Financing Agreement

(Organisation pour la Mise en Valeur du fleuve Sénégal ("OMVS") - Transmission Expansion Project)

REPUBLIC OF SENEGAL

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 6, 2017
FINANCING AGREEMENT

AGREEMENT dated 6, 2017, entered into between the REPUBLIC OF SENEGAL ("Recipient" or "Senegal") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS: (A) the Recipient, the Republic of Mali ("Mali") and the Islamic Republic of Mauritania ("Mauritania") are members of the Organisation pour la mise en valeur du fleuve Sénégal ("OMVS", as further defined in the Appendix to this Agreement) for the purpose of jointly managing the Senegal River and its drainage basin;

(B) the Recipient, having satisfied itself as to the feasibility and priority of the project ("Project" as described in Schedule 1 hereto), has requested the Association to assist in the financing of the Project;

(C) the Project will be carried out by the Société de Gestion de l’Energie de Manantali ("SOGEM"), as further defined in the Appendix to this Agreement, or "Project Implementing Entity") with the Recipient’s assistance and, as part of such assistance, the Recipient will make the proceeds of the credit provided for in Article II of this Agreement available to SOGEM as set forth in this Agreement; and

WHEREAS the Association has also agreed, on the basis, inter alia, of the foregoing, to extend the credit provided for in Article II of this Agreement to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE 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 Preamble or in Appendix to this Agreement.

ARTICLE II — CREDIT

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 of ninety-one million five hundred thousand Euro (€91,500,000) ("Credit") to assist in financing the Project.
2.02. The Recipient may withdraw the proceeds of the Credit 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 Credit 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 the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are April 15 and October 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 the Euro.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall, pursuant to the Subsidiary Credit Agreement, cause the Project to be carried out by SOGEM 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) SOGEM’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of SOGEM to perform any of its obligations under the Project Agreement.

(b) A Participating Country shall have failed to carry out the ESIA, the ESMP or a RAP, as the case may be, or to perform any of the measures or obligations contained therein in a form or manner acceptable to the Association.

4.02. The Additional Events of Acceleration consist of the following:
(a) Any event specified in paragraph (a) of Section 4.01 of this Agreement occurs.

(b) Any event specified in paragraph (b) of Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

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

(a) The Subsidiary Credit Agreement has been executed on behalf of the Recipient and SOGEM.

(b) SOGEM shall have established the Regional Coordination Unit through the appointment of its Project coordinator and the environmental specialist, both under terms of reference and with qualifications and experience satisfactory to the Association.

(c) SOGEM shall have updated the Implementation Manual to include a section on financial management and on procurement, all in form and with content satisfactory to the Association.

5.02. The Additional Legal Matters consists of the following, namely, that the Subsidiary Credit Agreement has been duly authorized or ratified by the Recipient and SOGEM and is legally binding upon the Recipient and the SOGEM in accordance with its terms.

5.03. The Effectiveness Deadline is the date ninety (90) 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 (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its minister in charge of finance.
6.02. The Recipient's Address is:

Ministry of Economy, Finance and Planning
Rue René N'diaye
B.P. 4017
Dakar
Republic of Senegal

Fascimile:

(221) 33-821-1630

6.03. The Association's Address is:

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

Telex: Facsimile:

248423 (MCI) (1) 202-477-6391
AGREED at Dakar, Senegal, as of the day and year first above written.

REPUBLIC OF SENEGAL

By: Amadou BA

Authorized Representative

Name: ________________________

Title: ________________________

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: Louise Ford

Authorized Representative

Name: Louise Ford

Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to enhance electricity trade among Mali, Mauritania, and Senegal.

The Project consists of the following parts:

Part 1: **Rima Reinforcement and Expansion**

1.1. Kayes-Tambacounda Transmission Line

Construction of a new, about 288 km long, 225 kV double-circuit transmission line from Kayes (Mali) to Tambacounda (Senegal) with an estimated wheeling capacity of 400 MW, and provision of fiber optic cable and the equipment required to provide electricity access to villages along the route of the line, and the construction of two 225 kV bays at the existing substation at Kayes and at the future substation at Tambacounda.

1.2. SCADA System

Implementation of a SCADA system for joint operation and coordination between the three OMVS national power utilities EDM, SENELEC, SOMELEC, and the OMVS power system operator through the provision of goods, non-consulting services and consultants’ services required for: (i) the upgrading of the communication and data acquisition facilities to enable real-time information exchange with the load dispatching center at Manantali and the three national power utilities; and (ii) the acquisition of the necessary software licenses with relevant training to support optimization and scheduling of the combined hydro and thermal power generation capacity of RIMA.

Part 2: **Technical Assistance**

Strengthening of SOGEM’s implementation capabilities under the Project and delivery of training, including in the procurement and supervision functions, and as required to implement the ESMP, the ESIA, the RPF and the RAP(s), and encompassing the provision of consultants’ services and the financing of Operating Costs.
SCHEDULE 2
Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements: Overall Project Oversight and Coordination

1. Steering Committee

The Recipient shall, through its representative at the OMVS' Council of Ministers, take all action required on its behalf to ensure the establishment, not later than three months after the Effective Date and, thereafter, the effective and timely functioning of the Steering Committee. The Steering Committee shall be chaired by the OMVS' High Commissioner and its composition shall include representatives from the following bodies: the OMVS' High Commission, the OMVS' states, SOGEM, EDM, SENELEC and SOMELEC. The Steering Committee shall be vested with responsibility for overseeing Project implementation and ensuring effective cooperation among the Participating Countries and, to this end, shall meet at least twice a year (or more often if required) and report directly to the OMVS' Council of Ministers.

B. Implementation Modalities: Subsidiary Credit Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make available to SOGEM the proceeds of the Credit allocated from time to time to Categories (1) and (2) of the table set forth in Section IV.A.2 of this Schedule under the Subsidiary Credit Agreement to be entered into between the Recipient and SOGEM under terms and conditions approved by the Association, and which shall include provisions whereby the Recipient shall:

(a) require SOGEM: (A) to carry out the Project with due diligence and efficiency and in accordance with sound technical, economic, energy, financial, managerial, environmental, and social standards and practices satisfactory to the Association, including in accordance with the provisions of the ESMP, the ESIA, the RPF and the RAP(s), and pursuant to the Implementation Manual and the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; and (B) to provide, promptly as needed, the resources required for the purpose;

(b) obtain rights and specify SOGEM's obligations adequate to protect the interests of the Recipient and those of the Association, including:

(i) the right to suspend or terminate the right of SOGEM to use the proceeds of the Credit or to obtain a refund of all or any part of the amount of the Credit then withdrawn, upon SOGEM's failure
to perform any of its obligations under the Subsidiary Credit Agreement;

(ii) SOGEM's obligation to maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with the Monitoring and Evaluation Indicators, the progress of the Project and the achievement of its objective;

(iii) SOGEM's obligation: (A) to 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 the Project; and (B) at the Association's or the Recipient's request, to 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;

(iv) SOGEM's obligation to enable the Recipient and the Association to inspect the Project, its operation and any relevant records and documents; and

(v) SOGEM's obligation to 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 and carry out its obligations under the Subsidiary Credit Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Credit. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Credit Agreement or any of its provisions. Notwithstanding the foregoing, if any of the provisions of the Subsidiary Credit Agreement is inconsistent with the provisions of this Agreement or the Implementation Manual, as the case may be, the provisions of this Agreement or the Implementation Manual shall prevail and govern.

C. Anti-Corruption

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

1. The Recipient shall take all action required on its behalf to ensure that the Project is implemented in accordance with the provisions of the Resettlement Policy Framework (RPF), the Environmental and Social Impact Assessment (ESIA), the Environmental and Social Management Plan (ESMP), and the Resettlement Action Plan(s) (RAP(s)), all in a manner satisfactory to the Association.

2. The Recipient shall take all action required on its behalf to cause SOGEM to ensure at all times that no works are commenced under the Project, until and unless:
   (i) SOGEM shall have verified, through its own staff, outside experts, or existing environmental/social institutions, that the works meet the environmental and/or social management requirements, if applicable, of appropriate national and local authorities and that they comply with the review procedures set forth in the ESIA, ESMP and/or RPF, as the case may be, and the provisions of the Implementation Manual; and
   (ii) if required, SOGEM shall have prepared and adopted the RAP(s) and the same documents have been consulted upon and disclosed as approved by the Association.

3. Without any limitation upon its other reporting obligations under this Agreement, the Recipient shall cause SOGEM to collect, compile and furnish to the Association on a semiannual basis reports on the status of compliance with the ESIA, ESMP and the RAP(s), giving details of:
   (a) measures taken in furtherance of the ESIA, ESMP and the RAP(s);
   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the ESIA, ESMP and the RAP(s); and
   (c) remedial measures taken or required to be taken to address such conditions.

4. The Recipient shall promptly take, or cause SOGEM to take, all remedial measures referred to in paragraph 3 of this Section D as shall have been agreed by the Association.

E. Implementation Manual

The Recipient shall take all action required on its behalf to ensure the Project is carried out in accordance with the provisions and requirements set forth or referred to in the Implementation Manual.
Section II. Project Monitoring, Reporting and Evaluation

A. Project and Completion Reports

1. The Recipient shall cause SOGEM to 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 the Monitoring and Evaluation Indicators. 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. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six (6) months after the Closing Date.

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 semester, interim unaudited financial reports for the Project covering the semester, 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 (6) 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 Credit 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 Credit 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: (i) National Competitive Bidding, subject to the additional provisions and modifications set forth below in the following paragraph 3 of this Section III.B; (ii) Shopping; and (iii) Direct Contracting.

3. The following provisions shall apply to the procurement of goods, works and non-consulting services under National Competitive Bidding procedures, which shall comprise collectively the domestic procurement legislation of the 4 OMVS' country members:

(a) Advertising. The General Procurement Notice shall be advertised in the United Nations Development Business ("UNDB") online and on the Association's external website. Specific procurement Notices for all goods and works to be procured under International Competitive Bidding and Expressions of Interest for all consulting services to cost the equivalent of US$300,000 and above shall also be published in the UNDB as well as in the national press of each OMVS' country member. The Procurement Plan and its subsequent updates shall be published on the Association's external website and in at least one national widely circulated newspapers or on a widely used website or electronic portal of OMVS' country member, with free national and international access.

(b) Standard Bidding Documents. All Standard Bidding Documents to be used for the Project shall be found acceptable to the Association before their use during the implementation of the Project.

(c) Eligibility. Foreign bidders shall not be subject to any unjustified requirement, which would affect their ability to participate in the bidding process. The Recipient's government-owned enterprises or institutions
shall be eligible to participate in the bidding process only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not dependent agencies of the Recipient.

(d) **Preferences.** No preference shall be given to domestic and/or the OMVS countries' bidders; to domestically/OMVS area manufactured goods; and to bidders forming a joint venture with a national firm or proposing national subcontractors or carrying out economic activities in the territory of the OMVS.

(e) **Publication of contracts award and Debriefing.** The publication of contract award information is required for all contracts financed from the proceeds of the Credit in accordance with the Procurement Guidelines' provisions.

(f) **Fraud and corruption.** In accordance with the Procurement Guidelines, each bidding document and contract shall include provisions stating the Association's policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the paragraph 1.16(a) of the Procurement Guidelines.

(g) **Right to inspect and audit.** In accordance with paragraph 1.16(c) of the Procurement Guidelines, each bidding document and contract financed from the proceeds of the Credit shall provide that: (i) the bidders, suppliers, and contractor and their subcontractors, agents personnel, consultants, service providers or suppliers, shall permit the Association, at its request, to inspect their accounts, records and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

(h) **Suspension and debarment.** The cases of suspension/debarment under the national system shall result from fraud and corruption as set forth in paragraph 1.16(a) of the Procurement Guidelines and approved by the Association, provided that the particular suspension/debarment procedure afforded due process and that the suspension/debarment decision is final.

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: (i) Quality-based Selection; (ii) Least Cost Selection; (iii) Selection under a Fixed Budget; (iv) Selection based on Consultants’ Qualifications; (v) Single-source Selection of consulting firms; and (vi) 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 Credit**

A. **General**

1. The Recipient may withdraw the proceeds of the Credit in accordance with the provisions of Article 11 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 Investment Project Financing” dated February 2017, 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 Credit (“Category”), the allocations of the amounts of the Credit 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 EUR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consultants’ services and Operating Costs: (a) under Part 1.2 of the Project</td>
<td>4,100,000</td>
<td>42%</td>
</tr>
<tr>
<td>(b) under Part 2 of the Project</td>
<td>8,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>-----------</td>
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</tr>
<tr>
<td>(2) Works under Part 1.1 of the Project</td>
<td>78,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>91,500,000</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 for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed EUR4,100,000 may be made for payments made prior to this date but on or after July 31, 2016, for Eligible Expenditures under Category (1)(a).

2. The Closing Date is December 31, 2020.
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 April 15 and October 15, commencing on October 15, 2023, to and including April 15, 2055</td>
<td>1.5625%</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. "Basis Adjustment to the Service Charge" means the Association's standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.

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


5. "EDM" means Énergie du Mali, the national electricity company of Mali.

6. "Environmental and Social Impact Assessment" and "ESIA" mean the site-specific report adopted by SOGEM on behalf of the Participating Countries on October 5, 2016, and disclosed in-country on January 30, 2017, and in the Association's Infoshop on January 31, 2017, identifying and assessing the potential environmental and social impacts of the activities to be undertaken under the Project, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures.

7. "Environmental and Social Management Plan" or "ESMP" means the site-specific environmental and social management adopted by SOGEM on behalf of the Participating Countries on October 5, 2016, and disclosed in-country on January 30, 2017, and in the Association's Infoshop on January 31, 2017, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the activities under the Project to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.

8. "Felou Dam" means the Felou hydroelectric dam situated 15 km from Kayes in western Mali.

9. "Fiscal Year" and "FY" means, each, the twelve (12) month period corresponding to any of the Recipient's or SOGEM's fiscal years, which period commences on January 1 and ends on December 31 in each calendar year.

11. “Implementation Manual” means the Recipient’s set of guidelines and procedures dated March 2010 (revised 2013), to be followed and applied in the implementation of the Project, and including the areas of monitoring and evaluation, coordination, financial management (including financial, administrative and accounting procedures, procurement, fraud and corruption, internal controls and audits), environment and social safeguards, and other provisions related to the institutional organization of the Project, as such guidelines and procedures may be amended from time to time with the prior written agreement of the Association.

12. “km” means kilometer, metric unit of measurement equal to 1,000 meters (approximately 0.62 miles).

13. “kV” means kilovolt, the unit of electromotive force equal to one thousand volts.

14. “Manantali Dam” means the multi-purpose dam on the Bafing river in the Senegal River basin, 90 kilometers (56 mi) to the south-east of Bafoulabé, in Mali’s Kayes Region.

15. “MW” means megawatt, a unit of power equal to one million watts, especially as a measure of the output of a power station.

16. “National Monitoring and Evaluation Indicators” means the agreed monitoring and evaluation indicators set forth in the Implementation Manual to be utilized by the Recipient and SOGEM to measure the progress in the implementation of the Project and the degree to which the objective thereof is being achieved.

17. “Steering Committee” means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.

18. “Organisation pour la mise en valeur du fleuve Sénégal” and “OMVS” means, each, the Senegal River Basin Development Authority, an intergovernmental organization established on March 11, 1972, and headquartered in Dakar, Senegal, and presently grouping the Republic of Guinea, Mali, Mauritania and Senegal for the purpose of jointly managing the Senegal River and its drainage basin and whose objective is to implement an integrated and concerted management program of water resources and ecosystems for a sustainable development of the basin.

19. “Operating Costs” means the expenditures incurred by SOGEM to finance the cost under Part 2 of the Project of communications and dissemination activities and associated materials, per diem and travel costs, the participation in training, seminars, workshops and conferences and its associated costs, but excluding the
salaries of the Recipient's or Participating Countries' civil servants, and which Operating Costs are hereby deemed an Eligible Expenditure for purposes of Section 2.05 of the General Conditions.

20. "Participating Countries" mean collectively the Participating Countries, being the Recipient, Mali and Mauritania, and "Participating Country" means individually each and any of the Participating Countries.


22. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated November 29, 2016, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

23. "Project Affected Person" means a person who as a result of: (i) the involuntary taking of land under the Project is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood.

24. "Regional Coordination Unit" and "RCU" means the technical and fiduciary coordinating unit to be established within SOGEM for the purposes of the Project.

25. "Resettlement" means: (i) the involuntary (i.e., an action that may be taken without a person's informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the Project Affected Persons, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.

26. "Resettlement Action Plan" or "RAP" means, individually and collectively, each and all of the site-specific resettlement and rehabilitation action plans prepared in accordance with the parameters laid down in the RPF (as hereinafter defined), acceptable to the Association, and to be developed by SOGEM on behalf of the Participating Countries for the Project Affected Persons under the Project when
there is Resettlement, and covering the following: (i) a baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of Resettlement sites and programs for improvement or restoration of livelihoods and standards of living; an implementation schedule for Resettlement activities; and detailed cost estimate; (ii) measures designed to ensure that the Project Affected Persons: (A) are informed about their options and rights pertaining to Resettlement, consulted on, offered choices among, and provided with technically and economically feasible Resettlement alternatives; and (B) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (iii) if the impacts include physical relocation, that the Project Affected Persons are: (A) provided assistance (such as moving allowances) during relocation; (B) provided 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; and (C) 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; (iv) affordable and accessible grievance procedures, taking into account the availability of judicial recourse and community and traditional dispute settlement mechanisms; and (v) provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training, or job opportunities.

27. “Resettlement Policy Framework” or “RPF” means the resettlement policy framework adopted by SOGEM on behalf of the Participating Countries on October 5, 2016, and disclosed in-country on January 30, 2017, and in the Association’s Infoshop on January 30, 2017, setting forth, inter alia, a description of the Project and components for which land acquisition and Resettlement are required, the principles and objectives governing Resettlement preparation and implementation, and a description of the process for preparing and approving a site-specific Resettlement Action Plan.

28. “RIMA” means the Réseau Interconnecté de Manantali, the Manantali Interconnected Network, a grid managed by SOGEM and comprising: (i) the 200 MW hydroelectric plant at the foot of the Manantali Dam; (ii) a 1,600 km long system of 225kV transmission lines and substations that evacuate the electricity produced at the Manantali hydroelectric plant to the main load centers in Bamako (Mali), Nouakchott (Mauritania), and Dakar (Senegal), operated in real-time by a central load dispatching system located at Manantali; and (iii) the Felou 60 MW run-of-the-river hydroelectric plant located on the Senegal River in Mali about 200 km downstream of the Manantali hydroelectric plant, with an interconnection to the 225 kV transmission system.

29. “SCADA” means the supervisory control data and acquisition system used to monitor and control power generation and transmission systems.
30. “SENELEC” means the Société Nationale d'Électricité du Sénégal, the state-owned utility responsible for transmission, distribution and energy purchase in most of the Recipient’s territory.

31. “Société de Gestion de l'Energie de Manantali” or “SOGEM” means the Manantali Energy Management Company created on January 7, 1997, and headquartered in Bamako, Mali, a special purpose company in charge of the operation and maintenance of the RIMA’s power generation and transmission assets and whose shares are equally owned by three OMVS member countries, Mali, Mauritania, and Senegal.


33. “SOMELEC” means the Société Mauritanienne d'Electricité, the state-owned utility in Mauritania responsible for the generation, transport, distribution, and sale of electricity in the country’s urban and suburban areas.

34. “Subsidiary Credit Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Credit available to SOGEM for the purposes of carrying out the Project.