Financing Agreement

(Power Sector Recovery Project)

between

REPUBLIC OF GUINEA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 2, 2014
FINANCING AGREEMENT

AGREEMENT dated July 2, 2014, entered into between REPUBLIC OF GUINEA ("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 grant and a credit (collectively, "Financing") in the following amounts to assist in financing the project described in Schedule 1 to this Agreement ("Project"): 

(a) an amount equivalent to seventeen million seven hundred thousand Special Drawing Rights (SDR 17,700,000) ("Grant"); and

(b) an amount equivalent to fourteen million six hundred thousand Special Drawing Rights (SDR 14,600,000) ("Credit").

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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%).
2.05. The Payment Dates are May 15 and November 15 in each year.

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

2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out Components 1 and 3 of the Project through MEH and cause Component 2 of the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.

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 — REMEDIES OF THE ASSOCIATION

4.01. The Additional Events of Suspension consist of the following:

(a) The Project Implementing Entity’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.

(b) The Management Service Contract has been amended, suspended, abrogated, repealed, waived or terminated so as to affect materially and adversely the carrying out of the Project.

4.02. The Additional Event of Acceleration consists of the following:

Either of the events specified in Section 4.01 of this Agreement occur.
ARTICLE V — EFFECTIVENESS; TERMINATION

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

(a) The Recipient has adopted the Project Implementation Manual, in form and substance satisfactory to the Association.

(b) The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.

5.02. The Additional Legal Matter consists of the following:

The Subsidiary Agreement has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.

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

5.04. 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 years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its Minister at the time responsible for Finance.

6.02. The Recipient’s Address is:

Ministry of the Economy and Finance
P. O. Box 579
Conakry
Republic of Guinea

Facsimile:

(224) 30 45 54 22
(224) 30 41 17 17
6.03. The Association’s Address is:

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

Cable: Telex: Facsimile:
INDEVAS 248423 (MCI) 1-202-477-6391
Washington, D.C.

AGREED at Conakry, Republic of Guinea, as of the day and year first above written.

REPUBLIC OF GUINEA

Authorized Representative

Ministre d’Etat

Mohamed DIARE
Title: Ministre d’Etat

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Ousmane SIAKANA
Title: Directeur des Operations
SCHEDULE I

Project Description

The objective of the Project is to improve the technical and commercial performance of Electricité de Guinée.

The Project consists of the following components:

Component 1: Improvement of EDG’s Performance through a Management Contract

Improving the performance of the energy sector and EDG through the provision of services of a private Operator under the Management Service Contract, to implement EDG’s business plan.

Component 2: Improvement of Conakry Distribution Network and Commercial Performance of EDG

(a) Improving Distribution Network

Carrying out of a series of priority investment programs to restore power supply in Conakry and improve the distribution network, including, inter alia:

(i) upgrading of selected distribution infrastructures in Dixinn district, including the replacement of obsolete low voltage cables and accessories, rehabilitation and construction of low voltage lines, rehabilitation, replacement, and construction of existing and new posts/cabins to be equipped with transformers;

(ii) provision of equipment, tools, vehicles and related goods and materials to enhance the operation and maintenance of the EDG’s electricity grid in a safe, efficient and sustainable way;

(iii) supply and installation of systems for the protection of hydropower plants, including equipment to compensate reactive power and improve power factor in the system;

(iv) provision of services of an owner’s engineer for rehabilitation works and network extension in Dixinn district, and for rehabilitation of household connections and standardization of informal and illegal connections; and

(v) carrying out of environmental and social safeguard measures.
(b) **EDG’s Commercial Performance Improvement**

Improving the commercial performance of EDG, through:

(i) the carrying out of a census of EDG customers and revision of the client database;

(ii) upgrading of EDG’s integrated Information Technology management system; and

(iii) rehabilitation and standardization of household connections in Kaloum, Ratoma and Matoto districts, including the informal and illegal connections.

(c) Assisting the EDG-PIU in the management of Component 2 of the Project through the provision of equipment and services of experts in the areas of procurement, financial and disbursement management.

**Component 3: Technical Assistance to MEH, Monitoring and Evaluation and Project Implementation Support**

(a) **Technical assistance to MEH**

Enhancing MEH’s capacity to supervise and monitor the Operator’s performance, through:

(i) the provision of technical advisory services to carry out a financial restructuring of the Project Implementing Entity;

(ii) the provision of services of an independent auditor to directly monitor the Operator’s deliverables; and

(iii) the provision of technical advisory services for the development and preparation of anti-fraud policy and relevant legal instruments.

(b) **Project Implementation Support**

Assisting the MEH-PIU in the management of Components 1 and 3 of the Project, through the provision of equipment and services of experts in the areas of procurement, financial and disbursement management.
Section I. Implementation Arrangements

A. Institutional and Implementation Arrangements

1. Inter-ministerial Committee for Energy

The Recipient shall maintain, until the completion of the Project, the Commission Interministerielle de Coordination et de suivi de la réforme du secteur de l’électricité (CIC), to be responsible for the overall strategy and guidance, supervision, oversight, and management of the implementation of activities under the Project.

2. Project Implementation Manual

(a) The Recipient shall prepare, under terms of reference acceptable to the Association and furnish to the Association for review, a Project implementation manual, which shall include provisions on the following matters: (i) capacity building activities for sustained achievement of the Project’s objectives; (ii) methods and criteria for the selection of activities to be carried out under Component 2; (iii) financial management and disbursement; (iv) procurement; (v) institutional administration, coordination, and day-to-day execution of Project activities; (vi) monitoring and evaluation, reporting, information, education and communication of Project activities; and (vii) such other technical and organizational arrangements and procedures as shall be required for the Project.

(b) The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on said Project implementation manual, and thereafter, shall adopt such Project implementation manual, as shall have been approved by the Association (“Project Implementation Manual”).

(c) The Recipient shall ensure that the Project is carried out in accordance with the Project Implementation Manual; provided, however, that in case of any conflict between the provisions of the Project Implementation Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

(d) Except as the Association shall otherwise agree, the Recipient shall not amend, abrogate or waive any provision of the Project Implementation Manual.
3. **MEH Project Implementation Unit**

Without limitation upon the provisions of paragraphs 1 and 2 of this Section I.A, the Recipient, shall designate, at all times during the implementation of the Project, the MEH Project Implementation Unit, to be responsible for: (a) day-to-day execution, coordination, and implementation (including procurement, financial management, environmental and social safeguards, monitoring and evaluation, supervision, reporting, and communication aspects) of activities under Components 1 and 3 of the Project; (b) supervision of the Management Service Contract under Component 1 of the Project; and (c) preparation of urgent investments. To this end, the Recipient shall take all actions, including the provision of funding, personnel (including, a general Project coordinator, a procurement specialist, a financial management specialist, an accountant, and an environmental and social development specialist), and other resources satisfactory to the Association, to enable the MEH-PIU to perform said functions.

4. **Annual Work Plan and Budget**

   (a) The Recipient shall prepare and furnish to the Association not later than December 15 of each Fiscal Year during the implementation of the Project, a work plan and budget containing all activities proposed to be included in the Project during the following Fiscal Year and a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing.

   (b) Each such proposed work plan and budget shall specify any Training activities that may be required under the Project, including: (i) the type of Training; (ii) the purpose of the Training; (iii) the personnel to be trained; (iv) the institution or individual who will conduct the Training; (v) the location and duration of the Training; and (vi) the cost of the Training.

   (c) The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed work plan and budget and thereafter ensure that the Project is implemented with due diligence during said following Fiscal Year in accordance with such work plan and budget as shall have been approved by the Association ("Annual Work Plan and Budget").

   (d) The Recipient shall not make or allow to be made any change to the approved Annual Work Plan and Budget without prior approval in writing by the Association.
B. **Subsidiary Agreement**

1. To facilitate the carrying out of Component 2 of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Category (2) of the table set forth in Section IV.A.2 of this Schedule available, to the Project Implementing Entity, under a Subsidiary Agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association, which shall include the following:

   (a) the principal amount of the Financing made available under the Subsidiary Agreement ("Subsidiary Financing") shall be denominated in Dollars;

   (b) the Subsidiary Financing shall be made available on the same terms and conditions of this Credit and this Grant; and

   (c) the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (i) suspend or terminate the right of the Project Implementing Entity to use the proceeds of the Subsidiary Financing, or obtain a refund of all or any part of the amount of the Subsidiary Financing then withdrawn, upon the Project Implementing Entity's failure to perform any of its obligations under the Subsidiary Agreement; and (ii) require the Project Implementing Entity to: (A) carry out said Component 2 of the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental, and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works, non-consulting services and services to be financed out of the Subsidiary Financing in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of Component 2 of the Project and the achievement of their objectives; (E) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to said Component 2 of the Project; and (2) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; (F) enable the Recipient and the Association to inspect said
Parts of the Project, their operations and any relevant records and documents; and (G) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. **Management Service Contract**

1. For the purpose of facilitating the carrying out of Component 1 of the Project, the Recipient shall enter into a Management Service Contract with a private Operator, under terms and conditions approved by the Association.

D. **Performance Contract**

1. For the purpose of facilitating the attainment of the objective of the Project, the Recipient shall enter into a Performance Contract with the Project Implementing Entity, under terms and conditions approved by the Association.

E. **Anti-Corruption**

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

F. **Safeguards.**

1. The Recipient shall:
   
   (a) carry out Components 1 and 3 of the Project and cause the Project Implementing Entity to carry out Component 2 of the Project in accordance with the Safeguards Instruments, including each ESMP and RAP to be prepared pursuant to paragraph 2 of this Sub-Section;

   (b) refrain from taking any action, or consenting to an action to be taken, which would prevent or interfere with the implementation of the Safeguards Instruments, including any amendment, suspension, waiver, and/or voidance of any provision thereof, whether in whole or in part, without the prior written concurrence of the Association; and

   (c) promptly and timely provide the financial resources required for the carrying out of the measures stipulated in the Safeguards Instruments.
2. The Recipient shall, and shall cause the Project Implementing Entity to:

(a) prior to commencing each activity under the Project:

(i) prepare: (A) each ESMP, required by and consistent with the EA for such activity; and (B) each RAP required by and consistent with the RPF for such activity;

(ii) have each ESMP and RAP furnished to the Association for its prior review and approval; and

(iii) adopt and disclose, as approved by the Association, each ESMP and RAP in a manner acceptable to the Association;

(b) thereafter take such measures as shall be necessary to ensure compliance with the requirements of each ESMP and RAP; and

(c) in the case of any activity under the Project involving Displaced Persons, ensure that no displacement or loss of income sources or means of livelihood, whether or not the affected persons are displaced, shall occur before necessary resettlement measures consistent with the RAP applicable to such activity have been executed, including, in the case of displacement, full payment to Displaced Persons of compensation and of other assistance required for relocation, prior to displacement.

3. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, any of the Safeguards Instruments, unless the Association has provided its prior approval thereof in writing, and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. Without limitation upon its other reporting obligations under this Agreement, The Recipient shall, every three (3) months, collect, compile and furnish, as part of the Project Report, reports on the status of compliance with the Safeguards Instruments giving details on:

(a) the measures taken in furtherance of the Safeguards Instruments;

(b) the conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and

(c) remedial measures taken or required to be taken to address such conditions.
5. The Recipient shall ensure that each contract procured under Components 1 and 3 of the Project includes the obligation of the relevant contractor to comply with the relevant Safeguard Instruments applicable to the respective activities commissioned/awarded pursuant to said contract.

6. In the event of any inconsistency between the provisions of the Safeguards Instruments and the provisions 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 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 one month 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 prepare and furnish to the Association, not later than 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 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 fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association 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 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) National Competitive Bidding (NCB), subject to the following additional provisions:

   (i) Bidding documents acceptable to the Association shall be used.

   (ii) Eligibility to participate in a procurement process and to be awarded an Association-financed contract shall be as defined under Section I of the Procurement Guidelines; accordingly: (A) no bidder or potential bidder shall be declared ineligible for contracts financed by the Association for reasons other than those provided in Section I of the Procurement Guidelines; (B) foreign bidders shall be allowed to participate in NCB procedures, and foreign bidders shall not be obligated to partner with local bidders in order to participate in a procurement process.

   (iii) Bidding shall not be restricted to pre-registered firms, and foreign bidders shall not be required to be registered with local authorities as a prerequisite for submitting bids.
(iv) No margins of preference of any sort (e.g., on the basis of bidder nationality, origin of goods, services or labor, and/or preferential programs) shall be applied in the bid evaluation.

(v) Joint venture or consortium partners shall be jointly and severally liable for their obligations.

(vi) Bidders shall be given at least thirty (30) days from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later, to prepare and submit bids.

(vii) Bids shall be submitted in a single envelope.

(viii) An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the original bid validity expiration date, provided that such extension shall cover only the minimum period required to complete the evaluation and award a contract, but not to exceed thirty (30) days. No further extensions shall be requested without the prior written concurrence of the Association.

(ix) Bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Association’s prior written concurrence.

(x) Qualification criteria shall be applied on a pass or fail basis.

(xi) Bidders shall be given at least twenty-eight (28) days from the receipt of notification of award to submit performance securities.

(xii) Each bidding document and contract shall include provisions stating the Bank’s policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the Procurement Guidelines.

(xiii) Each bidding document and contract shall include provisions stating the Bank’s policy with respect to inspection and audit of accounts, records and other documents relating to the submission of bids and contract performance.

(b) Shopping.
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) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; (g) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (h) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

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

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to 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 Credit and of the Grant 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>Amount of the Grant 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, Training and Operating Costs for Components 1 and 3 of the Project</td>
<td>4,800,000</td>
<td>5,800,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants' services, Training and Operating Costs for Component 2 of the Project</td>
<td>9,800,000</td>
<td>11,900,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>14,600,000</td>
<td>17,700,000</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 SDR 6,460,000 equivalent may be made for payments made prior to this date but on or after May 5, 2014, for all Eligible Expenditures; and

   (b) For payments made under Category (1), unless:
(i) the Management Service Contract has been executed by the parties thereto, in form and substance acceptable to the Association;

(ii) the Performance Contract has been executed on behalf of the Recipient and the Project Implementing Entity, in form and substance acceptable to the Association; and

(iii) the Recipient has established the MEH-PIU, in form acceptable to the Association, and appointed a Project coordinator, a financial management specialist, a procurement specialist, a safeguards specialist and a monitoring and evaluation specialist, all under terms of reference and qualifications acceptable to the Association.

2. The Closing Date is December 31, 2019.

Section V. Other Undertakings

1. The Recipient shall appoint, no later than four months after the Effective date, an external technical auditor to carry out annual audit of the Management Service Contract, under terms of reference acceptable to the Association.

2. The Recipient shall appoint, no later than six months after the Effective Date, an external auditor to carry out annual audit services for the Project, under terms of reference acceptable to the Association.
### 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 May 15 and November 15:</td>
<td></td>
</tr>
<tr>
<td>Commencing November 15, 2024 to and including May 15, 2034</td>
<td>1%</td>
</tr>
<tr>
<td>Commencing November 15, 2034 to and including May 15, 2054</td>
<td>2%</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

Definitions


2. “Annual Work Plan and Budget” means the annual work plan and budget approved by the Association and adopted by the Recipient in accordance with the provisions of Section I.A.4 of Schedule 2 to this Agreement.

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

4. “CIC” means Commission Interministerielle de Coordination et de suivi de la réforme du secteur de l'électricité, the Recipient’s inter-ministerial committee for energy, established on July 30, 2012, and referred to in Section I.A.1 of Schedule 2 to this Agreement.


6. “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 impacts on the livelihood of such persons; and a “Displaced Person” means any of such Displaced Persons.

7. “Environmental Audit” or “EA” means the Recipient’s framework instrument approved by the Association and adopted on April 16, 2014, and publicly disclosed by the Recipient, containing: (a) the policy, legal and administrative framework within which the ESMPs are prepared and carried out; and (b) an assessment of the potential environmental and social impacts of the activities to be undertaken under the Project, including an evaluation of the alternatives therefor, and designing appropriate mitigation, management, and monitoring measures.

8. “Environmental and Social Management Plan” or “ESMP” means each environmental management plan or plans to be prepared by the Project
Implementing Entity that set out the environmental protection measures, including measures for the protection of physical cultural resources, in respect of the Project, as well as administrative and monitoring arrangements to ensure the implementation of said plan, as said plan may be revised from time to time with the prior written agreement of the Association, and such term includes all schedules and agreements supplemental thereto.

9. "EDG" means Electricité de Guinée, the national power utility of the Recipient, established in 2001 pursuant to the Recipient’s Decree D/2001/098/PRG and operating under the laws of the Recipient, or any successor thereto.

10. "EDG-PIU" means Project Implementation Unit to be set up and maintained by the Project Implementing Entity, to carry out the day-to-day activities in connection with the implementation of Component 2 of the Project.

11. "ESIP" means the ongoing Electricity Sector Improvement Project, financed by the Association and carried out under the Financing Agreement between the recipient and the Association dated November 7, 2006, as amended.

12. "ESIP-PIT" the Project Implementing Team established by EDG under the ESIP.


14. “Management Service Contract” means the contract to be entered into between the Recipient and an Operator governing the terms and conditions of the management of EDG, containing, inter alia, detailed roles and responsibilities for the execution of activities in the energy sector recovery plan, the results to be achieved by the Operator in the execution of such activities, a schedule and resources for the implementation for the plan, the annual value of contract and fees, a detailed business plan, and key performance indicators.

15. "MEH" means the Recipient’s Ministry of Energy and Hydraulics, or any successor thereto.

16. "MEH-PIU" means Project Implementation Unit set up and maintained by MEH, to carry out the day-to-day activities in connection with the implementation of Components 1 and 3 of the Project.

17. "Operator" means the private operator selected by the Recipient and sub-contracted to manage EDG, under the Management Service Contract.

18. “Operating Costs” means the reasonable incremental expenses arising under the Project, and based on the Annual Work Plan and Budget, on account of vehicle operation and maintenance, maintenance of equipment, communication and
insurance costs, office administration costs, utilities, rental, accommodation, banking charges, advertising expenses, travel and per diem, but excluding the salaries of the Recipient’s civil servants.

19. “Performance Contract” means the contract to be entered into between the Recipient and EDG containing, inter alia, detailed roles and responsibilities for the execution of activities in the energy sector recovery plan, the results to be achieved by the EDG in the execution of such activities, a schedule and resources for the implementation for the plan, and key performance indicators.


21. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 15, 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.

22. “Project Implementing Entity” means EDG.


24. “Project Implementation Manual” means the manual referred to in Section I.A.2 of Schedule 2 to this Agreement.

25. “Resettlement Policy Framework” or the acronym “RPF” means the Resettlement Policy Framework dated April 16, 2014, prepared and adopted by the Recipient, acceptable to the Association; said framework setting out the policies and procedures for the acquisition of land and other assets, compensation, resettlement and rehabilitation of Displaced Persons, and for the preparation of Resettlement Action Plans as may be required for Project activities, as said framework may be revised from time to time with the prior written concurrence of the Association; and such term includes all schedules and agreements supplemental to said framework.

26. “Resettlement Action Plan” or “RAP” means each resettlement action plan to be prepared by the Recipient, in form and substance acceptable to the Association and in accordance with the RPF, setting forth the measures necessary to ensure that the Displaced Persons under the Project are: (i) informed about their options and rights pertaining to resettlement; (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; (iii) provided: (A) prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project;
(B) assistance (such as moving allowances) during relocation; and (C) with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; (iv) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and (v) provided with development assistance in addition to the aforementioned compensation measures, such as land preparation, credit facilities, training, or job opportunities.

27. “Safeguards Instruments” means the EA, ESMP, the RPF and the RAP.

28. “Subsidiary Agreement” means the agreement referred to in Section 1.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the Project Implementing Entity.

29. “Subsidiary Financing” means the principal amount of the Financing to be made available to the Project Implementing Entity under the Subsidiary Agreement.

30. “Training” means the costs of training and workshops relevant for the Project and carried out in the territory of the Recipient, including purchase and publication of materials, rental of facilities for conducting training and workshops, facilitator’s fees, course fees and travel and subsistence allowances for trainers and trainees, and other costs directly related to training course and workshop preparation and implementation.