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CONFORMED COPY

GRANT NUMBER H483-CI

Financing Agreement

(Urgent Electricity Rehabilitation Project)

between

REPUBLIC OF CÔTE D'IVOIRE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 21, 2009

GRANT NUMBER H483-CI

FINANCING AGREEMENT

AGREEMENT dated July 21, 2009 entered into between REPUBLIC OF CÔTE D'IVOIRE ("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 in an amount equivalent to thirty three million five hundred thousand Special Drawing Rights (SDR 33,500,000) (variously, "Grant", 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 The Maximum Commitment Charge Rate payable by the Recipient on the Un-withdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Payment Dates are March 1 and September 1 in each year.
- 2.05. The Payment Currency is the Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall cause 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 — EFFECTIVENESS

- 4.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.
 - (b) The Co-financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
 - (c) The Project Implementing Entity's Procedures Manual has been updated and adopted in form and substance satisfactory to the Association.
- 4.02. The Additional Legal Matter consists of the following, namely, that 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.
- 4.03. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is its minister at the time responsible for finance.

5.02. The Recipient's Address is:

Ministry of Economy and Finance
P. O. Box V 163
Abidjan 17
Côte d'Ivoire

Cable:	Facsimile:
MINFIN	225-20-30-25-25
Abidjan	225-20-30-25-28

5.03. 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 Abidjan, Côte d'Ivoire, as of the day and year first above written.

REPUBLIC OF CÔTE D'IVOIRE

By /s/ Charles Koffi Diby

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Madani M. Tall

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to assist to improve the availability, reliability, efficiency, and financial viability of electricity supply in Côte d'Ivoire.

The Project consists of the following parts:

1. Distribution Network Expansion and Rehabilitation
 - (a) Expansion of the distribution network in the Abidjan agglomeration for purposes of connection of approximately 60,000 new customers, particularly in areas of informal housing with informal connections and those with high customer density such as Abobo, Anyama, Bingerville, and Yopougon.
 - (b) Upgrading and restructuring of the low-voltage distribution network in the Abidjan agglomeration, Gueyo, Soubré, and Yamoussoukro, including installation of new feeders and substations and replacement of rundown, old, and overloaded equipment.
 - (c) Upgrading of medium- and high-voltage substations in the Abidjan agglomeration, including replacement of overloaded equipment such as transformers and circuit breakers, and installation of capacitors in other parts of the country.
 - (d)
 - (i) Provision of logistics for the promotion of demand-side management, including provision and installation of compact fluorescent lamps.
 - (ii) Provision and installation of meters and establishment of customer service centers.
 - (iii) Enhancement of sectoral works supervision capacity, including provision of vehicles for SOPIE.

2. Preparation of Future Transmission Network Investments

- (a) Carrying out of feasibility, design, and environmental studies and preparation of bidding documents for the restructuring and upgrading of the transmission network in the Abidjan agglomeration, including for expansion of the Riviera substation, establishment of substations in Anoumabo, La Djibi, and Anani, and interconnection of the La Djibi and Riviera substations.
- (b) Carrying out of feasibility, design, and environmental studies and preparation of bidding documents for the restructuring and upgrading of the transmission network in the eastern, northern, and western regions, including for establishment of a substation in Bondoukou, connection of the areas of Tabou, Tai, and Zagné to the Recipient's 90kV grid, and interconnection of the Ferkessedougou and Laboa substations.

3. Institutional Support and Project Oversight

- (a) Institutional support, including:
 - (i) provision of advisory services in relation to gas pricing and supply;
 - (ii) carrying out of a sectoral human resources capacity assessment, and design and implementation of a capacity building program on this basis;
 - (iii) design and implementation of an energy efficiency and demand-side management institutional framework and programs for residential customers and public lighting and buildings, including pilot projects;
 - (iv) provision of subsidized connections for low-income customers, through establishment of a revolving fund for the financing of such connections;
 - (v) updating of the sectoral asset register, including carrying out of a physical inventory, cost evaluation, and related accounting measures for incorporation of such assets in the Project Implementing Entity's balance sheet;

- (vi) (A) carrying out of a tariff study; (B) establishment of new tariff regulation procedures; and (C) carrying out of a poverty and social impact assessment in relation to electricity tariffs; and
 - (vii) review and updating of legal texts for sectoral institutional reform.
- (b) Project coordination and supervision, including implementation and monitoring and evaluation of environmental and social safeguards measures and carrying out of audits and information, education, and communication activities.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Project Implementing Entity shall be responsible for Project implementation, management, and monitoring and evaluation in accordance with the following institutional arrangements.

Coordination Committee

2. The Recipient shall maintain, throughout Project implementation, the Coordination Committee, comprising the managing director of the Project Implementing Entity as chair and a representative each of CIE, SOPIE, the Directorate General of Electricity, and the Project Implementing Entity.
3. The Coordination Committee shall be responsible for the provision of strategic orientation to the Project.

Other Entities

4. Without limitation upon the Project Implementing Entity's implementation and coordination obligations under Section I.A.1 of the Schedule to the Project Agreement:
 - (a) CIE and SOPIE shall be jointly responsible for technical supervision of Part 1 (a), (b), and (c) of the Project in accordance with the provisions of the memorandum of understanding of March 25, 2009 relating to the implementation and inspection of works under the Project.
 - (b) The Directorate General of Electricity shall be responsible for technical supervision of Part 1 (d) (i) and 3 (a) (ii), (iii), (vi), and (vii) of the Project.
 - (c) CIE shall be responsible for technical supervision of Part 1 (d) (ii) of the Project.

- (d) SOPIE shall be responsible for technical supervision of Parts 1 (d) (iii), 2, and 3 (b) of the Project.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity (“Subsidiary Agreement”), under terms and conditions approved by the Association, which shall include:
 - (a) the obligation of the Project Implementing Entity to ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines;
 - (b) the obligation of the Project Implementing Entity to ensure that the Project is implemented in accordance with the provisions of the Project Implementing Entity’s Procedures Manual, and without any right or authority, except as the Association shall otherwise agree, to assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof;
 - (c) the obligation of the Project Implementing Entity to ensure that procurement of the goods, works, and services required for the Project is carried out in accordance with the provisions of Section III of this Schedule, as said provisions may be further elaborated in the Procurement Plan; and
 - (d) the obligation of the Project Implementing Entity to ensure that the Project is implemented in accordance with the provisions of the Environmental and Social Management Framework, the Resettlement Policy Framework, any Environmental Management Plans, and any Resettlement Action Plans, and without any right or authority, except as the Association shall otherwise agree, to assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

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, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

C. Anti-Corruption

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

D. Manual

1. The Recipient shall: (i) ensure that the Project is carried out in accordance with the Project Implementing Entity's Procedures Manual; and (ii) except as the Association shall otherwise agree, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.
2. In the event of any conflict between the provisions of the Project Implementing Entity's Procedures Manual and those of this Agreement, the latter shall prevail.

E. Safeguards

1. Without limitation upon the Project Implementing Entity's obligations under Section I.D of the Schedule to the Project Agreement, SOPIE shall be responsible for implementation and monitoring and evaluation of the Environmental and Social Management Framework, the Resettlement Policy Framework, any Environmental Impact Assessments, any Environmental Management Plans, and any Resettlement Action Plans.
2. Wherever required in terms of the Environmental and Social Management Framework or Resettlement Policy Framework, SOPIE shall, for the purposes of any Subproject, and prior to implementation thereof, proceed to have an Environmental Impact Assessment, Environmental Management Plan, and / or Resettlement Action Plan, as the case may be,
 - (a) prepared in form and substance satisfactory to the Association,

- (b) except as otherwise agreed with the Association, submitted to the Association for review and approval, and
 - (c) thereafter, adopted and locally disclosed.
- 3. SOPIE shall take all measures necessary on its part to regularly collect, compile, and submit to the Project Implementing Entity, on a quarterly basis, reports on the status of compliance with the Environmental and Social Management Framework, the Resettlement Policy Framework, any Environmental Impact Assessments, any Environmental Management Plans, and any Resettlement Action Plans, giving details of:
 - (a) measures taken in furtherance of such Frameworks, Assessment, and Plans;
 - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Frameworks, Assessment, and Plans; and
 - (c) remedial measures taken or required to be taken to address such conditions.
- 4. To this end, SOPIE shall maintain, throughout Project implementation, an environmental and social specialist, with qualifications, experience, and terms of reference satisfactory to the Association.
- 5. In the event of any conflict between the provisions of the Environmental and Social Management Framework, the Resettlement Policy Framework, any Environmental Impact Assessments, any Environmental Management Plans, or any Resettlement Action Plans, and those of this Agreement, the latter shall prevail.

Section II. Procurement

A. General

- 1. **Goods.** All goods and works 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 and Works

- 1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding. The provisions of paragraphs 2.55 and 2.56 of the Procurement Guidelines shall apply to the procurement of goods and works.
- 2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) National Competitive Bidding
(b) Shopping
(c) Direct Contracting

C. Particular Methods of Procurement of Consultants’ Services

- 1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
- 2. **Other Methods of Procurement of Consultants’ Services.** The following 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) Selection under a Fixed Budget
(c) Least Cost Selection
(d) Selection Based on Consultants' Qualifications
(e) Single Source Selection
(f) 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 III. 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 Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, consultants' services (including for audits), and Training under Parts 1 (a), (b), (c), and (d) (i) and (iii), 2, and 3 (a) (i), (ii), (iii), (v), (vi), and (vii) and (b) of the Project	27,300,000	100
(2) Goods, consultants' services, and Training under Part 3 (a) (iv) of the Project	1,350,000	67
(3) Refund of Project Preparation Advance	1,450,000	Amount payable pursuant to Section 2.07 of the General Conditions
(4) Unallocated	3,400,000	
TOTAL AMOUNT	33,500,000	

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 \$1,000,000 equivalent may be made for payments made prior to this date but on or after January 1, 2009, for Eligible Expenditures under Category (1).
2. The Closing Date is December 31, 2012.

Section IV. Other Undertakings**A. Counterpart Funding**

The Recipient shall, no later than December 31, 2010, contribute the equivalent of \$1,000,000 to the revolving fund established under Part 3 (a) (iv) of the Project.

B. Sectoral Finances

1. The Recipient shall, no later than December 31, 2009, complete the liquidation of EECI and transfer all remaining assets to the Project Implementing Entity.
2. The Recipient shall, no later than December 31, 2010, transfer to the Project Implementing Entity, all sectoral assets as set out in the sectoral asset register as updated under Part 3 (a) (v) of the Project.
3. The Recipient shall have, no later than December 31, 2010, completed implementation of the recommendations of the tariff study carried out under Part 3 (a) (vi) of the Project.
4. The Recipient shall take all necessary measures to ensure that the arrears of all public bodies to the sector are progressively reduced, so as to reach, no later than December 31, 2010, the amount of CFA Francs 6 billion, and, thereafter, ensure that public bodies' outstanding payables to the sector do not exceed 60 days.
5. The Recipient shall, no later than March 31, 2011, establish new and transparent tariff regulation procedures, in form and substance satisfactory to the Association, to be implemented by the National Electricity Sector Regulation Authority commencing no later than June 30, 2011.
6. The Recipient shall take all necessary measures to progressively reduce sectoral costs and increase sectoral revenues, so as to eliminate, no later than December 31, 2011, all operating subsidies to the sector from its budget, as evidenced by full payment by CIE of items A-D as set out in the order of payment priority set out in the Manual of Procedures of Management, Reporting, and Inspection of Financial Flows of the Electricity Sector by the Public Service Concessionaire.

C. Sectoral Framework

The Recipient shall, no later than June 30, 2011, submit to the Cabinet for approval a revised draft electricity law, in form and substance satisfactory to the Association.

D. Midterm Review

The Recipient shall:

- (a) carry out jointly with the Association, the Project Implementing Entity, SOPIE, and CIE, no later than 18 months after the Effective Date, a midterm review to assess the status of Project implementation, as measured against the performance indicators referred to in Section II.A.1 (a) of the Schedule to the Project Agreement. Such review shall include an assessment of the following: (i) overall progress in Project implementation; (ii) results of monitoring and evaluation activities; (iii) annual work plans and budgets; (iv) progress on procurement and disbursement; (v) progress on implementation of safeguards measures; (vi) Project implementation arrangements; and (vii) the need to make any adjustments to the Project and reallocate funds to improve performance;
- (b) cause the Project Implementing Entity to prepare and furnish to the Recipient, the Association, SOPIE, and CIE, at least three (3) months before such review, a report, in scope and detail satisfactory to the Association, needed to undertake the review, integrating the results of the monitoring and evaluation activities performed pursuant to paragraph (a) of this Section on the progress achieved in the carrying out of the Project during the period preceding the date of the said report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objective thereof during the period following such date; and
- (c) review, jointly with the Association, the Project Implementing Entity, SOPIE, and CIE, the report referred to in paragraph (b) of this Section and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of the objective thereof, based on the conclusions and recommendations of the said report and the Recipient and the Association's views on the matter.

APPENDIX**Section I. Definitions**

1. “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.
2. “CFA Franc” (*Franc CFA*) means the currency of the Recipient.
3. “Co-financier” means the Ivorian Electricity Company or CIE (as hereinafter defined), referred to in paragraph 10 of the Appendix to the General Conditions.
4. “Co-financing” means an amount of \$3,000,000 equivalent, to be provided by the Co-financier to assist in financing Part 1 (d) (ii) of the Project.
5. “Co-financing Agreement” means the agreement between the Recipient and the Co-financier providing for the Co-financing.
6. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised on October 1, 2006.
7. “Coordination Committee” (*Cellule de Coordination*) means the Recipient’s entity, established and operating pursuant to its Order No. 021/MME-CAB of March 24, 2009, responsible for the provision of strategic orientation to the Project.
8. “Directorate General of Electricity” (*Direction Générale de l’Électricité*) means the Recipient’s entity, under the supervisory authority of its Ministry of Mining and Energy (as hereinafter defined), responsible for electricity.
9. “Electrical Energy of Côte d’Ivoire” or “EECI” (*Énergie Électrique de Côte d’Ivoire*) means the public enterprise, established and previously operating pursuant to the Recipient’s Law No. 70633 of November 5, 1970 and placed under liquidation pursuant to the Recipient’s Order No. 0055 of January 4, 1999.

10. “Environmental and Social Management Framework” (*Cadre de Gestion Environnementale et Sociale*) means the Recipient’s framework, dated February 2009, agreed with the Association and setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, that have been identified by the Recipient to eliminate any adverse environmental and social impacts of Project activities, offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said Framework.
11. “Environmental Impact Assessment” (*Évaluation d’Impact Environnemental*) means the Recipient’s assessment, to be agreed with the Association and setting out the potential adverse environmental impact of a Subproject and measures for the offsetting, reduction, or mitigation of such impact, or enhancement of positive impacts, in accordance with the provisions of the Environmental and Social Management Framework, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said Assessment.
12. “Environmental Management Plan” (*Plan de Gestion Environnementale*) means the Recipient’s plan, to be agreed with the Association and setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, that have been identified by the Recipient to eliminate any adverse environmental and social impacts of activities to be implemented under a Subproject, offset them, or reduce them to acceptable levels, or enhance positive impacts, in accordance with the provisions of the Environmental and Social Management Framework, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said Plan.
13. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).
14. “Ivorian Electricity Company” or “CIE” (*Compagnie Ivoirienne d’Électricité*) means the private enterprise, established and operating pursuant to its registration of June 8, 2004 in the Recipient’s business and collateral registry.

15. “Ivorian Electricity Operation Company” or “SOPIE” (*Société d’Opération Ivoirienne de l’Électricité*) means the Recipient’s entity, established and operating pursuant to its Decree No. 98-728 of December 16, 1998, responsible for overall sector system planning, investment planning, execution of new projects, and supervision of CIE’s production, transmission, and distribution activities.
16. “Manual of Procedures of Management, Reporting, and Inspection of Financial Flows of the Electricity Sector by the Public Service Concessionaire” (*Manuel des Procédures de Gestion, de Reporting et de Contrôle des Flux Financiers du Secteur de l’Électricité par le Concessionaire du Service Public*) means the Recipient’s manual, dated November 1998, setting out financial management, reporting, and inspection procedures for the electricity sector.
17. “Ministry of Economy and Finance” (*Ministère de l’Économie et des Finances*) means the Recipient’s ministry at the time responsible for the economy and finance.
18. “Ministry of Mines and Energy” (*Ministère des Mines et de l’Énergie*) means the Recipient’s ministry at the time responsible for mining and energy.
19. “National Electricity Sector Regulation Authority” or “ANARÉ” (*Autorité Nationale de Régulation du Secteur de l’Électricité*) means the Recipient’s entity, established and operating pursuant to its Decree No. 98-726 of December 16, 1998, responsible for overseeing the economic conduct of the industry.
20. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised on October 1, 2006.
21. “Procurement Plan” (*Plan de Passation des Marchés*) means the Recipient’s procurement plan for the Project, dated April 16, 2009 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.
22. “Project Implementing Entity” means the Electricity Sector Asset Management Company or SOGEPE (*Société de Gestion du Patrimoine du Secteur de l’Électricité*).

23. “Project Implementing Entity’s Legislation” means the Recipient’s Decree No. 98-727 of December 16, 1998.
24. “Project Implementing Entity’s Procedures Manual” (*Manuel de Procédures SOGEPE*) means the Project Implementing Entity’s manual, agreed with the Association and outlining implementation, organizational, administrative, monitoring and evaluation, environmental and social monitoring and mitigation, financial management, disbursement, and procurement arrangements for purposes of the Project Implementing Entity’s operations, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said Manual.
25. “Resettlement Action Plan” (*Plan d’Action de Réinstallation*) means the Recipient’s plan, to be agreed with the Association and 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 a Subproject, in accordance with the provisions of the Resettlement Policy Framework (as hereinafter defined), as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said Plan.
26. “Resettlement Policy Framework” (*Cadre de Politique de Réinstallation*) means the Recipient’s framework, dated February 2009, agreed with the Association and 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, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to said Framework.
27. “Subproject” means one (1) or more contract packages involving the carrying out of works under Part 1 (a), (b), and / or (c) of the Project.
28. “Subsidiary 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 Financing available to the Project Implementing Entity.

29. “Training” means the costs of training under the Project, based on the annual work plans and budgets referred to in Section IV.C of the Schedule to the Project Agreement as approved by the Association, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, and costs of services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.

Section II. Modifications to the General Conditions

The modifications to the General Conditions 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. Paragraph (i) of Section 6.02 is modified to read as follows:

“Section 6.02. *Suspension by the Association*

... (1) *Ineligibility.* The Association or the Bank has declared the Project Implementing Entity ineligible to receive proceeds of any financing made by the Association or the Bank or otherwise to participate in the preparation or implementation of any project financed in whole or in part by the Association or the Bank, as a result of a determination by the Association or the Bank that the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by the Association or the Bank.”

3. 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.”
