Financing Agreement

(Tamil Nadu and Puducherry Coastal Disaster Risk Reduction Project)

between

INDIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated November 11, 2013
FINANCING AGREEMENT

AGREEMENT dated November 11, 2013, entered into between INDIA ("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 one hundred fifty six million four hundred thousand Special Drawing Rights (SDR 156,400,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are June 15 and December 15 in each year.
2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. 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 cause: (a) Part A of the Project to be carried out by Tamil Nadu; and (b) Part B of the Project to be carried out by Puducherry (Tamil Nadu and Puducherry hereinafter individually referred to as a “Project Implementing Entity” and collectively referred to as the “Project Implementing Entities”), all in accordance with the provisions of Article IV of the General Conditions and the respective Project Agreements.

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

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

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is any of the following officials, acting severally: the Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary, or Under Secretary of the Department of Economic Affairs of the Recipient’s Ministry of Finance.
5.02. The Recipient’s Address is:

Secretary
Department of Economic Affairs
Ministry of Finance
Government of India
North Block
New Delhi 110 001, India

Facsimile:

91-11-23094075

5.03. The Association’s Address is:

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

Cable: INDEVAS
Telex: 248423 (MCI)
Facsimile: 1-202-477-6391
Washington, D.C.
AGREED at New Delhi, India, as of the day and year first above written.

INDIA

By

[Signature]

Authorized Representative

Name: ____________________________

Title: ____________________________

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: ____________________________

Title: ____________________________
SCHEDULE I

Project Description

The objective of the Project is to increase the resilience of coastal communities in Tamil Nadu and Puducherry to a range of hydro-meteorological and geophysical hazards along with improving Project Implementing Entities' capacity to respond promptly and effectively to an Eligible Crisis or Emergency.

The Project consists of the following parts and components:

Part A: Activities in Tamil Nadu

Component 1: Vulnerability Reduction

1.1. Resilient Housing: Completion of reconstruction of about 14,400 risk-prone houses into multi-hazard resistant houses in 11 coastal district of Tamil Nadu, including the financing a 10-year insurance coverage therefor, and the provision of Relocation Support to Beneficiaries during the construction period.

1.2. Evacuation Shelters, Routes and Early Warning Infrastructure: (a) Construction of about 120 multipurpose evacuation shelters; (b) construction, rehabilitation and/or improvement of about 44km of evacuation routes connecting coastal communities to said evacuation shelters, including the laying out of new/refurbished signage; and (c) installation of about 440 early disaster warning announcement systems for vulnerable coastal villages.

1.3. Cyclone Resilient Electrical Network: Conversion of approximately 1,000 km of high and low tension overhead lines in Cuddalore and Nagapattinam districts into an underground electrical cable network.

Component 2: Sustainable Fisheries

2.1. Fishing Infrastructure: Construction, restoration, modernization and/or improvement of fisheries infrastructure, including fish landing centers, fishing harbors, tube ice plants cum chilling room facilities, and the opening of river bar mouth.

2.2. Fisheries Management for Sustainable Livelihoods: (a) Implementation of marine fisheries co-management reforms including the development and/or strengthening of community fisheries management units and the preparation of participatory fishery management plans; (b) strengthening of TN-DOF's institutional capacity, including the upgrade of its documentation center and websites, the implementation of a code of conduct for responsible fisheries and the development and dissemination of guidelines for vessel construction, as well
as the capacity of participating communities and NGOs on fisheries management; (c) provision of low-cost equipment and training to fisheries communities in order to increase value addition and access to markets for fisheries and non-fisheries livelihoods; and (d) establishment of wireless communications facilities to improve safety-at-sea.

**Component 3: Capacity Building in Disaster Risk Management**

3.1. *Operationalization of the State Disaster Management Authority:* (a) Carrying out of a detailed needs assessment for the operationalization of the SDMA; (b) establishment of a center for disaster management at the SDMA, and provision of capacity building/training to SDMA’s staff and other stakeholders therefor; and (c) development of a GIS platform and database for risk assessment, and creation of a GIS cell at the SDMA.

3.2. *Community Based Disaster Risk Management Program:* Roll-out of a multi-phased community-based disaster risk management program, including: (a) preparation of participatory disaster risk management plans at village level; (b) establishment, training and building capacity of village disaster management committees, evacuation task forces, and search, rescue and first-aid task forces; (c) implementation of a safe-school initiative on disaster risk education in all schools in the area covered by the program; (d) community awareness and familiarity with evacuation shelters and early warning systems, and coordination of infrastructure maintenance management committees therefor; and (e) strengthening the institutional capacity of first responders and the Tamil Nadu’s fire and rescue department.

3.3. *Curriculum Development for Disaster Risk Reduction:* Review of current curricula of Tamil Nadu’s schools and training institutions, in accordance with international best practices, in order to mainstream disaster risk reduction education.

3.4. *Integrated Coastal Zone Management Plan:* (a) Completion of an integrated coastal zone management plan including coastal vulnerability maps; (b) preparation and implementation of training modules for stakeholders identified in the coastal zone management plan, covering Tamil Nadu’s entire coast line; and (c) installation of high-tide line marker pillars along Tamil Nadu’s coast.

**Component 4: Implementation Support**

Strengthening the institutional capacity of Tamil Nadu, in particular the RADMMD’s PMU and the PIUs of the Line Departments and Agencies, for the management and implementation of its Respective Part of the Project.
Component 5: Contingent Emergency Response

Providing immediate response to an Eligible Crisis or Emergency, as needed.

Part B: Activities in Puducherry

Component 1: Vulnerability Reduction

1.1. Resilient Housing: (a) Completion of reconstruction of about 1,750 risk-prone houses into multi-hazard resistant houses, through various means including the provision of Matching Grant to Beneficiaries; and (b) reconstruction of additional 1,000 risk-prone houses into multi-hazard resistant houses, through the provision of Matching Grants.

1.2. Rehabilitation of Government Buildings, Bridges and Culverts: (a) Rehabilitation of heritage public buildings, including the Marie Building (town hall); (b) rehabilitation and/or reconstruction of existing old bridges; and (c) reconstruction of old culverts.

1.3. Resilient Electrical Network: (a) Conversion of approximately 900 km of high and low tension overhead line into an underground electrical cable network; and (b) erection of automatic energy efficient street lighting and distributions boxes.

Component 2: Sustainable Fisheries

2.1. Fisheries Infrastructure: Construction, restoration, modernization and/or improvement of fisheries infrastructure, including fish markets, fishermen work shelters, and fishing harbors.

2.2. Fisheries Management for Sustainable Livelihoods: (a) Implementation of marine fisheries co-management reforms including the development and/or strengthening of community fisheries management units and the preparation of participatory fishery management plans; (b) strengthening of PY-DOF's institutional capacity, including the upgrade of its documentation center and websites, the implementation of a code of conduct for responsible fisheries and the development and dissemination of guidelines for vessel construction, as well as the capacity of participating communities and NGOs on fisheries management; and (c) provision of training to fisheries communities in order to increase value addition and access to markets for fisheries and non-fisheries livelihoods.

Component 3: Capacity Building in Disaster Risk Management

3.1. Strengthening the Fire Service: Provision of equipment and training to the fire service department, including firefighting and rescue operations.
3.2. *Strengthening of Emergency Operation Center*: Integration and expansion of the emergency operation centers, including the design and implementation of a community-based disaster risk management program intended to familiarize and/or raise awareness of the local communities with respect to purpose and operation of such center.

3.3. *Demarcation of High Tide Line*: Development of maps demarcating the high tide line.

**Component 4: Implementation Support**

Strengthening the institutional capacity of Puducherry, in particular its PIA, for the management and implementation of its Respective Part of the Project.

**Component 5: Contingent Emergency Response**

Providing immediate response to an Eligible Crisis or Emergency, as needed.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. On-lending Arrangements

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entities in accordance with the Recipient’s standard arrangements for development assistance to the States of India.

2. Notwithstanding paragraph 1 above, in the event that any provision of this Agreement, including the instructions that the Association shall have specified by notice to the Recipient pursuant to Section IV.A.1 of this Schedule, were to be found inconsistent with the Recipient’s standard arrangements for development assistance to the States of India, the provisions of this Agreement and related instructions shall govern.

3. The Recipient shall at all times protect its own interests and the interests of the Association to accomplish the purposes of the Financing.

B. Anti-Corruption

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall cause each Project Implementing Entity to monitor and evaluate the progress of its Respective Part of Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators agreed with the Association. Each such Project Report shall cover the period of one calendar quarter, 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 cause each Project Implementing Entity to prepare and furnish to the Recipient and the Association not later than forty five (45) days after the end of each calendar quarter, interim financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall cause each Project Implementing Entity to have its Financial Statements 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 respective Project Implementing Entity, commencing with the fiscal year in which the first withdrawal was made by said Project Implementing Entity. The audited Financial Statements for each such period shall be furnished to the Association not later than nine (9) 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, 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) Limited International Bidding; (b) National Competitive Bidding, subject to the additional provisions agreed from time to time between the Recipient and the Association, and set forth in the Procurement Plan; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Association; and (e) Direct Contracting.

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) Selection of experts from the UN Food and Agriculture Organization; (f) Single-source Selection of consulting firms; (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. Procurement of Emergency Expenditures under the CER Components of the Project

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for each of the CER Components of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CER Operations Manual applicable to such CER Component.

E. 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 finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants’ services, Relocation Support, Insurance Premia, Incremental Operating Costs and Training for Components 1 through 4 under Part A of the Project</td>
<td>126,600,000</td>
<td>70%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants’ services, Matching Grants, Incremental Operating Costs and Training for Components 1 through 4 under Part B of the Project</td>
<td>29,800,000</td>
<td>70%</td>
</tr>
<tr>
<td>(3) Emergency Expenditures for the CER Component</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) under Part A of the Project</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(b) under Part B of the Project</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>156,400,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
(a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR52,400,000 equivalent may be made for payments made prior to this date but on or after January 1, 2012, for Eligible Expenditures under Category 1 and 2, subject to the following ceilings per Category: (i) in respect of Category 1, up to an aggregate amount not to exceed SDR45,400,000; and (ii) in respect of Category 2, up to an aggregate amount not to exceed SDR7,000,000 equivalent; or

(b) under Categories 3(a) and 3(b), individually considered, unless and until the Association is satisfied, and has notified the Recipient and the respective Project Implementing Entity of its satisfaction, that all of the following conditions have been met in respect of such Project Implementing Entity:

(i) The Recipient and the Project Implementing Entity have determined that an Eligible Crisis or Emergency has occurred, have furnished to the Association a request to include said activities in the CER Component in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request, and notified the Recipient and the Project Implementing Entity thereof;

(ii) the Project Implementing Entity has prepared and disclosed all safeguard instruments required for said activities, and has implemented any actions which are required to be taken under said instruments all in accordance with the provisions of Section I.H.3(b) of the Schedule to the TN Project Agreement or Section I.F.3(b) of the Schedule to the PY Project Agreement, as the case may be;

(iii) the Project Implementing Entity has provided sufficient evidence satisfactory to the Association, that the respective Coordinating Authority has adequate staff and resources in accordance with the provision of Section I.H.2 of the Schedule to the TN Project Agreement or Section I.F.2 of the Schedule to the PY Project Agreement, as the case may be, for the purposes of said activities; and

(iv) the Project Implementing Entity has adopted a CER Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CER Operations Manual remain, or have been updated in accordance with the provisions of Section I.H.1 of the Schedule to the TN Project Agreement or Section I.F.1 of the Schedule to the PY Project Agreement, as
the case may be, so as to be appropriate for the inclusion and implementation of said activities under the respective CER Component.

2. The Closing Date is July 31, 2018.
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>
</thead>
<tbody>
<tr>
<td>On each June 15 and December 15:</td>
<td></td>
</tr>
<tr>
<td>commencing December 15, 2018 to and including June 15, 2028</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing December 15, 2028 to and including June 15, 2038</td>
<td>3.35%</td>
</tr>
</tbody>
</table>

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

Section I. Definitions


2. “Beneficiaries” means the, collectively, persons receiving in kind or financial assistance: (a) from Tamil Nadu under Components 1.1 and 2.2.(c) of Part A of the Project; or (b) from Puducherry under Component 1.1 of Part B of the Project; all of them selected pursuant to: (i) the criteria set forth in Sections I.D.1 and I.F of the Schedule to TN Project Agreement or Section I.D.1 of the Schedule to the PY Project Agreement, as the case may be, (ii) the Operations Manual and (iii) the Guidelines for the Selection of Beneficiaries. The term “Beneficiary” means any of the Beneficiaries individually considered.

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

4. “CER Components” means, collectively, Component 5 under each of Parts A and B of the Project; and the term “CER Component” means each such component severally considered.

5. “CER Operations Manuals” means, collectively, the immediate response mechanism operations manuals referred to in Section I.H.1 of the Schedule to the TN Project Agreement and Section I.F.1 of the Schedule to the PY Project Agreement, to be adopted by each Project Implementing Entity for its respective CER Component under the Project, in accordance with the provision of said Sections.


7. “Coordinating Authority” means the entity or entities designated by each of the Project Implementing Entities in their respective CER Operations Manuals and approved by the Association pursuant to Section I.H.2 of the Schedule to the TN Project Agreement or Section I.F.2 of the Schedule to the PY Project Agreement, as the case may be, to be responsible for coordinating their respective CER Components.

8. “DGS&D” means the Directorate General of Supplies and Disposals attached to the Recipient’s Ministry of Commerce and Industry, and any successor thereto.
9. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impact on the livelihoods of such persons.

10. “DOEF” means Tamil Nadu’s Department of Environment and Forest and any successor thereto.

11. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to any of the Project Implementing Entities, associated with a natural or man-made crisis or disaster.

12. “Emergency Expenditures” means, with respect to each Project Implementing Entity, any of the eligible expenditures set forth in the CER Operations Manual of such Project Implementing Entity for purposes of its respective CER Component, in accordance with the provision of Section I.H.1(a) of the Schedule to the TN Project Agreement and Section I.F.1(a) of the Schedule to the PY Project Agreement, as the case may be, and required for the activities described in such manuals to be financed under the said CER Components.

13. “Governing Body for the PIA” means the committee established by Puducherry pursuant to G.O. Ms No. 29, dated March 15, 2005 and referred to in Section I.A.1(b) of the Schedule to the PY Project Agreement.

14. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.

15. “Guidelines for Selection of Beneficiaries” means Puducherry’s guidelines adopted pursuant the Department of Revenue and Disaster Management’s Order G.O. Ms. No. 25, of March 13, 2013, setting forth the eligibility criteria and applicable procedures for the selection of Beneficiaries under Component 1.1. of Part B of the Project.

16. “Incremental Operating Costs” means the reasonable costs of incremental expenditures incurred by the Project Implementing Entities on account of Project implementation, management and monitoring, including, inter alia: (i) costs of incremental staff salaries (other than consultants); (ii) dissemination of Project related information; (iii) office rental and leasing operation and maintenance of equipment; (iv) office supplies and utilities; (v) travel and boarding/lodging
allowances; (vi) leasing, operation and maintenance of vehicles; (vii) advertising and communication expenses; and (viii) bank charges.

17. "INR" means Indian Rupees, i.e. the lawful currency of the Recipient.

18. "Insurance Premia" means the reasonable amount paid by Tamil Nadu for the 10-year multi-hazard insurance coverage of the resilient houses built under Component 1.1 of Part A of the Project.

19. "Line Departments and Agencies" means, in respect of: (a) Tamil Nadu, collectively the RD&PRD, TN-PWD, TN-DOF, TANGEDCO, SDMA and DOEF; and (b) Puducherry, the PY-PWD.

20. "Matching Grants" means collectively the grants provided by Puducherry to eligible Beneficiaries under Component 1.1 of Part B of the Project pursuant to and under terms and conditions set forth in: (i) Section I.D of the Schedule to the PY Project Agreement, and (ii) the Operations Manual, in order to support the Beneficiaries' self-construction of their multi-hazard resistant houses.

21. "NGOs" means non-governmental organizations established and operating in the territory of the Recipient.

22. "OCRA" means Tamil Nadu's Office of the Commissioner of Revenue Administration and any successor thereto.

23. "Operations Manual" means, in respect of:

(a) Tamil Nadu, the manual dated May 21, 2013 adopted by OCRA, setting forth guidelines and procedures for the implementation of its Respective Part of the Project, including: (i) the allocation of functions, powers and responsibilities between the Steering Committee, the Governing Body for the PIA, the PMU and the Line Departments and Agencies, for Project implementation; (ii) the financial management arrangements; (iii) the eligibility criteria for Beneficiaries; (iv) the key action to be undertaken by the various implementation units and the Line Departments and Agencies in order to strengthen/ensure their governance and accountability; and (v) the monitoring and evaluation framework for Project activities; as said manual may be amended from time to time with the prior concurrence of the Association; and

(b) Puducherry, the manual dated May 21, 2013 adopted by the PIA, setting forth guidelines and procedures for the implementation of its Respective Part of the Project, including: (i) the allocation of functions, powers and responsibilities between the Steering Committee, the Governing Body for the PIA, the PMU and the Line Departments and Agencies, for
Project implementation; (ii) the financial management arrangements; (iii) the eligibility criteria for Beneficiaries; (iv) the terms and conditions and template agreement for the Matching Grants; (v) the key action to be undertaken by the PIA and PY-PWD in order to strengthen/ensure their governance and accountability; and (vi) the monitoring and evaluation framework for Project activities; as said manual may be amended from time to time with the prior concurrence of the Association.

24. “PIUs” means, collectively, the Project implementation units established or to be established by Tamil Nadu in the Line Department and Agencies and referred to in Section I.A.3 of the Schedule to the TN Project Agreement.


26. “Procurement Plan” means the Project Implementing Entity’s procurement plans for the Project, dated May 14 (Puducherry) and 15 (Tamil Nadu), 2013 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.

27. “Project Agreements” means, collectively, the TN Project Agreement and the PY Project Agreement; and the term “Project Agreement” means, any of such agreement individually referred.

28. “Project Implementation Agency” and the acronym “PIA” means Puducherry’s society established and operating under the Recipient’s Society Registration Act, 1860 (21 of 1860), as amended, pursuant to certificate of registration S.No. 484 of 2005, issued by the Registrar of Companies (Pondicherry) on June 8, 2005, and referred to in Section I.A.1(b) of the Schedule to the PY Project Agreement.

29. “Project Implementing Entity” means either Tamil Nadu or Puducherry individually considered; and the term “Project Implementing Entities” mean both Project Implementing Entities jointly considered.

30. “Project Management Unit” and the acronym “PMU” means the Project management unit established by Tamil Nadu pursuant to Tamil Nadu Revenue (NC.III) Department’s G.O. Ms. No 418, of July 20, 2005, and referred to in Section I.A.2.(c) of the Schedule to the TN Project Agreement.

31. “Puducherry” means the Recipient’s Union Territory of Puducherry; as well as any successor thereto.
32. “PY Project Agreement” means the Project Agreement between the Association and Puducherry.

33. “PY-DOF” means Puducherry's Department of Fisheries and any successor thereto.

34. “PY-EMPs” means, collectively, Puducherry's environmental management plans disclosed in the WB-Infoshop in respect of: (i) the improvement of existing fish market, on April 26, 2013; (ii) the construction of a modern hygienic fish market, on April 26, 2013; (iii) the reconstruction and modernization of Puducherry's and Karaikal's fishing harbors, on April 25, 2013; (iv) the design and construction of shelters in fishing villages along Puducherry's and Karaikal's coasts, on April 23, 2013; all of which set out mitigation, enhancement, monitoring and institutional measures, included capacity building through training, required to: (a) eliminate any adverse environmental impacts of activities to be implemented; (b) offset them, or reduce them to acceptable levels; and/or (c) enhance any positive impacts thereof; as such plans may be revised, updated or supplemented from time to time with the prior written concurrence of the Association.

35. “PY-ESMF” means Puducherry's environmental and social management framework dated March 2013, setting forth the guiding principles, standards and procedures applicable to: (i) the social and environmental assessment of the activities under Puducherry's Respective Part of the Project (other than Component 5 thereof) in order to identify any adverse or positive social and/or environmental impact caused, or expected to be caused, on account of their implementation; and (ii) the preparation of the prescribed environmental management plans or resettlement action; as such framework may be revised, updated or supplemented from time to time with the prior concurrence of the Association.

36. “PY-PWD” means Puducherry's Public Works Department and any successor thereto.

37. “RADMMD” means Tamil Nadu's Revenue Administration and Disaster Management and Mitigation Department and any successor thereto.

38. “RD&PRD” means Tamil Nadu's Rural Development and Panchayati Raj Department, and any successor thereto.

39. “Relocation Support” means collectively: (a) a shifting allowance in the amount of INR1,000 per household, paid by Tamil Nadu to the Beneficiaries under Component 1.1. of Part A of the Project as a one-time lump sum on account of moving expenses; and (b) a rental allowance in the amount of INR500 per household, per month, paid by Tamil Nadu to Beneficiaries under Component
1.1. of Part A of the Project for the duration of the reconstruction/rehabilitation works on their respective homes, all in accordance with the provisions of the Operations Manual.

40. "Respective Part of the Project" means in respect of: (a) Tamil Nadu, Part A of the Project; and (b) Puducherry, Part B of the Project.

41. "Safeguard Documents" means in respect of: (a) Tamil Nadu, the TN-EMPs, the TN-ESMF and the documents (to be) prepared pursuant to Section I.G.2(b) of the Schedule to the TN Project Agreement, and (b) Puducherry, the PY-EMPs, the PY-ESMF and the documents (to be) prepared pursuant to Section I.E.2(b) of the Schedule to the PY Project Agreement.

42. "SDMA" means Tamil Nadu's State Disaster Management Authority, established pursuant to Tamil Nadu Revenue (NC.I(2)) Department's G.O. Ms. No. 689 of December 4, 2008, and any successor thereto.

43. "SIRD" means Tamil Nadu's State Institute of Rural Development, a society established on May 2, 1990, registered and operating under the Tamil Nadu Society Registration Act, 1975 (Tamil Nadu Act 27 of the year 1975), and any successor thereto.

44. "Steering Committee" means the committee established by Tamil Nadu pursuant to Tamil Nadu Revenue (NC.III) Department’s G.O. Ms. No 418, of July 20, 2005, and referred to in Section I.A.2.(a) of the Schedule to the TN Project Agreement.

45. "Tamil Nadu" means the Recipient’s State of Tamil Nadu, formed and recognized pursuant to the Recipient’s States Reorganization Act of 1956; as well as any successor thereto.

46. "TANGEDCO" means the Tamil Nadu Generation and Distribution Corporation Limited, a Tamil Nadu’s fully owned power utility company, established and operating under the Recipient’s Companies Act (1956), pursuant to Corporate Identity Number U40109TN2009SGC073746, dated December 1, 2009.

47. "TN Project Agreement" means the Project Agreement between the Association and the Tamil Nadu.

48. "TN-DOF" means Tamil Nadu’s Department of Fisheries and any successor thereto.

49. "TN-EMPs" means, collectively, Tamil Nadu’s environmental impact assessments and management plans disclosed at the WB-Infoshop in respect of:
(i) the bar mouth opening of Tirumullaivasal in Nagapattinam District, on April 23, 2013; (ii) the permanent stability of coastal inlet at Velar River, on April 23, 2013; (iii) the villages in coastal regulatory zone and non-costal regulatory zone areas, on May 9, 2013; (iv) the fish landing centers at Nagore and Porto-Novo-Annankovil, on April 25, 2013 and April 23, 2013, respectively; and (v) the reconstruction and modernization of fishing harbors at Nagapattinam and Pazhayar, on April 25, 2013 and April 23, 2013, respectively; all of which set out mitigation, enhancement, monitoring and institutional measures, included capacity building through training, required to: (a) eliminate any adverse environmental impacts of activities to be implemented; (b) offset them, or reduce them to acceptable levels; and/or (c) enhance any positive impacts thereof; as such plans may be revised, updated or supplemented from time to time with the prior written concurrence of the Association.

50. "TN-ESMF" means Tamil Nadu’s environmental and social management framework dated March 2013, setting forth the guiding principles, standards and procedures applicable to: (i) the social and environmental assessment of the activities under Tamil Nadu’s Respective Part of the Project (other than Component 5 thereof) in order to identify any adverse or positive social and/or environmental impact caused, or expected to be caused, on account of their implementation; and (ii) the preparation of the prescribed environmental management plans or resettlement action; as such framework may be revised, updated or supplemented from time to time with the prior concurrence of the Association.

51. "TN-PWD" means Tamil Nadu’s Public Works Department and any successor thereto.

52. "Training" means the reasonable costs of training and workshops incurred by the Project Implementing Entity on account of Project implementation, including inter alia, study tours, courses, conferences and workshops conducted and/or attended by staff of the Project Implementing Entities and/or stakeholders in the territory of the Recipient or, subject to the prior no-objection of the Association, overseas, including the purchase and publication of materials, rental of facilities, course fees, and lodging, travel expenses and per diems for trainers and/or trainees.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. Section 3.02 is modified to read as follows:
"Section 3.02. Service Charge and Interest Charge

(a) Service Charge. The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.

(b) Interest Charge. The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months."

2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the remaining paragraphs accordingly:

"32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b)."

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by inserting the words "Interest Charges" between the words "Service Charges" and "Commitment Charges".

5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is modified by replacing the reference to Section 3.02 with Section 3.02 (a).