Loan Agreement

(Access to Basic Services in Rural Areas and Capacity Building Project)

between

GABONESE REPUBLIC

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated January 16th, 2016
LOAN AGREEMENT

AGREEMENT dated 14th May, 2016, between GABONSE REPUBLIC ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank 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 — LOAN

2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of fifty-three million seven hundred thousand Euros (€53,700,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.08 of this Agreement ("Loan"), to assist in financing the project described in Schedule I 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 Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount. The Borrower shall pay the Front-end Fee not later than sixty days after the Effective Date.

2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Fixed Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower
shall instead be calculated as provided in Section 3.02(e) of the General Conditions.

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

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

2.08. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

(c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05 of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section IV of Schedule 2 to this Agreement.

2.09. Without limitation upon the provisions of paragraph (a) of Section 2.08 of this Agreement and unless otherwise notified by the Borrower to the Bank in accordance with the provisions of the Conversion Guidelines, the interest rate basis applicable to the aggregate principal amount of the Loan withdrawn during each six (6) consecutive Interest Period shall be converted from the initial Variable Rate
to a Fixed Rate for the full maturity of such amount in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out, through MERH, the Project in accordance with the provisions of Article V of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the 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 Conditions of Effectiveness consist of the following:

(a) The Project Implementation Manual has been adopted in accordance with Section I.C.2(c) of the Schedule 2 to this Agreement.

(b) The Steering Committee has been established and staffed in accordance with Section I.A.1 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.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower’s Representative is its Minister in charge of economy.

5.02. The Borrower’s Address is:

Ministry of Sustainable Development, Economy, Investment Promotion and Prospective
Boulevard Triomphal
B.P. 747
Libreville
Gabonese Republic

Facsimile:

(241) 1795-598
5.03. The Bank's Address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address: Telex: Facsimile:
INTBAFRAD 248423(MCI) or 1-202-477-6391
Washington, D.C. 64145(MCI)
AGREED at Libreville, Gabonese Republic, as of the day and year first above written.

GABONSE REPUBLIC

By

Authorized Representative

Name: S.E.I. Régis Jumboaolt
Title: Ministre du développement

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative

Name: Madame Sylvie Dassou
Title: Représentant Résident Banque Mondiale
SCHEDULE 1

Project Description

The objectives of the Project are to expand access to water and energy services in targeted rural areas and to establish mechanisms to improve sustainability of service provision.

The Project consists of the following parts:

Part A. Expansion of Access to Basic Services in Rural Areas

Providing access to electricity and water in targeted rural areas (individual and social-public areas), through:

1. Rehabilitation and construction of rural electrification infrastructure, including installation of solar home systems and mini-grid solutions; (2) construction and installation of wells and water pipes for drinkable water; and (3) provision of goods and equipment required for the purpose.

Part B. Implementation Support, Supervision and Monitoring and Evaluation

1. Carrying out a program of activities aimed at ensuring sustainability in the electricity and water sector, through capacity building and technical assistance in technical, financial and contractual areas to key selected actors.

2. (a) Development and completion of a master plan for access to basic services in the Borrower’s rural areas covering, inter alia, rural electrification and water supply and related technical options on a village-by-village basis; (b) development of related environmental and social impact studies; and (c) provision of engineering expertise for implementation support purposes.

3. Development and implementation of a communication, education and awareness program in targeted rural areas, including the implementation of a health campaign aimed at raising awareness on the benefits of clean water.

4. Support to the Borrower in the areas of Project coordination, supervision, financial management, procurement, monitoring and evaluation, audits, and preparation and supervision of implementation of the Safeguards Instruments and preparation of related surveys, including through the provision of Training, Operating Costs, goods and services for the required purpose.

Part C. Capacity Building and Sectoral Technical Assistance

1. Strengthening the capacity of the MERH, CNEE, ARSEE and private operators to better manage the energy sector by developing and implementing a module based training program (including on-the-job daily training and workshops) in the areas
of, *inter alia*, planning, operation and maintenance, and management of basic rural services.

2. Carrying out a program of activities aimed at assisting the MERH in strategic decision making and implementation in related sectors through, *inter alia*: (i) provision of technical assistance; (ii) development of electricity and water codes; (iii) update of the national electricity transmission and generation master plan; and (iv) the preparation of analytical and sector focused studies.
SCHEDULE 2
Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Steering Committee

The Borrower shall establish, and thereafter maintain, throughout the Project implementation period, with composition, mandate and resources satisfactory to the Bank, a steering committee, to be chaired by the minister of the MERH and comprised of representatives of key ministries and agencies, to be responsible for providing overall guidance and strategic support to the Project, including, inter alia, endorsing the proposed Annual Work Plan for the Project (the "Steering Committee").

2. Project Implementation Unit

In order to ensure proper and efficient implementation of the Project, the Borrower shall maintain, at all times during Project implementation, the CN-TIPPEE, with a mandate, staffing and other resources satisfactory to the Bank to be the implementation unit for the Project ("Project Implementation Unit" or "PIU"). To this end, the Project Implementation Unit shall be: (a) comprised of qualified and competent staff in adequate numbers; including a Project coordinator, a procurement specialist, a financial management specialist, a monitoring and evaluation specialist, and a safeguard specialist; and (b) responsible for day to day Project coordination and implementation, including: (i) carrying out Project financial management and procurement activities; (ii) preparing Annual Work Plans; (iii) ensuring compliance with Safeguard Instruments for Project activities; and (iv) monitoring and evaluating Project activities and preparing Project progress reports and monitoring and evaluation reports.

B. Anti-Corruption

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

C. Project Implementation Manual

1. The Borrower shall prepare, in accordance with terms of reference acceptable to the Bank, and furnish to the Bank a proposed implementation manual for the Project containing detailed: (a) implementation; (b) administrative; (c) procurement; (d) financial management and accounting; including any required accounting software updates; and (e) monitoring and evaluation procedures and arrangements for the Project.
2. The Borrower shall: (a) furnish such manual to the Bank for review and approval; (b) afford the Bank a reasonable opportunity to exchange views with the Borrower on said manual; and (c) thereafter adopt said manual as shall have been approved by the Bank ("Project Implementation Manual" and "PIM").

3. The Borrower shall carry out the Project in accordance with the Project Implementation Manual; and shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned manual, or any provision thereof, without the prior written agreement of the Bank.

4. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

D. Annual Work Plan

1. The Borrower shall prepare, in accordance with terms of reference acceptable to the Bank, and furnish to the Bank no later than October 31 of each calendar year throughout the implementation of the Project, a work plan of activities proposed for inclusion in the Project for the next calendar year, together with a budget for such activities and a timetable for their implementation.

2. The Borrower shall: (i) afford the Bank a reasonable opportunity to exchange views with the Borrower on such proposed work plan; and, thereafter; (ii) carry out such work plan during the period covered by said plan, according to such budget, both as shall have been approved by the Bank ("Annual Work Plan").

3. Only such activities as shall have been included in the Annual Work Plan shall be eligible for inclusion in the Project and for financing out of the proceeds of the Loan.

E. Safeguards

1. The Borrower shall ensure that the Project is carried out in accordance with the Safeguard Instruments, and to that end, if any activity included in an Annual Work Plan would, pursuant to the Safeguard Frameworks, require the adoption of any Safeguard Document, the Borrower shall:

   (a) (i) prepare such Safeguard Document and furnish it to the Bank for review and approval; and thereafter, (ii) adopt such Safeguard Document prior to implementation of the activity in question; and

   (b) thereafter take such measures, as shall be necessary or appropriate to ensure compliance with the requirements of such Safeguard Document, including, without limitation to the above, providing funds for resettlement compensation when and if required under a RAP.
2. Without limitation upon its other reporting obligations under this Agreement, the Borrower shall regularly collect, compile and submit to the Bank every calendar semester, reports, in form and substance satisfactory to the Bank, on the status of compliance with 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.

3. The Borrower shall afford the Bank a reasonable opportunity to review the reports prepared under paragraph 2 of this Part E, and thereafter shall carry out or cause to be carried out, with due diligence, all remedial measures agreed with the Bank so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of indicators acceptable to the Bank. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Bank 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 Borrower shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Borrower shall prepare and furnish to the Bank 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 Bank.

3. The Borrower shall have its Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six months after the end of such period.
Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Loan 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 Loan 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 Bank 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, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, subject to the provisions of paragraph 3 of this Section III.B; (b) Shopping; (c) Limited International Bidding; and (d) Direct Contracting.

3. Each bidding document and contract financed out of the proceeds of the Loan shall provide that: (a) the bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Bank, at its request, to inspect all accounts, records and other documents relating to the submission of bids and contract performance, and to have said accounts and records audited by auditors appointed by the Bank; and (b) the deliberate and material violation of such provision may amount to an obstructive practice as defined in paragraph 1.16 (a)-(e) of the Procurement Guidelines: (i) invitations to bid shall be advertised in national newspapers with wide circulation; (ii) the bid evaluation, qualification of bidders and contract award
criteria shall be clearly indicated in the bidding documents; (iii) bidders shall be given adequate response time (at least four weeks) to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (iv) eligible bidders, including foreign bidders, shall be allowed to participate; (v) no domestic or CEMAC’s regional preference shall be given to domestic or regional contractors, domestically or regionally manufactured goods; and association with national or regional firm shall not be a condition for participation in a bidding process; (vi) bids are awarded to the substantially responsive and the lowest evaluated bidder proven this bidder is qualified. No scoring system shall be allowed for the evaluation of bids, and no blanket limitation to the number of lots which can be awarded to a bidder shall apply; and (vii) qualification criteria shall only concern the bidder’s capability and resources to perform the contract taking into account objective and measurable factors.

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) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Bank of Procurement Decisions

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

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 11 of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Bank 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 Loan ("Category"), the allocation of the amounts of the Loan 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 Loan Allocated (expressed in EUR)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants' services, and non-consulting services under Part A of the Project</td>
<td>40,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, non-consulting services, Operating Costs, Training, and consultants' services under Parts B and C of the Project</td>
<td>12,965,750</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Front-end Fee</td>
<td>134,250</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(4) Interest Rate Cap or Interest Rate Collar premium</td>
<td>0</td>
<td>Amount due pursuant to Section 2.08(c) of this Agreement</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>53,700,000</strong></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 from the Loan Account:
(a) for payments made prior to the date of this Agreement;

(b) under Category (1), until and unless the Borrower has: (i) recruited the first O&M Operator; and (ii) prepared and submitted to the Bank an O&M Financing Framework, in form and substance acceptable to the Bank.

2. The Closing Date is November 30, 2021.

Section V. Other Undertakings

A. In order to ensure proper operation and maintenance of infrastructure under Part A of the Project, the Borrower shall employ, in accordance with the provisions of Section III of Schedule 2 to this Agreement, O&M Operators each of whose qualifications, experience and terms of reference shall be acceptable to the Bank, to be responsible for O&M of basic rural water and electricity infrastructure and services, in accordance with terms and conditions as further detailed in the PIM.

B. The Borrower shall: (i) not later than six (6) months after the Effective Date, open an account in a financial institution acceptable to the Bank ("Payment Account") and deposit an amount in said account acceptable to the Bank for the purposes of carrying out payments to the O&M Operators; and (ii) maintain the Payment Account throughout Project implementation, and replenish it, every six-month (6) period with an amount to be agreed-upon with the Bank, for the purposes of carrying out regular payments to the O&M Operators.
SCHEDULE 3
Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each June 15 and December 15, Beginning December 15, 2020 through December 15, 2034</td>
<td>3.33%</td>
</tr>
<tr>
<td>On June 15, 2035</td>
<td>3.43%</td>
</tr>
</tbody>
</table>

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

(a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.

(b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (“Original Installment Share”) and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.
3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

(b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.
APPENDIX

Section I. Definitions

1. “Annual Work Plan” means each annual work plan, together with the related budget for the Project approved by the Bank pursuant to the provision of Section I.D.2 of Schedule 2 to this Agreement.


3. “ARSEE” means the “Agence de Régulation du Secteur de l’Eau Potable et de l’Energie Electrique”, the Borrower’s regulatory agency for water and electricity sectors, established pursuant to Borrower’s Ordinance no.019/PR/2010 dated February 25, 2010, as the same may be amended from time to time.

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

5. “CEMAC” means the public Economic and Monetary Community of Central Africa (Communauté Economique et Monétaire des Etats de l’Afrique Centrale).

6. “CNEE” means the “Conseil National de l’Eau et de l’Electricité”, the Borrower’s National Council for Water and Electricity” established pursuant to Borrower’s Law no.019/95 dated November 23, 1995, as the same may be amended from time to time.

7. “CN-TIPPEE” means the Borrower’s National Commission – Labor Intensive Small-Scale Public Infrastructure Works (“Commission Nationale – Travaux d’Intérêt Public pour la Promotion de l’Entreprenariat et de l’Emploi”), established and operating pursuant to the Borrower’s Ministerial Decision (Arrêté) No. 00007/PRIMPPD dated January 4, 2006, as the same may be amended from time to time, and responsible for carrying out projects which are in the public interest on behalf of all stakeholders (the government, regional and local administrations, non-governmental organizations or donors) with a view to implement best practices and sound governance.


9. “Environmental and Social Management Plan” and “ESMP” means an environmental and social management plan for the Project to be prepared and implemented in accordance with the ESMF and pursuant to the provisions of
Section I.E.1(a) of Schedule 2 to this Agreement; and “ESMPs” means more than one ESMP.

10. “Environmental and Social Management Framework” and “ESMF” each means the Borrower’s framework entitled “Environmental and Social Management Framework”, disclosed in the Borrower’s territory on October 9, 2014, and at the Bank’s Infoshop on October 9, 2014, detailing: (a) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures, including monitoring and institution strengthening.

11. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated March 12, 2012, with the modifications set forth in Section II of this Appendix.

12. “Indigenous Peoples Planning Framework” and “IPPF” each means the framework entitled “Cadre de Planification en faveur des Populations Sensibles Potentiellement affectées par le Projet” which sets forth specific guidelines to address indigenous peoples’ concerns in the Project area, guide the conduct of free, prior and informed consultation and ensure broad community support of the indigenous peoples, disclosed in the Borrower’s territory on October 9, 2014, and at the Bank’s Infoshop on October 9, 2014, as such framework may be amended from time to time with the prior written agreement of the Bank.

13. “Indigenous Peoples Plan” and “IPP” each means an indigenous peoples plan for the Project to be prepared and implemented in accordance with the IPPF and pursuant to the provisions of Section E.1 of Schedule 2 to this Agreement; and “IPPs” means more than one IPP.


15. “O&M Financing Framework” means the Borrower’s sustainable financing framework laying out necessary arrangements to finance the O&M contracts, including inter alia, services costs, tariffs and water and electricity subsidies payment mechanism, as shall be approved by the Bank.

16. “O&M Operator” means the private specialized operator referred to in Section V.A of Schedule 2 to this Agreement; and “O&M Operators” means more than one O&M Operator.

17. “Operating Costs” means the incremental operating expenses, approved by the Bank under each Annual Work Plan, on account of the Project, including office supplies, short message service fees, mobile transfer fees, travel and supervision.
costs, per diem, but excluding the salaries of officials and public servants of the Borrower's civil service.

18. “MERH” means “Ministère de l’Energie et des Ressources Hydrauliques”, the Borrower’s ministry in charge of energy and hydraulic resources.

19. “Project Implementation Unit” and “PIU”, each means the unit to be established under the Project in accordance with Section I.A.2 of Schedule 2 to this Agreement.

20. “Project Implementation Manual” and “PIM” each means the manual for the Project to be prepared and adopted in accordance with the provisions of Section 1.C of Schedule 2 to this Agreement.


22. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated November 11, 2014, 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.

23. “Resettlement Action Plan” and “RAP” each means a resettlement action plan for the Project to be prepared and implemented in accordance with the Resettlement Policy Framework and pursuant to the provisions of Section E.1 of Schedule 2 to this Agreement; and “RAPs” means more than one RAP.

24. “Resettlement Policy Framework” and “RPF” each means the Borrower’s framework entitled “Resettlement Policy Framework”, disclosed in the Borrower’s territory on October 9, 2014, and at the Bank’s Infoshop on October 10, 2014, and containing guidelines, procedures, timetables and other specifications for the provision of compensation, rehabilitation and resettlement assistance to Displaced Persons.

25. “Safeguard Documents” means any ESMP, RAP, IPP, or other supplemental social and environmental safeguard documents as required under the terms of the Safeguard Frameworks.

26. “Safeguard Frameworks” means, collectively, the ESMF, the RPF and the IPPF.

27. “Safeguard Instruments” means, collectively, the Safeguards Frameworks and the Safeguard Documents.

28. “Steering Committee” means the steering committee to be established under the Project in accordance with Section I.A.1 of Schedule 2 to this Agreement.
29. "Training" means the training of persons involved in Project-supported activities, such term including seminars, workshops, and study tours, and costs associated with such activity include travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. In the Table of Contents, the references to Sections, Section names and Section numbers are modified to reflect the modifications set forth in the paragraphs below.

2. Section 3.01. (Front-end Fee) is modified to read as follows:

"Section 3.01. Front-end Fee; Commitment Charge

(a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the "Front-end Fee").

(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the "Commitment Charge"). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date."

3. In the Appendix, Definitions, all relevant references to Section numbers and paragraphs are modified, as necessary, to reflect the modification set forth in paragraph 2 above.

4. The Appendix is modified by inserting a new paragraph 19 with the following definition of "Commitment Charge", and renumbering the subsequent paragraphs accordingly:

"19. "Commitment Charge" means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b)."