

CONFORMED COPY

CREDIT NUMBER 4737-SN

Financing Agreement

(Transport and Urban Mobility Project)

between

REPUBLIC OF SENEGAL

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 21, 2010

CONFORMED COPY

CREDIT NUMBER 4737-SN

FINANCING AGREEMENT

AGREEMENT dated June 21, 2010, entered into between REPUBLIC OF SENEGAL (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to thirty-six million three hundred thousand Special Drawing Rights (SDR 36,300,000) (variously, “Credit” and “Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are April 1 and October 1 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 and the Program. To this end, the Recipient shall carry out 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 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:
 - (a) A situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) AGEROUTE SENEGAL and CETUD have each adopted a Project Implementation Manual, in form and substance satisfactory to the Association.
 - (b) AGEROUTE SENEGAL has: (i) developed a customized “multi-projects” accounting software for the Project, in form and substance satisfactory to the Association; (ii) adopted a Financial Management Manual, in form and substance satisfactory to the Association; and (iii) recruited an accountant for the Project, pursuant to terms of reference and with qualifications and experience satisfactory to the Association.
 - (c) The Recipient has adopted a policy letter for the transport sector, in form and substance satisfactory to the Association.
 - (d) AGEROUTE SENEGAL has received training so as to have the necessary capacity to review the Project’s environmental and social requirements, as assessed by the Association.
 - (e) AGEROUTE SENEGAL and DEEC have entered into a memorandum of understanding establishing their partnership and defining their

respective responsibilities in the preparation, review and clearance of the Project's environmental and social requirements.

- 5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 5.03. 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 in charge of finance.
- 6.02. The Recipient's Address is:

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

Cable address:	Telex:	Fascimile:
MINIFINANCES Dakar	3203 G	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

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

AGREED at Dakar, Republic of Senegal, as of the day and year first above written.

REPUBLIC OF SENEGAL

By //S// H.E. Abdoulaye Diop

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By //s// Habib Fetj ini

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to: (i) improve effective road management and maintenance, both at national level and in urban areas; and (ii) improve public urban transport in the GDA.

The Project consists of the following parts:

Part A: Support to Interurban Road Infrastructure Development

1. Institutional strengthening of the institutions in charge of road management and maintenance

Institutional strengthening of the road management and maintenance framework, through the provision of technical assistance and goods, and the carrying out of training and awareness-building activities to:

- (i) Strengthen the institutional oversight framework for the definition of adequate road technical standards, through the elaboration of a regulatory framework for road laboratories, and the reorganization of the CEREEQ;
- (ii) Strengthen the FERA second generation road fund, including its ability to manage and supervise road maintenance planning and activities;
- (iii) Strengthen the DTT's ability to support the modernization of vehicles and drivers' license registration, disseminate sector legal framework and regulations, and implement a pilot program of road safety activities;
- (iv) Strengthen AGEROUTE SENEGAL's capacity in road maintenance program planning and programming, and procurement activities; and
- (v) Support IGD in the development of strategic planning of road network development and maintenance, promotion of axle load control, and the definition of adequate road technical standards.

2. Investments

Rural and interurban road upgrading in the Grandes Niayes region:

- (i) Rehabilitation of the *Route Nationale 1* between Rufisque and Bargny, through the carrying out of the necessary studies, including environmental and social impact assessments, services and works;

- (ii) Upgrading of the *Pompier*s bus terminal and its conversion into an urban bus terminal, in support to the public/mass transport services and CETUD activities, through the carrying out of detailed studies, including environmental and social impact assessments, economic analysis, services and works; and
- (iii) Implementation of a comprehensive road upgrading program in the Grandes Niayes region, focusing on the entire road transport infrastructure, including interurban, local and rural roads, interchanges, in and out access to the region from Dakar and regional capitals (Thiès, Louga and Saint Louis), and access to local sources of growth, through the finalization of the priority investment plan, the carrying out of detailed studies, including environmental and social impact assessments, economic analysis, services and works.

Part B: Capacity Building for the Development of Public Transport Services in the GDA

1. Support to the development of public mass transport services

- (i) Provision of technical assistance to CETUD for the management of the public transport sector, including the preparation and implementation of a package of measures based on demand management, efficient network design, bus priority measures and effective traffic engineering;
- (ii) Preparation and implementation of a strategic framework aimed at linking DDD-PTB commercial operations and developing coherent management capabilities involving the assistance of a possible strategic partner;
- (iii) Preparation of a pilot bus rapid transit system and feeder minibuses facilities, through the carrying out of feasibility studies, technical studies and the preparation of bidding documents;
- (iv) Preparation of urban mobility improvement operations in the cultural park area around the Dakar Central railway station;
- (v) Support to air quality monitoring in Dakar; and
- (vi) The carrying out of mass transport-specific studies.

2. Support to the development of the Recipient's existing minibus leasing scheme

Raising the level of service and safety, improving productivity and lowering the rate of vehicle emissions, through the carrying out of sector-specific studies and building capacity of the existing stakeholders of the Recipient's minibus leasing arrangement through the set up of a knowledge and support center and providing technical assistance and training to operators, drivers and other support as needed, on an ad-hoc basis.

Part C: Support to implementation, coordination, monitoring and evaluation

Project implementation, coordination, monitoring and evaluation, through: (i) the provision of equipment and training, and the financing of Operating Costs for AGEROUTE SENEGAL and CETUD; (ii) the financing of technical and financial audits; (iii) the provision of support to monitoring and evaluation activities, including surveys and beneficiary assessments; and (iv) information, education and communication activities for the Project.

SCHEDULE 2**Project Execution****Section I. Implementation Arrangements****A. Institutional Arrangements****1. (a) Steering Committee**

- (i) The Recipient shall maintain the Steering Committee, with composition, responsibilities and procedures set forth below, and with functions and resources satisfactory to the Association.
- (ii) The SC shall be chaired by the MICATTI and be comprised, *inter alia*, of representatives of MoF, the Ministry of the Recipient in charge of transport, the Ministry of the Recipient in charge of decentralization, and CADAK and CAR, and shall meet at least once a year.
- (iii) Without limitation upon the provisions of subparagraph (a)(i) of this Section, the SC shall be responsible for:
 - (A) Overseeing the execution of the Project;
 - (B) Monitoring the physical progress (achievement of coverage objectives) and the financial execution on the basis of the progress reports prepared by AGEROUTE and CETUD for the Project and the financial audits of the Project;
 - (C) Taking measures to facilitate resolution of problems or conflicts that may arise during the course of the Project;
 - (D) Providing information to the line ministries and donors;
 - (E) Monitoring the environmental impacts of the Project; and
 - (F) Approval of the Annual Work Plans for the Project, as well as related budgets submitted by each of AGEROUTE SENEGAL and CETUD.

(b) AGEROUTE

AGEROUTE SENEGAL shall be in charge of overall coordination of Project implementation under the oversight of the SC and the implementation of Part A of the Project and the part of Part C of the Project relative to its activities. To this end, the Recipient shall, throughout Project implementation, maintain AGEROUTE SENEGAL with responsibilities set forth below and with composition, functions and resources satisfactory to the Association:

- (A) Overseeing and coordinating the execution of the Project, and report to the secretariat of the SC and the Association at least every quarter;
- (B) Identifying necessary Project adjustments based on monitoring and evaluation results;
- (C) Preparation of the proposed Annual Work Plans for Part A of the Project and the part of Part C of the Project relative to its activities, as well as the updated Procurement Plan, Supplemental Social and Environmental Safeguard Instruments and related budgets; and submission of plans and budgets to the Steering Committee for approval;
- (D) Carrying out of the financial management and disbursement activities for the Project and the procurement activities for Part A of the Project and the part of Part C of the Project relative to its activities;
- (E) Monitoring and evaluating Part A of the Project and the part of Part C of the Project relative to its activities; and
- (F) Review and monitoring of all environmental and social safeguard activities of the Project, in coordination with the DEEC.

(c) CETUD

CETUD shall be in charge of implementation of Part B of the Project and the part of Part C of the Project relative to its activities. To this end, the Recipient shall, throughout Project implementation, maintain CETUD with responsibilities set forth below and with composition, functions and resources satisfactory to the Association:

- (A) Preparation of the proposed Annual Work Plans for Part B of the Project, as well as the updated Procurement Plan, and related budgets; and submission of plans and budgets to the Steering Committee for approval;
- (B) Carrying out of the procurement activities for Part B of the Project; and
- (C) Monitoring and evaluating Part B of the Project and the part of Part C of the Project relative to its activities.

B. Anti-Corruption

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

C. Manual

1. The Recipient shall prepare under terms of reference acceptable to the Association, and furnish to the Association for review and comments: (a) a separate implementation manual for each part of the Project implemented by AGEROUTE SENEGAL and CETUD, respectively (the "Project Implementation Manuals"), setting forth the detailed arrangements and procedures for each such part for: (i) institutional coordination and day-to-day execution of the Project; (ii) procurement; (iii) environmental and social safeguards management; (iv) monitoring, evaluation, reporting and communication; and (v) such other administrative, technical and organizational arrangements and procedures as shall be required for the Project; and (b) a financial management manual setting forth the detailed financial management and disbursement arrangements and procedures for the Project (the "Financial Management Manual").
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on such manuals, and thereafter shall adopt, and carry out the Project in accordance with, such manuals as shall have been found satisfactory to the Association.
3. The Recipient shall not amend, abrogate, repeal, suspend, waive, or otherwise fail to enforce, or permit to be amended, abrogated, repealed, suspended or waived, either of the Project Implementation Manuals, the Financial Management Manual or any provision thereof without the prior written approval of the Association. In case of inconsistency between this Agreement on the one hand, and the Project Implementation Manuals or the Financial Management Manual, on the other hand, the terms of this Agreement shall prevail.

D. Safeguards

1. The Recipient shall ensure that the Project is implemented in accordance with the provisions of the Social and Environmental Safeguard Frameworks and each of the Supplemental Social and Environmental Safeguard Instrument.
2. The Recipient shall not amend, abrogate, repeal, suspend, waive, or otherwise fail to enforce, or permit to be amended, abrogated, repealed, suspended or waived any of the Social and Environmental Safeguard Instruments or any provision thereof without the prior written approval of the Association. In case of inconsistency between this Agreement and any of the Social and Environmental Safeguard Instruments, the terms of this Agreement shall prevail.
3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall collect, compile and furnish to the Association on a quarterly basis reports on the status of compliance with the Social and Environmental Safeguard Frameworks and Supplemental Social and Environmental Safeguard Instruments, giving details of:
 - (a) measures taken in furtherance of such frameworks and instruments;
 - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such frameworks and instruments; and
 - (c) remedial measures taken or required to be taken to address such conditions.
4. The Recipient shall promptly take all remedial measures referred to in paragraph 3 (c) of this Section as shall have been agreed by the Association.

E. Annual Work Plans

1. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association not later than October 15 in each year, for the Association's approval, a proposed work plan of activities to be included in the Project for the following Fiscal Year, including a proposed annual road maintenance plan, such plan to include an implementation schedule and budget and financing plan. If any activities proposed for inclusion in the Project would, pursuant to the Social and Environmental Safeguard Frameworks, require the adoption of one or more Supplemental Social and Environmental Safeguard Instruments, the Recipient shall prepare and furnish, together with such proposed work plan, a draft of each such Supplemental Social and Environmental Safeguard Instrument for review and comments by the Association, and

subsequent adoption by the Recipient, subject to the applicable disclosure and consultative process requirements.

2. The Recipient shall afford the Association a reasonable opportunity to review and exchange views with the Recipient on such proposed plan and any such instruments, and thereafter, shall implement such work plan and such instruments as shall have been approved by the Association, with due diligence.

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 the indicators acceptable to the Association and set forth in the Project Implementation Manuals. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than 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 months after the Closing Date.
3. Mid-Term Review
 - (a) Not later than twenty-four (24) months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association, the Recipient shall, in conjunction with AGEROUTE, FERA, CETUD and the Association, carry out a mid-term review of the Project (the "Mid-term Review"), covering the progress achieved in the implementation of the Project.
 - (b) The Recipient shall, in conjunction with AGEROUTE, FERA and CETUD, furnish to the Association three (3) months prior to the beginning of the Mid-term Review, or on such other date agreed upon with the Association in writing: (i) a draft policy letter for the urban transport sector applicable to the GDA, and (ii) a report prepared under terms of reference satisfactory to the Association, integrating the results of the monitoring and evaluation activities performed pursuant to this Agreement, on the progress achieved in the carrying out 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.

- (c) 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 objectives 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. 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, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. 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.
4. The Recipient shall by not later than four (4) months after the Effective Date recruit in accordance with the provisions of Section III of this Schedule, the external auditors referred to in the preceding paragraph.
5. Not later than four (4) months after the Effective Date, AGEROUTE SENEGAL shall have appointed an internal auditor pursuant to terms of reference and with qualifications and experience satisfactory to the Association.

Section III. Procurement

A. General

1. **Goods, Works and Services other than Consultants' Services.** All goods, works and services other than 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 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 the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Services other than Consultants’ Services

- 1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and services other than consultants’ services shall be procured under contracts awarded on the basis of International Competitive Bidding.
- 2. **Other Methods of Procurement of Goods and Works and Services other than Consultants’ Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and services other than consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) National Competitive Bidding
(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 table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Method
(a) Quality-based selection
(b) Least cost selection
(c) Selection based on Consultants' Qualifications
(d) Single-source selection
(e) 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 the Association's Post Review.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Works for Part A of the Project	22,400,000	85%
(2) Goods, Training, Operating Costs and services (including audits) for Parts A, B, and C of the Project	10,550,000	100%
(3) Refund of Preparation Advance	600,000	Amount payable pursuant to Section 2.07 of the General Conditions
(4) Unallocated	2,750,000	
TOTAL AMOUNT	36,300,000	

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 DTS 600,000 equivalent may be made for payments made within one year prior to this date but on or after January 1, 2010, for Eligible Expenditures under Category (2).
2. The Closing Date is September 30, 2014.

Section V. Other Undertakings

1. The Recipient shall adopt:
 - (a) by not later than six (6) months after the Effective Date, a Decree classifying the national road network and attributing responsibilities in management of the rights of way; and

- (b) by not later than three (3) months after the Effective Date, a comprehensive action plan aimed at implementing the WAEMU Axle Load Control Road Map.
- 2. The Recipient shall ensure that the requirements set forth in the Social and Environmental Safeguard Instruments have been fully complied with in a manner satisfactory to the Association as confirmed in writing by the Association, prior to the commencement of works for each of Parts A.2 (i), (ii) and (iii) of the Project.

SCHEDULE 3**Repayment Schedule**

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 1 and October 1:	
commencing October 1, 2020 to and including April 1, 2030	1%
commencing October 1, 2030 to and including April 1, 2050	2%

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

APPENDIX

Section I. Definitions

1. “AGEROUTE SENEGAL” means *Agence des Travaux et de Gestion des Routes*, the Recipient’s road work agency created and governed by the Recipient’s Decree No. 2010.430 dated April 1, 2010.
2. “Annual Work Plans” means the annual work plans for the Project approved by the Association in accordance with the provisions of Section I.E of Schedule 2 to this Agreement and “Annual Work Plan” means any of the Annual Work Plans.
3. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006.
4. “CADAK” means *Communauté d’agglomération de Dakar* (the urban community of Dakar).
5. “CAR” means *Communauté d’agglomération de Rufisque* (the urban community of Rufisque).
6. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
7. “CEREEQ” means *Centre Expérimental de Recherche et d’Etudes pour l’Équipement*, the Directorate of Laboratory of Public Works.
8. “CETUD” means *Conseil Exécutif des Transports Urbains de Dakar*, the Recipient’s Dakar Urban Transport Center, created and governed by the Recipient’s Law 97.01, dated March 10, 1997 and the Recipient’s Decree No. 2001.557, dated July 19, 2001.
9. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.
10. “DDD-PTB” means *Dakar Dem Dik* and *Petit Train de Banlieue*, the public-private partnerships in charge of the GDA urban bus services and the suburban rail services, respectively.
11. “DEEC” *Direction de l’Environnement et des Etablissements Classés*, the Recipient’s Environment Assessment Directorate, within the Recipient’s Ministry of Environment.

12. “DTT” means the Land Transport Directorate within the Recipient’s Ministry in charge of transport, the Recipient’s unit in charge of road safety prevention and management.
13. “Environmental Assessment” or “EA” means any environmental assessment, acceptable to the Association, required in connection with an Annual Work Plan and/or any of the Environmental and Social Management Frameworks, describing the potential adverse environmental impact of the Project and measures for offsetting, reducing, or mitigating such impact.
14. “Environmental and Social Management Framework” or “ESMF” means the Recipient’s framework dated April 2010 and published by the Association’s *Infoshop* on April 12, 2010, in form and substance satisfactory to the Association, setting out modalities to be followed in assessing the potential adverse environmental and social impact associated with activities to be implemented under the Project.
15. “Environmental Management Plan” or “EMP” means any environmental management plan required in connection with an Annual Work Plan and/or the ESMF, acceptable to the Association, giving details of measures appropriate or required to maximize the benefits of the Project, eliminate, offset or mitigate any adverse environmental impacts, or reduce such impacts to acceptable levels, together with budget and costs estimates, sources of funding, adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, such environmental management plan.
16. “FERA” means *Fonds d’Entretien routier autonome*, the second generation road maintenance fund created by the Recipient’s Decree No. 2007-1277.
17. “Financial Management Manual” means the financial management manual referred to in Section I.C.1 (b) of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to the Financial Management Manual.
18. “Fiscal Year” means the fiscal year of the Recipient starting on January 1 and finishing on December 31 of each year.
19. “GDA” means the Greater Dakar Area.
20. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006), with the modifications set forth in Section II of this Appendix.

21. “IGD” means the Infrastructure General Directorate of the MICATII.
22. “MICATTI” means the Ministry of the Recipient in charge of infrastructure.
23. “MoF” means the Ministry of the Recipient in charge of finance.
24. “Operating Costs” means the incremental operating expenses, based on annual budgets approved by the Association, incurred by AGEROUTE SENEGAL or CETUD, for purposes of the Project implementation, management and monitoring, on account of rental, vehicles and office equipment, water and electricity utilities, telephone, telecommunication, office supplies, bank charges, additional staff costs, travel and supervision costs, *per diem*, but excluding the salaries of officials and public servants of the Recipient’s civil service.
25. “Preparation Advance” means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement No. Q699 signed on behalf of the Association on November 16, 2009 and on behalf of the Recipient on November 25, 2009.
26. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006.
27. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 20, 2010, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
28. “Program” means the Recipient’s program for the transport sector as set forth in the Recipient’s letter of sector policy adopted pursuant to Section 5.01(d) of this Agreement.
29. “Project Implementation Manuals” (*Manuels d’Exécution*) means each of the manuals referred to in Section I.C.1 (a) of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to the Project Implementation Manual.
30. “Resettlement Action Plan” or “RAP” means a resettlement instrument required in connection with an Annual Work Plan and/or the Resettlement Policy Framework, and acceptable to the Association setting out the arrangements, including related compensation measures, to be applied in the event of the physical or economic displacement of persons affected by activities to be implemented under the Project, and such term includes any schedules or annexes to said instrument.

31. “Resettlement Policy Framework” or “RPF” means the Resettlement Policy Framework of the Recipient dated April 2010 and published by the Association’s *Infoshop* on April 12, 2010, outlining the policies and procedures to be implemented in the event that specific activities implemented under the Project have potentially negative impacts on the livelihoods, assets and land of the affected population, and such term includes any schedules to such document.
32. “Social and Environmental Safeguard Frameworks” means, collectively, the Environmental and Social Management Framework, and the Resettlement Policy Framework.
33. “Social and Environmental Safeguard Instruments” means the Supplemental Social and Environmental Safeguard Instruments and the Social and Environmental Safeguard Frameworks.
34. “Steering Committee” or “SC” means the core steering committee of the Project established pursuant to the Recipient’s *Arrêté* No. 03498, dated April 15, 2010, and maintained by the Recipient in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.
35. “Supplemental Social and Environmental Safeguard Instruments” means any EA, EMP, RAP, or other supplemental social and environmental safeguard instruments as required under the terms of any of the Social and Environmental Safeguard Frameworks.
36. “Training” means the training of persons under in Project, including seminars, workshops, and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.
37. “WAEMU Axle Load Control Road Map” means the Regulation of the Recipient dated 2005 setting forth axle load controls within the West African Economic Union (*Règlement N°14/2005/CM/UEMOA relatif à l’Harmonisation des Normes et des Procédures du Contrôle du Gabarit, du Poids, et de la Charge à l’Essieu des Véhicules Lourds de Transport de Marchandises dans les Etats Membres de L’Union Economique et Monétaire Ouest Africaine*).

Section II. Modifications to the General Conditions

The modifications to the General Conditions for Credits and Grants of the Association, dated July 1, 2005 (as amended through October 15, 2006) are as follows:

1. Section 2.07 is modified to read as follows:

“Section 2.07. Refinancing Preparation Advance

If the Financing Agreement provides for the repayment out of the proceeds of the Financing of an advance made by the Association or the Bank (“Preparation Advance”), the Association shall, on behalf of the Recipient, withdraw from the Financing Account on or after the Effective Date the amount required to repay the withdrawn and outstanding balance of the advance as at the date of such withdrawal from the Financing Account and to pay all accrued and unpaid charges, if any, on the advance as at such date. The Association shall pay the amount so withdrawn to itself or the Bank, as the case may be, and shall cancel the remaining unwithdrawn amount of the advance.”

2. The following terms and definitions set forth in the Appendix are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:

- (a) The term “Project Preparation Advance” is modified to read “Preparation Advance” and its definition is modified to read as follows:

“‘Preparation Advance’ means the advance referred to in the Financing Agreement and repayable in accordance with Section 2.07.”