Financing Agreement

First Part of the Second Phase of the Niger Basin Water Resources Development and Sustainable Ecosystems Management Program

between

NIGER BASIN AUTHORITY

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated December 14, 2012
AGREEMENT dated December 14, 2012, entered into between NIGER BASIN AUTHORITY ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

WHEREAS (A) The Recipient is the authority established among the Republic of Benin, Burkina Faso, the Republic of Cameroon, the Republic of Chad, the Republic of Cote d'Ivoire, the Republic of Guinea, the Republic of Mali, the Republic of Niger and the Federal Republic of Nigeria (collectively the "Member States") with the main long term objective of promoting cooperation among the Member States in developing and managing the Niger Basin's water resources.

(B) By resolution no. 6 of the 21st ordinary session of the Recipient's Council of Ministers dated December 13, 2002, the Recipient engaged in the Shared Vision Process in order to develop the basin's natural resources with a view to generate in an equitable manner as much benefit as possible for all its Member States and their populations. After the adoption by the Recipient's Council of Ministers on July 26, 2007, of the Niger Basin Sustainable Development Action Plan to be implemented in several successive phases, the Member States approved: (i) a first 20-year investment program for its implementation (the "Program"); and (ii) the Water Charter, by decision no. 2 of the eighth (8th) Summit of the Member States' Heads of State and Government dated April 30, 2008.

(C) The Programs to be supported through financing provided or to be provided to the Recipient and directly to the Member States. The project described in Schedule 1 to this Agreement (the "Project"), which is part of the Program, is expected to be funded through financing to be obtained from the Association, Abu Dhabi Fund for Arab Economic Development, African Development Fund, Arab Bank for Economic Development in Africa, Investment and Development Bank of the Economic Community of West African States, French Development Agency, Islamic Development Bank, Kuwait Fund for Arab Economic Development, OPEC Fund, Saudi Fund for Development, and West African Development Bank, as described below.

(a) In addition to the Grant to be extended by the Association to the Recipient pursuant to this Agreement, the Association shall, pursuant to an IDA Credit Agreement of even date herewith, extend a credit in an amount in Special Drawing Rights equivalent to one hundred and thirty two million six hundred thousand Special Drawing Rights (SDR
132,600,000) to the Republic of Niger for the financing of Parts 2.2, 3.2 and 3.3 of the Project.

(b) Pursuant to the AD Co-financing Agreement, the Abu Dhabi Fund for Arab Economic Development has extended to the Republic of Niger a loan of thirty-six millions seven hundred and thirty thousand (36,730,000) Emirati Dirhams approximately equivalent to ten million Dollars ($10,000,000) for the co-financing of Part 2.1 of the Project.

(c) The African Development Fund (AfDF) participates in the financing of the Project as follows:

(i) Pursuant to the AfDF First Co-financing Agreement, the African Development Fund has extended to the Republic of Niger a grant of twenty million Accounting Units (AU 20,000,000) (as “Accounting Units” and “AU” are defined in the AfDF First Co-financing Agreement), approximately equivalent to thirty two million two hundred and ten thousand Dollars ($32,210,000) for the co-financing of Parts 2.1, 3.1 and 3.3 of the Project.

(ii) Pursuant to the AfDF Second Co-financing Agreement, the African Development Fund has extended to the Republic of Niger a loan of twenty million Accounting Units (AU 20,000,000) (as “Accounting Units” and “AU” are defined in the AfDF Second Co-financing Agreement), approximately equivalent to thirty two million two hundred and ten thousand Dollars ($32,210,000) for the co-financing of Parts 2.1, 3.1 and 3.3 of the Project.

(iii) In addition, the Republic of Niger has requested from the African Development Fund, and the African Development Fund is expected to provide pursuant to an AfDF Third Co-financing Agreement, a loan in an amount of forty million Accounting Units (40,000,000 AU) (as “Accounting Units” and “AU” are defined in the AfDF Third Co-financing Agreement), approximately equivalent to sixty million Dollars ($60,000,000) for the co-financing of Part 2.2 of the Project.

(d) Pursuant to the ABEDEA Co-financing Agreement, the Arab Bank for Economic Development in Africa has extended to the Republic of Niger a loan of ten million Dollars ($10,000,000), for the co-financing of Part 2.1 of the Project.
(e) Pursuant to the EBID Co-financing Agreement, the Investment and Development Bank of ECOWAS has extended to the Republic of Niger a loan of a maximum amount of four million seven hundred fifty three thousand four hundred and sixty three Accounting Units (AU 4,753,463) (as “Accounting Units” and “AU” are defined in the EBID Co-financing Agreement), approximately equivalent to seven million five hundred thousand Dollars (7,500,000) for the co-financing of Part 2.1 of the Project.

(f) The Republic of Niger has requested from the French Development Agency three financing facilities for the co-financing of the Project:

(i) Pursuant to an AFD First Co-financing Agreement, the French Development Agency is expected to provide a loan in an amount of thirty-seven million Euros (Euros 37,000,000) approximately equivalent to forty-eight million one hundred thousand Dollars ($48,100,000) for the co-financing of Part 2.2 of the Project.

(ii) Pursuant to an AFD Second Co-financing Agreement, the French Development Agency is expected to provide a loan in an amount of sixteen million Euros (Euros 16,000,000) approximately equivalent to twenty million eight hundred thousand Dollars ($20,800,000) for the co-financing of Part 3.3 of the Project.

(iii) Pursuant to an AFD Third Co-financing Agreement, the French Development Agency is expected to provide a loan in an amount of eighteen million Euros (Euros 18,000,000) approximately equivalent to twenty-three million four hundred thousand Dollars ($23,400,000) for the co-financing of Part 3.2 of the Project.

(g) The Islamic Development Bank (IsDB) participates in the financing of the Project as follows:

(i) Pursuant to the IsDB First Co-financing Agreement, the Islamic Development Bank has provided a mandate to the Republic of Niger to purchase in its name and on its behalf equipment required for the implementation of Part 2.1 of the Project for an amount not to exceed thirteen million three hundred thousand Euros (Euros 13,300,000), approximately equivalent to twenty million Dollars ($20,000,000), with a view for Islamic Development Bank to resell them to the Republic of Niger at a
later stage, in accordance with the provisions of the IsDB First Co-financing Agreement.

(ii) Pursuant to the IsDB Second Co-financing Agreement, the Islamic Development Bank has extended to the Republic of Niger a loan of a maximum amount of eighteen million nine hundred thousand Islamic Dinars (ID 18,900,000) approximately equivalent to thirty million Dollars ($30,000,000) for the co-financing of Part 2.1 of the Project.

(h) Pursuant to the KF Co-financing Agreement, the Kuwait Fund for Arab Economic Development has extended to the Republic of Niger a loan of a maximum amount of five million seven hundred thousand Kuwaiti Dinars (KD 5,700,000) approximately equivalent to twenty million Dollars ($20,000,000) for the co-financing of Part 2.1 of the Project.

(i) Pursuant to the OPEP Co-financing Agreement, the OPEP Fund for International Development has extended to the Republic of Niger a loan of fifteen million Dollars ($15,000,000), for the co-financing of Part 2.1 of the Project.

(j) Pursuant to the SF Co-financing Agreement, the Saudi Fund for Development has extended to the Republic of Niger a loan of seventy-five million Saudi Riyals (SR 75,000,000), approximately equivalent to twenty million Dollars ($20,000,000) for the co-financing of Part 2.1 of the Project.

(k) The West African Development Bank (WADB) participates in the financing of the Project as follows:

(i) Pursuant to the WADB First Co-financing Agreement, the West African Development Bank has extended to the Republic of Niger a loan of ten billion Francs of the African Community (CFAF 10,000,000,000), representing approximately twenty three million one hundred and twenty thousand Dollars ($23,120,000) for the co-financing of Parts 2.1 and 3.1 of the Project.

(ii) Pursuant to the WADB Second Co-financing Agreement, the West African Development Bank has extended to the Republic of Niger a loan of ten billion Francs of the African Community (CFAF 10,000,000,000), representing approximately twenty
three million one hundred and twenty thousand Dollars ($23,120,000) for the co-financing of Parts 2.1 and 3.1 of the Project.

The Republic of Niger shall provide an amount of not less than the equivalent of one hundred and eighty-six million five hundred and ninety thousand Dollars ($ 86,590,000) for the Project.

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 grant in an amount equivalent to two million Special Drawing Rights (SDR 2,000,000) ("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 Payment Dates are March 15 and September 15 in each year.

2.05. The Payment Currency is the Euro.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project and the Program. To this end, the Recipient shall carry out Part I of the Project 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 Part I of the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following, namely, that as a result of events which have occurred after the date of this Agreement, an extraordinary situation has arisen, which makes it improbable that the Program can be carried out or that the Recipient will be able to perform its obligations under this Agreement.

4.02. (a) The ADF Co-financing Deadline is March 1, 2014.
(b) The AFD First Co-financing Deadline is March 1, 2014.
(c) The AFD Second Co-financing Deadline is March 1, 2013.
(d) The AFD Third Co-financing Deadline is March 1, 2015.
(d) The AfDF Third Co-financing Deadline is March 1, 2014.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consist of the following:

(a) The Project Implementation Manual has been revised and adopted by the Recipient for the Project in form and substance satisfactory to the Association.
(b) The IDA Credit Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Republic of Niger to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

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

5.03. For purposes of Section 8.0: (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 years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its Executive Secretary.

6.02. The Recipient’s Address is:

NIGER BASIN AUTHORITY
Post Office Box 729
9, Avenue du fleuve
Ancien Plateau
Niamey, NIGER

Facsimile:

(227) 20 72 42 08

6.03. The Association’s Address is:

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

Cable: INDEVAS

Tel: 248423 (MCI)

Facsimile: 1-202-477-6391

Washington, D.C.
AGREED at Namey, Rep. of Niger as of the day and year first above written.

NIGER BASIN AUTHORITY

By

Authorized Representative

Name: H. E. Collins R. U. IHEKIRI
Title: Executive Secretary

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Sri Mulyani Indrawati
Title: Managing Director
SCHEDULE 1

Project Description

The objective of the Project is to increase access to water for agriculture development and capacity for energy generation in the Republic of Niger's part of the Niger Basin.

The Project constitutes the first part of the second phase of the Program, and consists of the following parts:

Part 1. Institutional Strengthening of the Recipient

Enhancing the Recipient's capacity by carrying out an institutional and organizational audit of the Recipient and strengthening the Recipient's Project supervision and regional water resources management capacity.

Part 2. Kandadji Program Energy Infrastructure

2.1. Provision of works, goods and services for the construction of: (i) the Kandadji Dam, including the hydro-mechanical equipment for eighteen (18) gates, preparation studies and supervision works; and (ii) an associated reservoir with a gross storage capacity of about 1.56 billion cubic meters.

2.2. Provision of works, goods and services for: (i) the construction, equipment and installation of an open air type of power plant in the concrete body of the Kandadji Dam, equipped with four Kaplan turbines with rated capacity of 32.5 megawatts for a total installed capacity of 130 megawatts, including preparation studies, and supervision; (ii) the provision of support to the engineering supervision of the construction, equipment and installation of the power plant described in paragraph (i) immediately above and to the Independent Panels of Experts for the design and supervision of the implementation of the mitigation measures of the environmental and social impacts of the Project; (iii) the design of: (A) the energy master plan including Project’s linkage with the West African Power Pool, and (B) the contract for the operation of the Kandadji Dam and its power plant; and (iv) support to HCDNV for its activities for the coordination and implementation of Parts 2 and 3 of the Project, including a communication program.

Part 3. Environmental and Social Safeguards Measures and Promotion of the Growth Pole through Irrigation Development (including rehabilitation) and Local Community Development

3.1 Provision of support for the planning, implementation and monitoring of the mitigation measures of the Project’s direct and indirect environmental and social
impacts, in accordance with the provisions of the Safeguard Documents including without limitation, the financing of the cost of operation of the Biodiversity Offset Area.

3.2 Provision of support to irrigation development linked to the Kandadji Dam, through: (a) the preparation of a master plan (including, *inter alia*, irrigated agriculture, fishery, trade, tourism, livestock) for the sustainable development of approximately 45,000 hectares; (b) the rehabilitation of existing irrigated schemes on approximately 1,000 hectares for the consolidation of food security in the area; and (c) the design and implementation of a pilot agro-business growth pole of diversified commercial crops over approximately 1,500 hectares downstream from the Kandadji Dam.

3.3 Provision of support to local development initiatives, by: (a) strengthening planning and implementation capacities of communes, communities and partner organizations in selected areas for local development and investment planning; (b) establishing a local development fund for: (i) the provision of financial support on a demand basis to eligible communes and communities for the implementation of eligible activities in their investment plans, including community investments to improve access to basic services, natural resources management and watershed restoration; and (ii) the provision of Matching Grants to eligible Beneficiaries for the implementation of eligible micro-business income generating activities.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

The Recipient shall take all actions needed for the following implementation arrangements to be established and maintained throughout Project implementation:

A. Institutional Arrangements

1. The Recipient shall be responsible for the implementation of Part 1 of the Project, under the supervision and guidance of the Recipient’s Regional Steering Committee. The Regional Steering Committee shall at all times during Project implementation have terms of reference and a composition satisfactory to the Association.

2. The Recipient shall at all times during Project implementation maintain sufficient staff with terms of reference, qualifications and experience satisfactory to the Association.

3. (a) (i) The Recipient shall maintain, until the Association is satisfied that the construction of the Kandadji Dam has been completed and duly commissioned an independent dam safety panel (“Dam Safety Panel”) comprised of independent experts having qualifications and experience acceptable to the Association, to advise on associated dam safety risks.

(ii) Without limitation to the generality of paragraph (i) immediately above, the Recipient shall cause the Dam Safety Panel to regularly provide reports, which shall be promptly distributed to, inter alia, the Republic of Niger and the Association, on, inter alia, the status of implementation of the Dam Safety Plan.

(b) (i) The Recipient shall maintain, throughout the implementation of the Project, an independent environmental and social experts panel (“Environmental and Social Experts Panel”) comprised of independent experts having qualifications and experience acceptable to the Association to provide advice and recommendations on all environmental and social aspects of the Project.
(ii) Without limitation to the generality of paragraph (i) immediately above, the Recipient shall cause the Environmental and Social Experts Panel to regularly provide reports to the Recipient who shall ensure that they are promptly distributed to, \textit{inter alia}, the Republic of Niger and the Association, and which shall include, \textit{inter alia}, an assessment of the status of implementation of each of the Safeguard Documents, except the Dam Safety Plan.

B. \textbf{Anti-Corruption}

The Recipient shall ensure that Pat 1 of the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. \textbf{Safeguards}

1. The Recipient shall ensure that:

   (a) all terms of reference for any technical assistance or studies carried out under the Project are consistent with, and pay due attention to, the Association's environmental and social safeguards policies, as well as the Recipient's own rules relating to the environment and social aspects; and

   (b) in drafting any regulations under the Project, due attention will be given to said policies and rules.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the Association, on a semi-annual basis, reports from the Dam Safety Panel and the Environmental and Social Experts Panel, giving details of: (a) measures taken in furtherance of the Safeguard Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Documents; and (c) remedial measures taken or required to be taken to address such conditions.

3. In the event that any provision of the Safeguard Documents shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.

D. \textbf{Annual Work Plans and Budgets}

1. Each year the Recipient shall prepare and submit to the Regional Steering Committee and then to the Association for approval, a draft annual work plan (including Training and Operating Costs) and budget (including Co-financing and Counterpart Funds) for Part 1 of the Project, for each subsequent year of Project implementation, of such scope and detail as the Association shall have reasonably requested.
2. The Recipient shall furnish to the Association, as soon as available, but in any case not later than December 15 of each year, the annual work plans and budgets, for their review and approval; except for the annual work plan and budget for the first year of Project implementation which shall be furnished no later than one (1) month after the Effective Date. Only the activities included in an annual work plan and budget expressly approved by the Association (each an “Annual Work Plan and Budget”) are eligible to a financing from the proceeds of the Financing.

3. Training shall be carried out on the basis of Annual Work Plans and Budgets, which shall, inter alia, identify: (a) particulars of the training envisaged; (b) the personnel to be trained; (c) the selection method of the institution or individuals conducting such training; (d) the institution conducting such training if identified; (e) the purpose and justification for such training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such training.

4. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior approval.

E. Project Implementation Manual

1. (a) The Recipient shall carry out Part I of the Project in accordance with the Project Implementation Manual; and (b) except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Project Implementation Manual, or any provision thereof.

2. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of Part I 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 indicators acceptable to the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.
2. Forty-two (42) months after the Effective Date, or at any other date agreed with the Association, the Recipient shall, in conjunction with the Association, carry out a mid-term review of the Project (the “Mid-term Review”), covering the progress achieved in the implementation of Part I of the Project. The Recipient shall prepare and furnish to the Association not less than three (3) months prior to the beginning of the Mid-term Review, a report integrating the results of the monitoring and evaluation activities performed pursuant to this Agreement, on the progress achieved in the carrying out Part I of the Project during the period preceding the date of such report, and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objective of the Project during the period following such date. Following the Mid-term Review, the Recipient shall act promptly and diligently in order to take, or cause to be taken, any corrective action deemed necessary by the Association to remedy any shortcoming noted in the carrying out of the Project in furtherance of the objective of the Project.

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 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 Part I of the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall 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 (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

4. In order to ensure the timely carrying out of the audits referred to in Section II. B.3 of this Schedule, the Recipient shall engage auditors for the purpose not later than four (4) months after the Effective Date, in accordance with the provisions of Section III of this Schedule.
Section III. Procurement

A. General

1. Goods and Non-consulting Services. All goods 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 and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods 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) Limited International Bidding; (b) National Competitive Bidding, subject to using bidding documents acceptable to the Association; (c) Shopping; (d) Direct Contracting; (e) Procurement from a UN Agency (FAO, UNESCO, UNHCR); (f) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; (g) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the Association; and (h) Community Participation 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) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of UN Agency (FAO, UNESCO, UNHCR); (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 I 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 Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants services, Operating Costs and Training for Part 1 of the Project</td>
<td>2,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works and consultants services for Part 2.1 of the Project</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>(3) Goods, works and consultants services for Part 2.2(i) of the Project (Subject to Section IV.B.1(b) and prior to the satisfaction of the provisions of Section IV.B.1(c) of the IDA Credit Agreement)</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>(4) Goods, works and consultants services for Part 2.2(ii) of the Project</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>(5) Consultants services, operating costs and training for Part 2.2 (ii), (iii) and (iv) of the Project</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>(6) Goods, works, consultants services, operating costs and training for Part 3.1 of the Project</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>(7) Goods, works, consultants services, operating costs and training for Parts 3.2 and 3.3(a) and (b)(i) of the Project</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>(8) Matching Grants under Part 3.3(b)(ii) of the Project</td>
<td>0</td>
<td>0% of amounts disbursed for SubProject's goods, works and services</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>2,000,000</td>
<td></td>
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</tbody>
</table>
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, except that withdrawals up to an aggregate amount not to exceed SDR 20,000 equivalent may be made for payments made prior to this date but on or after January 1, 2012, for Eligible Expenses under Category (1).

2. The Closing Date is April 1, 2020.
APPENDIX

Section I - Definitions


2. "ADF Co-financing Agreement" means the agreement entitled in its French non official translation "Convention de Prêt entre la République du Niger et le Fonds de Développement d’Abu Dhabi pour le Financement du Programme de Barrage de Kindađji Phase 1" entered into on December 12, 2011, between the Abu Dhabi Fund for Arab Economic Development and the Republic of Niger for the financing of the Project "ADF Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the ADF Co-financing Agreement.

3. "ADF Co-financing Deadline" means the deadline for the effectiveness of the ADF Co-financing Agreement and satisfaction of all conditions to the right of the Republic of Niger to withdraw funds thereunder (except for the condition that this Agreement and the IDA Grant Agreement have become effective if these are conditions to the effectiveness of, or to the disbursement of funds extended under, the ADF Co-financing Agreement), as such date is indicated in Section 4.02(a) of this Agreement.

4. "AFD First Co-financing Agreement" means the agreement to be entered into between the French Development Agency (Agence Française de Développement) and the Republic of Niger for the financing of Part 2.2 of the Project. "AFD First Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the AFD First Co-financing Agreement.

5. "AFD First Co-financing Deadline" means the deadline for the effectiveness of the AFD First Co-financing Agreement and satisfaction of all conditions to the right of the Republic of Niger to withdraw funds thereunder (except for the condition that this Agreement and the IDA Grant Agreement have become effective if these are conditions to the effectiveness of, or of the disbursement of funds extended under, the AFD First Co-financing Agreement), as such date is indicated in Section 4.02(b) of this Agreement.
6. "AFD Second Co-financing Agreement" means the agreement to be entered into between the French Development Agency (Agence Française de Développement) and the Republic of Niger for the financing of Part 3.3 of the Project. "AFD Second Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the AFD Second Co-financing Agreement.

7. "AFD Second Co-financing Deadline" means the deadline for the effectiveness of the AFD Second Co-financing Agreement and satisfaction of all conditions to the right of the Republic of Niger to withdraw funds thereunder (except for the condition that this Agreement and the IDA Grant Agreement have become effective if these are conditions to the effectiveness of, or of the disbursement of funds extended under, the AFD Second Co-financing Agreement), as such date is indicated in Section 4.02(c) of this Agreement.

8. "AFD Third Co-financing Agreement" means the agreement to be entered into between the French Development Agency (Agence Française de Développement) and the Republic of Niger for the financing of Part 3.2 of the Project. "AFD Third Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the AFD Third Co-financing Agreement.

9. "AFD Third Co-financing Deadline" means the deadline for the effectiveness of the AFD Third Co-financing Agreement and satisfaction of all conditions to the right of the Republic of Niger to withdraw funds thereunder (except for the condition that this Agreement and the IDA Grant Agreement have become effective if these are conditions to the effectiveness of, or of the disbursement of funds extended under, the AFD Third Co-financing Agreement), as such date is indicated in Section 4.02(d) of this Agreement.

10. "AfDF First Co-financing Agreement" means the agreement entitled "Protocole d'Accord entre la République du Niger et le Fond Africain de Développement (Don pour le financement partiel du Programme de Kandadji de Régénération des Ecosystèmes et de Mise en Valeur de la Vallée du Niger - PK'esmin" entered into on November 17, 2008 between the AFD and the Republic of Niger for the financing of the Project. "AfDF First Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the AfDF First Co-financing Agreement.

12. "AfDF Third Co-financing Agreement" means the agreement to be entered into between the African Development Fund and the Republic of Niger for the financing of the Project. "AfDF Third Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the AfDF Third Co-financing Agreement.

13. "AfDF Third Co-financing Deadline" means the deadline for the effectiveness of the AfDF Third Co-financing Agreement and satisfaction of all conditions to the right of the Republic of Niger to withdraw funds thereunder (except for the condition that this Agreement and the IDA Grant Agreement have become effective if these are conditions to the effectiveness of, or of the disbursement of funds extended under, the AfDF Third Co-financing Agreement), as such date is indicated in Section 4.02(c) of this Agreement.

14. "Annual Work Plans and Budgets" means the annual work plans and budgets for the implementation of the Project approved by the Association, referred to in Section 1.D of Schedule 2 to this Agreement.


16. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


18. "Co-financing" means, for purposes of paragraph 11 of the Appendix to the General Conditions, an aggregate amount equivalent to three hundred ninety five million four hundred fifty thousand Dollars ($395,450,000), to be provided by the Co-financiers to assist in financing the Project.

19. "Co-financing Deadline" referred to in Section 6.02(h) of the General Conditions as amended in Section II of this Appendix, means any of the ADF Co-financing Deadline, the AFD First Co-financing Deadline, the AFD Second Co-financing Deadline, the AFD Third Co-financing Deadline or the AfDF Third Co-financing Deadline.

21. "Counterpart Funds" means the funds to be provided by the Republic of Niger to contribute to the financing of the Project in accordance with the provisions of the IDA Credit Agreement.

22. "Dam Safety Panel" means the panel of independent experts for dam safety, established by the Recipient and referred to in Section I.A.3 (a) of Schedule 2 to this Agreement.


24. "ECOWAS" means the Economic Community of West African States.

25. "Environmental and Social Experts Panel" means the environmental and social panel established by the Recipient and referred to in Section I.A.3 (b) of Schedule 2 to this Agreement.


27. "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.

28. "IDA Credit Agreement" means the financing agreement for the financing of the Project between the Republic of Niger and the Association, dated the same date as this Agreement, as such financing agreement may be amended from time to time. "IDA Credit Agreement" includes all appendices, schedules and agreements supplemental to the IDA-Credit Agreement.

29. "Independent Panels of Experts" means, collectively, the Dam Safety Panel and the Environmental and Social Experts Panel.
30. "IsDB First Co-financing Agreement" means the agreement entitled in its French non official translation ‘Accord de Vente à Tempérament entre le Gouvernement de la République du Niger e la Banque Islamique de Développement Mandatant le Gouvernement de la République du Niger pour l'Achat, au Nom et pour le Compte de la Banque Islamique de Développement des Equipements Destinés à Etre Vendus au Mandataire dans le Cadre du Projet de Construction du Barrage de Kandadji" entered into on May 6, 2008 between the the Islamic Development Bank and the Republic of Niger for the financing of the Project. "IsDB First Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the IsDB First Co-financing Agreement.

31. "IsDB Second Co-financing Agreement" means the agreement entitled in its French non official translation “Accord de Prêt entre le Gouvernement de la République du Niger et la Banque Islamique de Développement pour le Financement du Projet de Construction du Barrage de Kandadji” entered into on May 6, 2008 between the the Islamic Development Bank and the Republic of Niger for the financing of the Project. "IsDB Second Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the IsDB Second Co-financing Agreement.

32. “Kandadji Dam” means the earth dam to be constructed under Part 2.1 of the Project approximately 8,400 meter long and 26 meter high with a stocking capacity of approximately 1.56 billion cubic meters of water, and related basic infrastructure on a site located in the Niger River on the Republic of Niger’s territory, about sixty (60) kilometers downstream from the border with the Republic of Mali, one hundred and eighty seven (187) kilometers upstream from the capital city of the Republic of Niger, Niamey, and about four hundred and eighty nine (489) kilometers upstream from the border with the Federal Republic of Nigeria.

33. "KF Co-financing Agreement" means the agreement entitled in its English non official translation “Loan Agreement - Kandadji Dam Project - between the Republic of Niger and Kuwait Fund for Arab Economic Development” entered into on March 27, 2009 between the Kuwait Fund for Arab Economic Development and the Republic of Niger for the financing of the Project. “KF Co-financing Agreement” includes all appendices, schedules and agreements supplemental to the KF Co-financing Agreement.

34. “Member States” means, collectively, the Republic of Benin, Burkina Faso, the Republic of Cameroon, the Republic of Chad, the Republic of Côte d’Ivoire, the Republic of Guinea, the Republic of Mali, the Republic of Niger and the Federal Republic of Nigeria.
35. "Niger Basin" means the basin of the Niger River, the principal river of western Africa, spreading throughout the respective territories of the Member States for about four thousand one hundred and eighty (4,180) kilometers from Southeastern part of the Republic of Guinea to the Federal Republic of Nigeria's coast on the Gulf of Guinea.

36. "Niger Basin Sustainable Development Action Plan" means the action plan in form and substance satisfactory to the Association, prepared by the Recipient for the implementation of the Program and adopted by the Recipient's Council of Ministers by resolution dated July 26, 2007.

37. "OFID Co-financing Agreement" means the agreement entitled in its French non-official translation "Projet de Barrage de Kandadji - Accord de Prêt entre la République du Niger et le Fonds de l'OPEP pour le Développement International" entered into on February 12, 2009 between the OPEP Fund for International Development and the Republic of Niger for the financing of the Project. "OFID Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the OFID Co-financing Agreement.

38. "Operating Costs" means the incremental expenses incurred by the Recipient, based on the Annual Work Plans and Budgets as approved by the Association, on account of implementation, management, and monitoring and evaluation of Part I of the Project, including the reasonable costs for utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, office space rental, building and equipment maintenance, public awareness-related media expenses, travel and supervision, and salaries of contractual and temporary staff, but excluding salaries, fees, honoraria, and bonuses of permanent staff of the Recipient.


40. "Procurement Plan" means the Recipient's procurement plan for the Project, dated August 21, 2012, as 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.

41. "Program" means the program referred to in the Recipient's letter to the Association dated June 17, 2002, including the development of: (i) the irrigable lands; (ii) livestock husbandry; (iii) navigable waterways; (iv) fish-farming; (v) ecotourism; (vi) hydropower; and (vii) reduction of poverty, as is being further developed and elaborated in the Niger Basin Sustainable Development Action Plan and the first 20-year investment program for its implementation.
42. "Project Implementation Manual" means the project implementation manual referred to in Section I.E of Schedule 2 to this Agreement, prepared and adopted by the Recipient in accordance with the provisions of Section 5.01(a) of this Agreement, setting out implementation, organizational, monitoring and evaluation, environmental and social monitoring and mitigation, fiduciary and targeting mechanisms, including administrative, accounting and financial procedures for purposes of implementation of Part I of the Project, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.

43. "Regional Steering Committee" means the committee established by decision no. 1285 of the President of the Council of Ministers of the Recipient, dated September 13, 2007.

44. "Safeguard Documents" means collectively: (i) the Environmental and Social Impact Assessment including, inter alia, the Environmental and Social Management Plan for the construction and operation of the Kandadji Dam, the Pest Management Plan, the Wildlife and Natural Habitat Management Plan, included therein, (ii) the Safety Plan, (iii) the Environmental and Social Management Framework as well as (iv) the environmental and social impact studies, including the Environmental and Social Management Plans prepared for specific activities carried out under the Project, if any, (v) the Resettlement Action Plan 1, (vi) the Resettlement Policy Framework, (vii) the Resettlement Action Plan 2; and (viii) the social studies, including the Resettlement Action Plans prepared for specific activities carried out under Parts 3.2 and 3.3 of the Project, if any.

45. "SF Co-financing Agreement" means the agreement entitled in its French non official translation "Acord de Prêt entre le Fonds Saoudien de Développement et la République du Niger - Projet du Barrage de Kandadji" entered into on October 12, 2009, between the Saudi Fund for Development and the Republic of Niger for the financing of the Project. "SF Co-financing Agreement" includes all appendices, schedules and agreements supplemental to the SF Co-financing Agreement.

46. "Training" means the reasonable cost of training under the Project, based on Annual Work Plans and Budgets, including costs associated with seminars, workshops, conferences and study tours, travel and subsistence costs for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials and other activities directly related to course preparation and implementation.


51. "Water Charter" means the international agreement adopted by decision no. 2 of the eighth (8th) Summit of the Recipient's Heads of State and Government dated April 30, 2008 which is effective since July 19, 2010, aiming at encouraging cooperation among the Member States based on solidarity and reciprocity for sustainable, equitable and coordinated use of the Niger Basin resources, by, inter alia, establishing a mechanism for the notification of proposed development affecting the use of the Niger Basin resources by Member States and an institutional framework for coordination and resolution of conflicts.

52. "West African Power Pool" means the power pool created by Decision A/DEC.5/12/99 during the twenty-second (22nd) Summit of the Authority of ECOWAS Heads of State and Government in order to address the issue of power supply deficiency within Western Africa.

Section II - Amendment to the General Conditions

1. Section 6.C.2(h) (i) of the General Conditions is amended to read as follows:

"(i) If the Financing Agreement specifies a date by which the agreement with the Co-financer providing for the Co-financing ("Co-financing Agreement") is to become effective and all conditions to the right of the
Republic of Niger to withdraw funds thereunder (except for the condition that this Agreement and the IDA Credit Agreement have become effective if these are conditions to the effectiveness of, or to the disbursement of funds extended under, the Co-financing Agreement) are to be satisfied, the Co-financing Agreement has failed to become effective and all conditions to the right of the Republic of Niger to withdraw funds thereunder (except for the condition that this Agreement and the IDA Credit Agreement have become effective if these are conditions to the effectiveness of, or to the disbursement of funds extended under, the Co-financing Agreement) have failed to be satisfied by that date, or such later date as the Association has established by notice to the Recipient ("Co-financing Deadline"); provided, however, that the proviso of this sub-paragraph shall not apply if the Recipient establishes to the satisfaction of the Association that adequate funds for the Project are available from other sources on terms and conditions consistent with its obligations under the Financing Agreement."