Addis Ababa, Federal Democratic Republic of Ethiopia, as of the day and year first above written.

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By

[Signature]

Authorized Representative

Name: ABDULAZIZ MOHAMMED
Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Carolyn Turk
Title: Country Director for Ethiopia, Sudan, and South Sudan
SCHEDULE 1

Project Description

The objective of the Project is to improve mobility along selected corridors in the Recipient’s City of Addis Ababa and the effectiveness of road safety compliance systems throughout the Recipient’s territory.

The Project consists of the following parts:

Part A: Traffic Management and Road Safety in the City of Addis Ababa

1. Improving the traffic and safety management practices in the City of Addis Ababa, through:
   
   (a) Preparing an intelligent transport system (ITS) for the City of Addis Ababa, including expansion of existing traffic signal and control systems; improvement of traffic operations centers; enforcement of traffic lights and associated penalty management system; improvement of associated civil works at intersections for selected streets in order to improve traffic flow and pedestrian safety.

   (b) Developing a city-wide parking strategy and implementing a targeted paid on-street and off-street parking program to better manage current parking conditions.

   (c) Undertaking traffic management studies in order to improve traffic conditions.

   (d) Strengthening the capacity of TMA to carry out its assigned responsibilities, including, inter alia, designing and implementing appropriate traffic management measures and related training.

   (e) Improving traffic enforcement and traffic safety measures through the provision of appropriate equipment and traffic enforcement training for Addis Ababa traffic police.

2. Improving road and pedestrians safety interventions of selected corridors at identified locations and strengthening the capacity of Addis Ababa City Roads Authority (AACRA), through:

   (a) Implementing comprehensive improvements to selected streets in order to enhance traffic conditions and pedestrian amenities and safety, including, inter alia: improving pavement and drainage; developing traffic management measures; providing or upgrading sidewalks; providing
street lighting, bus stops and bus bays; and developing parking management measures within right of way.

(b) Developing and implementing pedestrian safety and community connectivity plans at selected locations.

(c) Developing a citywide drainage master plan.

(d) Strengthening institutional capacity of AACRA for, *inter alia*: (i) implementing improved asset management and pavement management systems; (ii) developing an improved maintenance and funding strategy; (iii) supporting the restructuring of AACRA and providing related capacity building activities; (iv) developing an improved road design manual and a road maintenance manual; and (v) improving contract management.

3. Improving traffic oversight, public transport services and systems and strengthening the capacity of PFTA and the Anbessa City Bus Enterprise (ACBE), through:

(a) Strengthening the capacity of PFTA for undertaking tasks related to public transport planning, regulation, management, and service contracting.

(b) Assisting in planning and establishing an integrated public transport system, including, *inter alia*: implementing related regulatory reforms to rationalize the provision of public transport services and strengthen the management of public transport operations.

(c) Assisting in modernizing bus operations of ACBE to improve management, business and operational information systems, including, *inter alia*: designing and implementing an ITS and management systems for electronic fare collection, automatic vehicle location, depot, crew and bus scheduling, inventory and spares and bus network systems.

(d) Supporting the rehabilitation and improvement of ACBE’s operational conditions, including, *inter alia*, improvement of its vehicle maintenance workshops, depots and system control center.

(e) Strengthening the capacity of ACBE to enable it to deliver its mandates and services effectively.

4. Supporting AARTB and the Transport Programs Management Office (TPMO) to improve their business planning and implementation, through:
(a) Strengthening the capacity of AARTB and TPMO in planning and overseeing the implementation of urban transport reforms in the City of Addis Ababa.

(b) Strengthening the capacity of TPMO staff to carry out their responsibilities, including monitoring and evaluation of the Project, and preparing future development initiatives.

(c) Strengthening the capacity of TPMO in Project management.

Part B: Improvement of Integrated Urban Planning and Transport System

(a) Supporting the Addis Ababa Land Development and Management Bureau (AALDMB) to develop land use and transport plans for the City of Addis Ababa.

(b) Carrying out studies on transit-oriented developments and preparing plans and strategies to implement strategic transit-oriented developments initiatives, and the provision of advisory and technical assistance to enhance the capacity of AALDMB in these activities and in light-rail master planning.

(c) Strengthening the capacity of AALDMB in carrying out its business functions.

Part C: Road Safety Interventions and Institutional Strengthening of Selected Federal Transport Institutions

1. Improving compliance with road transport rules and regulations nationally, through improved driver training, developing an integrated driver licensing and vehicle registration system, and strengthening FTA’s capacity; including, \textit{inter alia}:

(a) Setting up a system for re-registration of new and current drivers using modern security enhanced driver’s license documents.

(b) Setting up a system for re-registration of vehicles with vehicle chassis numbers and replacement of the existing vehicle registry documents by secure unified vehicle registration documents.

(c) Improving the quality of driver training and testing.
(d) Designing and implementing solutions for issues related to driving school management, vehicle inspection management; driver’s penalty management; accident data management; and power interruptions in the transport system.

(c) Establishing a central help desk support system.

(f) Strengthening the capacity of FTA in undertaking its business functions.

(g) Supporting integrating the driver licensing and vehicle registration, and accident databases.

2. Improving federal traffic enforcement capability and strengthening the capacity of federal traffic police, through:

(a) Supporting the enhancement of road safety compliance through training, capacity building and institutional strengthening for the federal traffic police countrywide.

(b) Installing police mobile applications for driver and vehicle verification as well as penalty management and providing vehicles for inspecting road safety compliance.

3. Improving oversight capacity of MOT and MOC, through:

(a) Supporting MOT in: (i) developing a long-term program to improve its capacity for urban transport management, through engaging with local universities to develop corresponding curriculum, and supporting students in these programs on a pilot basis; (ii) developing an urban transport policy and investment program; and (iii) supporting the implementation of institutional and policy reform in the provision of public transport.

(b) Supporting MOC in developing regulation and procedures for managing construction sites and enhancing its oversight responsibilities through training, capacity building and technical assistance.
SCHEDULE 2

Project Execution

Section I. Institutional and Implementation Arrangements

A. AARTB Steering Committee

The Recipient shall, through AARTB, maintain throughout the implementation of the Project, a steering committee (“AARTB Steering Committee”) with mandates and composition acceptable to the Association, for providing policy and strategic guidance for implementing Parts A and B of the Project.

B. Federal Steering Committee

The Recipient shall, through FTA, maintain throughout the implementation of the Project, a steering committee (“Federal Steering Committee”), with mandates and composition acceptable to the Association, for providing policy and strategic guidance for implementing Part C of the Project.

C. Project Implementation Units

The Recipient shall, through AARTB and FTA, maintain throughout the implementation of the Project, their respective Project Implementation Unit, each with mandates, staffing in adequate numbers, with qualifications and experience and under terms of reference satisfactory to the Association. The PIU of AARTB shall be responsible for technical aspect of AARTB’s Respective Parts of the Project. The PIU of FTA shall be responsible for all aspects of implementation of FTA’s Respective Part of the Project.

D. AACRA

The Recipient shall through AARTB cause AACRA to be responsible for managing procurement and financial management aspects of AARTB’s Respective Parts of the Project.

E. Project Implementation Manuals

1. The Recipient shall, through AARTB and FTA, implement their Respective Parts of the Project in accordance with their respective Project Implementation Manual, which each shall include, inter alia, the following provisions: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement, financial management, and procurement; (c) monitoring, evaluation, and reporting requirements; (d) Safeguards Documents; (e) the intended purposes
of traffic enforcement equipment; adequate mitigation and safeguards measures to ensure that said equipment are not misused; adequate training provided to traffic police; and arrangements for monitoring the activities involving traffic enforcement equipment; and (f) such other administrative, technical, and organizational arrangements and procedures as shall be required for their Respective Parts of the Project.

2. The Recipient shall, through AARTB and FTA, not amend, abrogate, waive or fail to enforce any provision of the Project Implementation Manuals without the prior written agreement of the Association; provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Implementation Manuals and the provisions of this Agreement, the provisions of this Agreement shall prevail.

F. Anti-Corruption

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

G. Environmental and Social Safeguards

1. The Recipient shall, through AARTB and FTA, carry out their Respective Parts of the Project in accordance with the provisions of the Safeguard Instruments.

2. Without limitation on the provisions of paragraph 1 immediately above, the Recipient shall, through AARTB and FTA, take the following measures:

   (a) If any Project activity would, pursuant to the ESMF, require the preparation of an ESMP, no such activity shall be implemented unless such ESMP has been: (i) prepared in accordance with such ESMF and furnished to the Association; (ii) disclosed locally as required by the ESMF; and (iii) approved by the Association and publicly disclosed.

   (b) If any Project activity would, pursuant to the RPF, require the preparation of a RAP, no such activity shall be implemented, unless:

      (i) a RAP for such activity has been: (A) prepared in accordance with the requirements of the RPF and furnished to the Association; (B) disclosed as required by the RPF; and (C) approved by the Association and publicly disclosed; and

      (ii) (A) all measures required to be taken under said RAP prior to the initiation of said activity have been taken, including, without limitation to the above, providing funds for resettlement compensation when and if required under a RAP; (B) a report, in
form and substance satisfactory to the Association, on the status of compliance with the requirements of said RAP has been prepared and furnished to the Association; and (C) the Association has confirmed that the implementation of said activity may be commenced.

3. The Recipient shall not permit AARTB or FTA to amend or waive, or permit to be waived, any Safeguard Instrument, or any provision of any one thereof, without the prior written approval of the Association.

4. The Recipient shall, through AARTB and FTA, ensure that all measures for carrying out the recommendations of the Safeguard Instruments are taken in a timely manner.

5. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, through AARTB and FTA:

   (a) include in the Project Reports referred to in Section II.A of this Schedule adequate information on monitoring the measures defined in the Safeguard Instruments, giving details of:

      (i) measures taken in furtherance of such Safeguard Instruments;

      (ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments;

      (iii) 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; and

   (b) afford the Association a reasonable opportunity to exchange views with AARTB and/or FTA on such reports.

6. Each such report referred to in paragraph 5 immediately above shall be furnished to the Association not later than one (1) month after the end of the six (6) month period covered by such report and the first such report shall be furnished to the Association not later than one (1) month after the end of the six (6) month period in which the activities of the Project commenced.

H. **Annual Work Plans and Budgets**

1. Each year the Recipient shall, through AARTB and FTA, prepare draft Annual Work Plans and Budgets for their Respective Parts of the Project for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested; and
2. The Recipient shall, through AARTB and FTA, furnish to the Association, as soon as available, but in any case not later than March 30 of each year, theAnnual Work Plans and Budgets approved by the AARTB Steering Committee and the Federal Steering Committee respectively, for the Association’s review and approval. The Recipient shall ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior approval.

I. Other Undertakings

1. Not later than June 30, 2017, the Recipient shall, through FTA, sign a memorandum of understanding (MoU) with each Region and each Chartered City on effective management of operations and maintenance of driver licensing, vehicle registration and inspection, and penalty system.

2. Not later than June 30, 2017, the Recipient shall, through FTA, sign a MoU with each of the National Data Center and Regional Data Centers on hosting the databases for the transport systems under their respective jurisdictions.

3. No later than March 30, 2017, the Recipient shall, through FTA, issue national information security guidelines on the usage of driver licensing, vehicle registration and penalty management systems as well as national standards for ensuring information security.

4. No later than June 30, 2019, the Recipient shall, through FTA, install and maintain reliable power supply to its regional and zonal offices hosting databases for its information systems to enable uninterrupted provision of services to drivers and vehicle owners.

5. Not later than June 30, 2018, the Recipient shall: (a) through TMA recruit and maintain staff in adequate numbers with qualifications and experience required for managing traffic signaling for the City of Addis Ababa; and (b) through FTA, recruit and maintain staff in adequate numbers with qualifications and experience required for managing driver licensing, vehicle registration, inspection and penalty management systems.

6. Not later than June 30, 2018, the Recipient shall, through TMA and FTA, each provide adequate funds for the operations and maintenance of their respective transport systems supported under the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall through AARTB and FTA 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 the indicators set out in the PIMs acceptable to the Association. Each Project Report shall cover the period of six (6) months, 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. Without limitation on the provisions of Part A of this Section, the Recipient shall through AACRA and FTA prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for their Respective Parts of Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall through AACRA and FTA have the Financial Statements for their Respective Parts of the Project audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, 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 by AACRA and FTA to the Association not later than six (6) 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 Sections II and III of the
Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

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

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

2. Other Methods of Procurement of Goods and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods and non-consulting services for those contracts specified in the Procurement Plan:

(a) National Competitive Bidding, subject to the following additional provisions:

(i) The Recipient’s standard bidding documents for procurement of goods and works acceptable to the Association shall be used. At the request of the Recipient, the introduction of requirements for bidders to sign an Anti-Bribery pledge and/or statement of undertaking to observe Ethiopian Law against fraud and corruption and other forms that ought to be completed and signed by him/her may be included in bidding documents if the arrangements governing such undertakings are acceptable to the Association.

(ii) If pre-qualification is used, the Association’s standard prequalification document shall be used.

(iii) No margin of preference shall be granted in bid evaluation on the basis of bidder’s nationality, origin of goods or services, and/or preferential programs such as but not limited to small and medium enterprises.

(iv) Mandatory registration in a supplier list shall not be used to assess bidders’ qualifications. A foreign bidder shall not be required to register as a condition for submitting its bid and if recommended for contract award shall be given a reasonable opportunity to register with the reasonable cooperation of the Recipient, prior to contract signing. Invitations to bids shall be advertised in at least one newspaper of national circulation or the official gazette, or on a widely used website or electronic portal with free national and international access.

(v) Bidders shall be given a minimum of thirty (30) days to submit bids from the date of availability of the bidding documents.
(vi) All bidding for goods and works shall be carried out through a one-envelope procedure.

(vii) Evaluation of bids shall be made in strict adherence to the evaluation criteria specified in the bidding documents. Evaluation criteria other than price shall be quantified in monetary terms. Merit points shall not be used, and no minimum point or percentage value shall be assigned to the significance of price, in bid evaluation.

(viii) The results of evaluation and award of contract shall be made public. All bids shall not be rejected and the procurement process shall not be cancelled, a failure of bidding declared, new bids shall not be solicited, nor shall negotiated procurement in case of a failure of bidding be resorted to without the Association's prior written concurrence. Negotiations shall not be allowed except in the case of a lowest evaluated responsive bid which exceeds the Recipient's updated cost estimate by a substantial margin, to try to obtain a satisfactory contract through a reduction in the scope of works/supply and reallocation of risk which can be reflected in a reduction in contract price.

(ix) In accordance with Paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (1) the bidders, suppliers, contractors and subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Association, at its request, to inspect all accounts, records and comments relating to the bid submission and performance of the contract, and to have them audited by auditors appointed by the Association; and (2) any act intended to materially impede the exercise of the Association's audit and inspection rights constitutes an obstructive practice as defined in the paragraph 1.16(a)(v) of the Procurement Guidelines.

(b) Shopping.

(c) Direct Contracting.

(d) Procurement from the United Nations Agencies.

(e) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the Association.
C. Particular Methods of Procurement of Consultants’ Services

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

2. Other Methods of Procurement of Consultants’ Services. The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan: (a) Quality-Based Selection; (b) Fixed Budget Selection; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of UN Agencies pursuant to paragraph 3.15 of the Consultant Guidelines; (g) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (h) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

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

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to repay the Preparation Advance in accordance with Section 2.07 of the General Conditions and finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
### Category | Amount of the Financing Allocated (expressed in SDR) | Percentage of Expenditures to be Financed (inclusive of Taxes)
--- | --- | ---
(1) Goods, works, non-consulting services, consultants’ services, Training and Operating Costs under AARTB’s Respective Parts of the Project | 134,500,000 | 100%
(2) Goods, works, non-consulting services, consultants’ services, Training and Operating Costs under FTA’s Respective Part of the Project | 75,000,000 | 100%
(3) Refund of Preparation Advance | 3,500,000 | Amount payable pursuant to Section 2.07 of the General Conditions

**TOTAL AMOUNT** | **213,000,000** |  

**B. Withdrawal Conditions; Withdrawal Period**

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

2. The Closing Date is December 31, 2023.
### SCHEDULE 3

**Repayment Schedule**

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
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<tbody>
<tr>
<td>On each August 1 and February 1, commencing August 1, 2022, to and including February 1, 2054</td>
<td>1.5625%</td>
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* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Definitions

1. "AARTB" means the Addis Ababa Road and Transport Bureau, or any successor thereto.

2. "AARTB Steering Committee" means the steering committee referred to in Section I.A of Schedule 2 to this Agreement.

3. "AACRA" means the Addis Ababa City Roads Authority, responsible for management of the construction and maintenance of the city’s road network.

4. "Affected Persons" mean persons who, on account of the execution of the Project or any Part thereof: (a) have experienced or would experience direct economic and social impacts caused by 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 persons must move to another location; or (b) have or would have their right, title, or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, or otherwise adversely affected temporarily or permanently.

5. "Anbessa City Bus Enterprise" or "ACBE" means the enterprise established to operate public bus services for the City of Addis Ababa.

6. "Annual Work Plans and Budgets" means the annual work plans and budgets for the activities under the Project approved by the Association in accordance with the provisions of Section I.H of Schedule 2 to this Agreement; and "Annual Work Plan and Budget" means any of the Annual Work Plans and Budgets.


8. "Chartered City" means a city administration, as defined in the federal charter proclamations, and any successor thereto; and the term "Chartered Cities’ means the plural thereof.


10. Environmental and Social Management Framework” or “ESMF” means the framework, dated February 23, 2016, acceptable to the Association, setting forth...
an environmental and social screening process, principles and policies that will enable the Recipient to identify and assess potential adverse environmental and social impacts associated with the implementation of the Project, and offset and reduce them to acceptable levels, or enhance positive impacts, and in accordance with which ESMP(s) (as defined hereinafter) will be prepared and submitted to the Association for its approval, as the same may be amended from time to time with the prior written approval of the Association.

11. “ESMPs” means, collectively: (a) the environmental and social management plan, dated February 23, 2016, acceptable to the Association, prepared by the Recipient for the first year’s Project activities; and (b) the environmental and social management plan(s) to be prepared by the Recipient for Project activities to be identified at a later stage of implementation in accordance with the provisions of paragraph 2(a) of Section I. G of Schedule 2 to this Agreement; and such ESMPs may be amended from time to time with the prior written approval of the Association.

12. “Federal Steering Committee” means the steering committee referred to in Section I.B of Schedule 2 to this Agreement.

13. “FTA” means the Recipient’s Federal Transport Authority, or any successor thereto.


15. “Intelligent Transport System” or “ITS” means the information technology systems designed to support traffic management and operation of public transport services to be installed under the Project.

16. “Ministry of Finance and Economic Cooperation” or “MoFEC” means the Recipient’s ministry responsible for finance, or any successor thereto.

17. “MOC” means the Recipient’s Ministry of Construction, or any successor thereto.

18. “MOT” means the Recipient’s Ministry of Transport, or any successor thereto.

19. “National Data Center” means the center used to house computer systems and associated components operated by the federal government to provide computing services.

20. “Operating Costs” means the incremental expenses incurred by the PIUs based on annual budgets approved by the Association attributable to Project implementation, management, and monitoring, including office supplies and consumables; communication costs; operation and maintenance of office vehicles; per diem and travel costs for Project staff; reasonable bank charges; and
allowances and salaries of the Project’s contractual staff (but excluding the salaries of the Recipient’s civil servants).


22. “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 on July 8, 2015, and on behalf of the Recipient on July 8, 2015.


24. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated March 24, 2016, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

25. “Project Implementation Manuals” or “PIMs” means, collectively, the manuals prepared by AARTB and FTA, satisfactory to the Association, referred to in Section 1.E of Schedule 2 to this Agreement, and the term “Project Implementation Manual” means either of these two manuals.

26. “Project Implementation Units” or “PIUs” means the units referred to in Section 1.C of Schedule 2 to this Agreement; and the “PIU’ means either of the PIUs.

27. “Region” means the Recipient’s federal unit established under the Recipient’s Constitution of the Federal Democratic Republic of Ethiopia of 1995; and the term “Regions” means the plural thereof.

28. “Regional Data Center” means a Regional center used to house computer systems and associated components operated by a Regional government to provide computing services; and “Regional Data Centers” means the plural thereof.

29. “Resettlement Action Plans” or “RAPs” means, collectively, the resettlement action plan(s) to be prepared by the Recipient through AARTB and FTA pursuant to the requirements of the RPF for compensation, resettlement and rehabilitation of Affected Persons as a result of the Project, as such plan(s) may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to such plan.
30. "Resettlement Policy Framework" or "RPF" means the framework, dated February 23, 2016, acceptable to the Association, outlining the principles, policies and procedures to be implemented in the event that specific activities implemented as a result of Project implementation have potentially negative impacts on the livelihoods, assets and land of the Affected Persons, as the said framework may be amended from time to time with the prior written agreement of the Association.

31. "Respective Parts of the Project" means in the case of AARTB, Parts A and B of the Project; and in the case of FTA, Part C of the Project.

32. "Safeguard Documents" means, collectively, the ESMPs, ESMFs, RAPs and RPFs; and the term "Safeguard Document" means any of the Safeguards Documents.

33. "TPMO" means the Transport Programs Management Office, responsible for planning and overseeing the implementation of urban transport reforms in the City of Addis Ababa, or any successor thereto.

34. "Traffic Management Agency" or "TMA" means the traffic management agency in the City of Addis Ababa, responsible for the operation of the ITS systems installed for traffic management and the planning of new road infrastructure and traffic management measures.

35. "Training" means expenditures associated with Project related study tours, training courses, seminars, workshops and other training activities, not included under service providers' contracts, in accordance with the Annual Work Plans and Budgets and approved by the Association, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and trainers, trainers' fees, and other training related miscellaneous costs.