Clean Technology Fund
Loan Agreement

(Metro Manila Bus Rapid Transit - Line 1 Project)

between

REPUBLIC OF THE PHILIPPINES

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
acting as an implementing entity of the Clean Technology Fund

Dated February 14, 2019
CTF LOAN NUMBER TF0A2129-PH

CLEAN TECHNOLOGY FUND LOAN AGREEMENT

AGREEMENT dated February 14, 2019, entered into between REPUBLIC OF THE PHILIPPINES ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT acting as an implementing entity of the Clean Technology Fund ("World Bank").

WHEREAS (A) the Borrower, having satisfied itself as to the feasibility and priority of the project described in Schedule 1 to this Agreement ("Project"), has requested the World Bank, acting not in its individual capacity but solely in its capacity as an implementing entity of the Clean Technology Fund ("CTF") under the Strategic Climate Fund ("SCF"), to extend a loan in the amount of twenty three million nine hundred thousand Dollars ($23,900,000) to assist in financing Parts 1(a), 1(b), 2(d), 4, and 5 of the Project;

(B) the Borrower has also requested the International Bank for Reconstruction and Development (IBRD) (acting in its own capacity) to assist in financing Parts 1(a), 1(b), 2(d), 4, and 6 of the Project, and IBRD has agreed to extend a loan in the amount of forty million seven hundred thousand Dollars ($40,700,000) pursuant to the loan agreement of even date herewith between the Borrower and IBRD ("IBRD Loan Agreement");

(C) the Borrower has committed to finance Parts 1(c), 2(a), 2(b), 2(c) and 3 of the Project; and

(D) the World Bank has agreed, on the basis, inter alia, of the foregoing, to extend a loan to the Borrower, in its capacity as an implementing entity of the CTF under the SCF, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, the Borrower and the World Bank hereby agree as follows:

Article I

Standard Conditions; Definitions

1.01. The Standard 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 Standard Conditions, the IBRD Loan Agreement or in the Appendix to this Agreement.
Article II
Loan

2.01. The World Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of twenty-three million nine hundred thousand United States Dollars ($23,900,000) ("Loan"), to assist in financing the Project referred to in Schedule 1 to this Agreement ("Project").

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

2.03. The Loan is funded out of the resources made available to the World Bank as an implementing entity of the CTF. In accordance with Section 3.02 of the Standard Conditions, the World Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it from the CTF trust fund, and the Borrower's right to withdraw the Loan proceeds is subject to the availability of such funds.

2.04. The Management Fee payable by the Borrower, pursuant to Section 4.01(b) of the Standard Conditions, on the Unwithdrawn Loan Balance shall be equal to eighteen one hundredth of one percent (0.18%) per annum.

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

2.06. The Payment Dates are March 15 and September 15 in each year.

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

2.08. The Payment Currency is USD.

Article III
The Project

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project through the Department of Transportation (DOTr) in accordance with the provisions of Article II of the Standard Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the World Bank shall otherwise agree, the Borrower
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 Condition of Effectiveness consists of the following, namely the IBRD Loan Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Borrower to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

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

Article V
Borrower’s Representative; Addresses

5.01. The Borrower’s Representative referred to in Section 10.02 of the Standard Conditions is its Secretary of Finance.

5.02. The Borrower’s Address referred to in Section 10.01 of the Standard Conditions is:
Department of Finance
Department of Finance Building
Bangko Sentral Complex
Roxas Blvd.
Manila, Philippines

Facsimile:

(63-2) 523-9216

5.03. The World Bank’s Address referred to in Section 10.01 of the Standard Conditions is:
International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America
AGREED at Manila, Republic of the Philippines, as of the day and year first above written.

REPUBLIC OF THE PHILIPPINES

By ____________________________
Authorized Representative

FEB 14 2019

Name: CARLOS G. DOMINGUEZ

Title: SECRETARY

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
acting as an implementing entity of the Clean Technology Fund under the Strategic Climate Fund

By ____________________________
Authorized Representative

Name: NARA WARWICK

Title: COUNTRY DIRECTOR
SCHEDULE 1

Project Description

Schedule 1 of the IBRD Loan Agreement is hereby incorporated by reference and shall apply, mutatis mutandis, to this Agreement, and the Borrower undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement.
SCHEDULE 2

Project Execution

Section I, II and III

1. Sections I, II and III of the Schedule 2 of the IBRD Loan Agreement are hereby incorporated by reference in this Schedule 2 with the following modifications, unless the context otherwise requires, and shall apply, mutatis mutandis, to this Agreement, and the Borrower undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement:

(a) in Section II.A, the reference to Section 5.08 of the General Conditions shall be replaced by a reference to Section 2.06 of the Standard Conditions;

(b) in Section II.B.1, the reference to Section 5.09 of the General Conditions shall be replaced by a reference to Section 2.07 of the Standard Conditions; and

(c) in Section II.B.3, the reference to Section 5.09(b) of the General Conditions shall be replaced by a reference to Section 2.07(b) of the Standard Conditions.

2. For greater clarity and the avoidance of doubt, in view of the incorporation of the provisions of Sections I, II and III of Schedule 2 of the IBRD Loan Agreement in this Agreement pursuant to Section 1 immediately above, if the IBRD Loan Agreement terminates prior to the termination of this Agreement, such termination shall have no effect for purposes of this Agreement, and the provisions of the IBRD Loan Agreement incorporated in this Agreement pursuant to Section 1 immediately above shall continue in full force and effect between the Borrower and the World Bank for the purposes of this Agreement, following and notwithstanding such termination of the IBRD Loan Agreement.

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article III of the Standard Conditions, this Section and such additional instructions as the World Bank may specify by notice to the Borrower (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 100% of Eligible Expenditures consisting of goods, works, non-consulting services, consultants’ services, Training and Workshops and Incremental Operating Costs under Parts 1(a), 1(b), 2(d), 4 and 5 of the Project.
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 November 30, 2022.
<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Loan repayable (expressed as a percentage)</th>
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<tbody>
<tr>
<td>On each March 15 and September 15</td>
<td>5%</td>
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<tr>
<td>Commencing September 15, 2027 and the last is March 15, 2037</td>
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APPENDIX

Definitions