

---

---

**LOAN NUMBER 9655-TN**

# **Loan Agreement**

**(Economic Development Corridor Project)**

**between**

**REPUBLIC OF TUNISIA**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT**

---

---

## **LOAN AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF TUNISIA (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). The Borrower and the Bank hereby agree as follows:

### **ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form 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 — LOAN**

- 2.01. The Bank agrees to lend to the Borrower the amount of two hundred and three million Euro (EUR 203,000,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are March 15 and September 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

### **ARTICLE III — PROJECT**

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall: (a) carry out Parts 1, 2.1 and Part 3.1 of the Project through the Ministry of Equipment and Housing (“MEH”); and (b) cause the *Caisse des Depots et Consignations* (“CDC”) to carry out Parts 2.2 and Part 3.2 of the Project; all in

accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

#### **ARTICLE IV — TERMINATION**

- 4.01. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.

#### **ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Borrower's Representative is the Minister in charge of economy and planning.

- 5.02. For purposes of Section 10.01 of the General Conditions:

- (a) the Borrower's address is:

Ministry of Economy and Planning  
Avenue Cheikh Mohamed Fadhel Ben Achour, B4, Tour A  
Centre Urbain Nord Cité administrative  
1082 Tunis  
Republic of Tunisia; and

- (b) the Borrower's Electronic Address is:

Facsimile:

216 71 799 069

- 5.03. For purposes of Section 10.01 of the General Conditions:

- (a) the Bank's address is:

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America; and

- (b) the Bank's Electronic Address is:

Telex:

Facsimile:

248423(MCI) or  
64145(MCI)

1-202-477-6391

AGREED as of the Signature Date.

**REPUBLIC OF TUNISIA**

**By**



\_\_\_\_\_  
**Authorized Representative**

**Name:** Feryel Ouerghi

**Title:** Minister

**Date:** 26-Mar-2024

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

**By**



\_\_\_\_\_  
**Authorized Representative**

**Name:** Alexandre Arrobbio

**Title:** Country Manager

**Date:** 22-Mar-2024

## SCHEDULE 1

### Project Description

The objectives of the Project are to contribute to reducing regional economic disparities around the Kasserine - Sidi Bouzid – Sfax Corridor by improving the quality of road transport access and facilitating access to finance for small and medium sized enterprises.

The Project consists of the following parts:

1. Corridor Infrastructure Development

The carrying out (including supervision) of road civil works along selected western sections of the Kasserine-Sidi Bouzid-Sfax Corridor, including: (a) widening and upgrading of the road sections where needed; (b) upgrading of bridges and culverts; (c) improvements to road intersections; and (d) installation of traffic signs and other identified road safety measures.

2. Corridor Economic Development

- 2.1. **Land connectivity infrastructure** through the upgrading and maintenance of selected priority rural feeder roads along the Kasserine-Sidi Bouzid-Sfax Corridor.
- 2.2. **Access to finance** through the provision of equity or quasi-equity financing (“Equity Investments”), through the CDC Impact Fund, to Eligible SMEs in the Borrower’s governorates of Kasserine, Kairouan, Sidi-Bouzid and Sfax.

3. Project Management, Monitoring and Evaluation

Provision of support for:

- 3.1. the implementation, management, monitoring and evaluation of Parts 1 and 2.1 of the Project, including the preparation of the relevant technical engineering studies, technical audits and required environmental and social instruments and documents; and
- 3.2. the implementation, management, monitoring and evaluation of Part 2.2 of the Project, including, the provision of relevant training and technical assistance (including advisory services) to the CDC PMU, the CDC Gestion, the SICARs, the ODCO, and to Eligible SMEs, including on women entrepreneurship and climate resilience; the carrying out of relevant rural women’s needs assessment for financial and non-financial services to inform Project activities in the most targeted

and effective way for the rural communities; and the carrying out of communication and outreach activities.

4. Contingency Emergency Response

Provision of immediate response to an Eligible Crisis or Emergency, as needed.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

1. The Borrower shall:
  - (a) through the MEH, no later than thirty (30) days after the Effective Date, or such later date as agreed by the Bank, establish, and thereafter maintain, throughout Project implementation, a Project management unit within its General Directorate of Roads and Bridges (“PMU”), responsible for the day-to-day implementation, management, monitoring, evaluation, reporting and supervision of the activities under Parts 1, 2.1 and 3.1 of the Project, with competent staff in adequate numbers and with qualifications and experience satisfactory to the Bank and as set forth in the POM; said PIU supported by the relevant MEH’s regional directorates in the supervision of the civil works under Parts 1 and 2.1 of the Project;
  - (b) cause the CDC to maintain, throughout Project implementation, the Project management unit (“CDC PMU”), responsible for the day-to-day implementation, management, monitoring, evaluation, reporting and supervision of the activities under Parts 2.2 and 3.2 of the Project; with competent staff in adequate numbers and with qualifications and experience satisfactory to the Bank and as set forth in the CDC Operational Manual; and
  - (c) to facilitate the implementation of the Project activities under Parts 1 and 2.1 of the Project, ensure that adequate implementation arrangements are in place for the collaboration of the participating governorates with jurisdiction over the territory in which the Project activities are carried out, as said arrangements are further described in the POM.
2. The Borrower shall, through the MEH, and shall cause the CDC to, no later than ninety (90) days after the Effective Date, or such later date as agreed by the Bank, establish, and thereafter maintain, throughout Project implementation, a Project steering committee (“Steering Committee”) co-chaired by General Directorate of Roads and Bridges and the CDC, with composition, terms of reference and powers acceptable to the Bank, to provide strategic guidance and oversight of the Project and facilitate overall effective implementation, coordination and supervision of the Project, as set forth in the POM.

**B. Subsidiary Agreement.**

1. To facilitate the carrying out of activities under Parts 2.2 and 3.2 of the Project, the Borrower, through the Ministry of Finances, shall make part of the proceeds of the Loan available to the CDC under a subsidiary agreement between the Borrower, through the Ministry of Finances, and the CDC, under terms and conditions approved by the Bank (“Subsidiary Agreement”), which shall include the following:
  - (a) CDC shall carry out the activities under Parts 2.2 and 3.2 of the Project in accordance with the provisions set forth in this Agreement (including the obligation to comply with the Anti-Corruption Guidelines as applicable to the recipients of funds other than the Borrower), the ESCP, the ESMS and the CDC Operational Manual;
  - (b) CDC shall not be liable to the Borrower for any Loan Payments, and shall not be liable to the Borrower for financial losses from Equity Investments;
  - (c) CDC shall return to the Borrower any restituted amount from the CDC Impact Fund in connection with Part 2.2 of the Project at a later date as the Borrower and CDC shall agree.
2. The Borrower shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions. In case of any conflict between the provisions of the Subsidiary Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.

**C. Other Implementation Arrangements.**

*Project Operational Manual and CDC Operational Manual*

1. The Borrower shall:
  - (a) not later than ninety (90) days after the Effective Date, or such later date as agreed by the Bank, prepare a manual under terms and conditions acceptable to the Bank (“Project Operational Manual” or “POM”); and immediately thereafter, carry out the activities under Parts 1, 2.1 and 3.1 of the Project in accordance with the requirements set forth in the POM; and
  - (b) not assign, amend, abrogate, or waive the POM or any of its provisions without the Bank’s prior written consent, and in case of any conflict



between the provisions of the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

2. Without limitation to paragraph 1 above, for purposes of carrying out the activities under Parts 2.2 and 3.2 of the Project, the Borrower shall cause CDC to:
  - (a) no later than ninety (90) days after the Effective Date, or such later date as agreed by the Bank, prepare a manual under terms and conditions acceptable to the Bank (“CDC Operational Manual”); and immediately thereafter, carry out the activities under Parts 2.2 and 3.2 of the Project in accordance with the requirements set forth in the CDC Operational Manual; and
  - (b) not assign, amend, abrogate, or waive the CDC Operational Manual or any of its provisions without the Bank’s prior written consent, and in case of any conflict between the provisions of the CDC Operational Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

*Partnership Agreement and Investment Agreements under Part 2.2 of the Project*

3. To facilitate the carrying out of any activity under Part 2.2 of the Project, the Borrower shall cause the CDC to:
  - (a) enter into a partnership agreement with CDC Gestion (“Partnership Agreement”) under terms and conditions acceptable to the Bank, set forth in the CDC Operational Manual, and including, *inter alia*, the obligation of CDC Gestion to:
    - (i) cause its Board of Directors to: (A) maintain its management team headed by a manager, in charge of managing the investment activities under Part 2.2 of the Project; and (B) establish, under the CDC Impact Fund, an Investment Committee; all in form and with functions, composition, resources, terms of reference and qualifications acceptable to the Bank and as further described in the CDC Operational Manual;
    - (ii) establish (including approval of its Articles of Association) and thereafter maintain the CDC Impact Fund; all in accordance with the provisions of the Partnership Agreement and the CDC Operational Manual in connection with the activities under Part 2.2 of the Project;
    - (iii) carry out its operations with due diligence and efficiency and in accordance with sound technical, economic, financial,

managerial, environmental and social standards (including the ESCP as applicable to CDC Gestion, including the obligation to establish and thereafter implement, throughout Project implementation, an ESMS acceptable to the Bank) and practices, all satisfactory to the Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to the Project;

- (iv) provide financing in the form of equity investment or quasi-equity investment (“Equity Investments”) to Eligible SMEs under Part 2.2 of the Project in accordance with criteria and procedures set forth in the CDC Operational Manual;
- (v) ensure that such Equity Investment to Eligible SMEs under Part 2.2 of the Project does not include any activities included in the list of Excluded Activities, as defined in the Appendix of this Agreement;
- (vi) provide, promptly as needed, the resources required for the purpose of the activities;
- (vii) maintain policies and procedures adequate to enable it to monitor and evaluate its operations, in accordance with indicators acceptable to the Bank;
- (viii) establish and thereafter maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect its operations, resources and expenditures;
- (ix) have such financial statements in connection with the activities under Part 2.2 of the Project audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to CDC and, if so requested, the Bank;
- (x) enable CDC and the Bank to inspect CDC Gestion’s operations and any relevant records and documents in connection with the activities under Part 2.2 of the Project; and
- (xi) prepare and furnish to CDC for submission to the Borrower and the Bank all such information as the Borrower or the Bank shall reasonably request relating to the foregoing;

- (b) exercise its rights and carry out its obligations under the Partnership Agreement in such manner as to protect the interests of CDC, the Borrower and the Bank and to accomplish the purposes of the Loan; and
  - (c) not assign, amend, terminate, abrogate, waive or fail to enforce the Partnership Agreement or any of its provisions, except as the Bank and the Borrower shall otherwise agree.
- 5. For purposes of providing Equity Investments under Part 2.2 of the Project, the Borrower shall cause CDC to ensure that CDC Gestion, responsible for managing the CDC Impact Fund, enters into an agreement with each Eligible SME (“Investment Agreement”) under terms and conditions acceptable to the Bank and set forth in the CDC Operational Manual, including: (a) the Eligible SME’s obligation to: (i) comply with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower; (ii) ensure that any Equity Investment does not finance any activity included in the list of Excluded Activities; and (iii) carry out its activities financed with the Equity Investment in compliance with the applicable environmental and social requirements as set forth in the CDC Operational Manual; and (b) CDC Gestion’s right to suspend, cancel or request a refund of the Equity Investment or a portion thereof in case of the failure by the Eligible SME to perform any of its obligations under the Investment Agreement.
- 6. The Borrower shall cause CDC to ensure that CDC Gestion exercise its rights and carry out its obligations under each Investment Agreement in such manner as to protect the interests of the Borrower, CDC and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall cause CDC to ensure that CDC Gestion shall not assign, amend, abrogate or waive any Investment Agreement or any of their provisions.
- 7. The Borrower shall ensure that CDC, together with CDC Gestion, enters into a tripartite convention with each participating SICAR responsible for assisting CDC Gestion in the identification of Eligible SMEs and the monitoring of the Equity Investments of the CDC Impact Fund portfolio under Part 2.2 of the Project, under terms and conditions acceptable to the Bank and further described in the CDC Operational Manual.

**D. Environmental and Social Standards.**

- 1. The Borrower shall, and shall cause the CDC in connection with Parts 2.2 and 3.2 of the Project to, ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
- 2. Without limitation upon paragraph 1 above, the Borrower shall, and shall cause the CDC in connection with Part 2.2 and 3.2 of the Project to, ensure that the

Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Bank. To this end, the Borrower shall, and shall cause the CDC in connection with Part 2.2 and 3.2 of the Project to, ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Borrower shall, and shall cause the CDC in connection with Part 2.2 and 3.2 of the Project to ensure that:
  - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
5. The Borrower shall, and shall cause the CDC in connection with Part 2.2 and 3.2 of the Project to establish, publicize, maintain and operate an accessible grievance

mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.

6. The Borrower shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

**E. Annual Work and Budget Program**

The Borrower shall, through the MEH, and shall cause the CDC in connection with the Project activities under its responsibility, to: (a), not later than November 30 (or such later date as agreed by the Bank) in each calendar year during Project implementation, prepare and furnish to the Bank, a list of Project activities to be implemented in the calendar year following the date of presentation of said annual plan, including: (i) a detailed timetable for the sequencing and implementation of said activities; and (ii) the types of expenditures required for such activities, and a financing plan and a budget (“Annual Work and Budget Program”), all acceptable to the Bank; and (b) thereafter implement each such Annual Work and Budget Program in accordance with its terms and in a manner acceptable to the Bank.

**F. Contingent Emergency Response**

1. In order to ensure the proper implementation of contingent emergency response activities under Part 4 of the Project (“Contingent Emergency Response Part”), the Borrower shall ensure that:
  - (a) a manual (“CERC Manual”) is prepared and adopted in form and substance acceptable to the Bank, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing

amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;

- (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Bank;
  - (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
  - (d) neither the CERC Manual or the Emergency Action Plan is amended, suspended, abrogated, repealed or waived without the prior written approval by the Bank.
2. The Borrower shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Bank.
3. The Borrower shall ensure that:
- (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Bank; and
  - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Bank.
4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

**Section II. Project Monitoring Reporting and Evaluation**

The Borrower shall: (i) in connection with Parties 1, 2.1 and 3.1 of the Project, and (ii) cause the CDC in connection with Parts 2.2 and 3.2 of the Project to, furnish to the Bank each Project Report not later than forty-five after the end of each calendar semester, covering the calendar semester.

**Section III. Withdrawal of Loan Proceeds**

**A. General.**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; and (b) pay the Front-end Fee; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Loan Allocated (expressed in EUR)</b>	<b>Percentage of Expenditures to be financed</b>
(1) Goods, works, non-consulting services, and consulting services for Parts 1, 2.1 of the Project	185,400,000	100% (inclusive of Taxes, but excluding VAT)
(2) Equity Investments and Management Fees under Part 2.2 of the Project	13,000,000	100% (inclusive of Taxes)
(3) Goods, non-consulting services, and consulting services for Part 3.1 of the Project	3,150,000	100% (inclusive of Taxes, but excluding VAT)
(4) Goods, non-consulting services, and consulting services for Part 3.2 of the Project	942,500	100% (inclusive of Taxes)
(5) Emergency Expenditures under Part 4 of the Project	0	100% (inclusive of Taxes)
(6) Front-end Fee	507,500	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions
<b>TOTAL AMOUNT</b>	<b>203,000,000</b>	

**B. Withdrawal Conditions; Withdrawal Period.**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date; or
  - (b) for payments under Category (2), until and unless the Bank is satisfied that all the following conditions have been met in respect of said activities:
    - (i) the Subsidiary Agreement has been executed on behalf of the Borrower and the CDC and is in full force and effect;
    - (ii) the CDC Impact Fund has been established, including the approval of its Articles of Association, all in a manner acceptable to the Bank and as further described in the CDC Operational Manual;
    - (iii) the CDC Impact Fund's Investment Committee has been established with composition and functions acceptable to the Bank and further described in the CDC Operational Manual;
    - (iv) the Partnership Agreement has been executed on behalf of the CDC and CDC Gestion and is in full force and effect; and
    - (v) CDC's subscription bulletin in the CDC Impact Fund has been signed.
  - (c) for payments under Category (4), until and unless the Bank is satisfied that all the following condition has been met, namely that the Subsidiary Agreement has been executed on behalf of the Borrower and the CDC and is in full force and effect;
  - (d) for Emergency Expenditures under Category (5), unless and until all of the following conditions have been met in respect of said expenditures:
    - (i) (A) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Financing amounts under Category (5); and (B) the Bank has agreed with such determination, accepted said request and notified the Recipient thereof; and
    - (ii) the Borrower has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.



2. The Closing Date is May 31, 2030.

**SCHEDULE 3**

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

**Level Principal Repayments**

<b>Principal Payment Date</b>	<b>Installment Share</b>
On each March 15 and September 15 Beginning September 15 2032 through September 15, 2044	4.00%

## **APPENDIX**

### **Definitions**

1. “Annual Work and Budget Program” means each annual work and budget program prepared by the Borrower, through the MEH, in connection with Parts 1, 2.1 and 3.1 of the Project, and by the CDC in connection with Parts 2.2 and 3.2 of the Project, and referred to in Section I.E of Schedule 2 to this Agreement.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 6 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. “Articles of Association” means each of the *Règlement Intérieur* referred to in Section I.C.3(a)(ii) of the Schedule to this Agreement.
4. “Board of Directors” means the Board of Directors of CDC Gestion referred to in Section I.C.3(a)(i) of the Schedule 2 to this Agreement.
5. “*Caisse des Depots et Consignations*” or “CDC” means the Borrower’s Deposits and Consignments Fund, a public institution established and operating under the laws of the Borrower, including Law-Decree No. 2011-85, dated September 13, 2011, as amended thereof, or any successor thereto acceptable to the Bank.
6. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
7. “CDC Gestion” means a legal entity established and operating under the laws of the Borrower referred to in Section I.C.3(a) of Schedule 2 to this Agreement, or any legal successor thereto acceptable to the Bank.
8. “CDC Impact Fund” means the private equity fund established by CDC Gestion referred to in Section I.C.3(a)(ii) of Schedule 2 to this Agreement.
9. “CDC Operational Manual” means the manual referred to in Section I.C.2 of Schedule 2 to this Agreement, at all times in form and substance acceptable to the Bank, setting forth the details of all operational arrangements for the implementation, monitoring and supervision of Parts 2.2 and 3.2 of the Project, including: (a) the respective roles and responsibilities for the implementation of the Project; (b) the accounting, financial management, auditing and reporting arrangements; (c) the procurement arrangements, including the Procurement Plan; (d) the monitoring and evaluation procedures; (e) the performance indicators; (f) arrangements for preventing, detecting, reporting, investigation, remediation and otherwise addressing fraud and corruption, including compliance with the Anti-

Corruption Guidelines (which shall be annexed thereto); the procedures and eligibility criteria governing the selection of Eligible SMEs under Part 2.2 of the Project; (f) the list of Excluded Activities; (g) the model form of the Investment Agreements; and (h) all other relevant arrangements necessary for the carrying out of the Project; as said manual may be amended from time to time with the prior written consent of the Bank.

10. “CDC PMU” means the PMU within the CDC (*Unité de Gestion du Projet*) referred to in Section I.A.2 of Schedule 2 to this Agreement.
11. “Eligible SMEs” means SMEs established and registered in Tunisia eligible to receive Equity Investments under Part 2.2 of the Project pursuant to the criteria and procedures set forth in the CDC Operational Manual.
12. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated February 9, 2024, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Borrower shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
13. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.
14. “Equity Investment” means any equity or quasi-equity financing under Part 2.2 of the Project.
15. “ESMS” means environmental and social management system referred to in Section I.C.3(a)(iii) of the Schedule to this Agreement.

16. “Excluded Activities” means the list of activities excluded from receiving financing out of the Loan, as said list is set forth in the CDC Operational Manual.
17. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018 (Last revised on July 15, 2023).
18. “Investment Agreement” means any agreement providing for an Equity Investment, pursuant to Section I.C.4 of Schedule 2 to this Agreement.
19. “Investment Committee” means the committee referred to in Section I.C.3(a)(i) (B) of the Schedule to this Agreement.
20. “Kasserine-Sidi Bouzid-Sfax Corridor” means the transport corridor along the Borrower’s governorates of Kasserine, Kairouan, Sidi-Bouzid and Sfax.
21. “Management Fees” means costs incurred by CDC Gestion associated with standard fund operational costs of including deal-sourcing, due diligence, Equity Investment management, marketing and networking, in connection with Part 2.2 of the Project and in an amount and under terms and conditions as set forth in the CDC Operational Manual.
22. “MEH” means *Ministère de l’Équipement et de l’Habitat*, the borrower’s Ministry in charge of equipment and housing, or any successor thereto.
23. “Ministry of Finances” means *Ministère de Finances*, the borrower’s Ministry in charge of finances, or any successor thereto.
24. “ODCO” means *Office de Développement du Centre Ouest*, a public institution under the tutelage of the Borrower’s Ministry in charge of Economy and Planning.
25. “Partnership Agreement” means the agreement (*Convention de Partenariat*) referred to in Section I.C.3(a) of Schedule 2 to this Agreement.
26. “PMU” means the Project Implementing Unit (*Unité de Gestion du Project par Objectif*) within the MEH’s General Directorate of Roads and Bridges referred to in Section I.A.1(a) of Schedule 2 to this Agreement.
27. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated September 2023.
28. “Project Operational Manual” or “POM” means the manual referred to in Section I.C.1 of Schedule 2 to this Agreement, at all times in form and substance acceptable to the Bank, setting forth the details of all operational arrangements for the implementation, monitoring and supervision of Parts 1, 2.1 and 3.1 of the Project,

including: (a) the respective roles and responsibilities for the implementation of the Project; (b) the accounting, financial management, auditing and reporting arrangements; (c) the procurement arrangements, including the Procurement Plan; (d) the monitoring and evaluation procedures; (e) the performance indicators; (f) arrangements for preventing, detecting, reporting, investigation, remediation and otherwise addressing fraud and corruption, including compliance with the Anti-Corruption Guidelines (which shall be annexed thereto); and (g) all other relevant arrangements necessary for the carrying out of Parts 1, 2.1 and 3.1 of the Project; as said manual may be amended from time to time with the prior written consent of the Bank.

29. "SICAR" means each participating private equity fund.
30. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.
31. "SME" means small and medium-sized enterprise.
32. "Steering Committee" means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement.
33. "Subsidiary Agreement" means the agreement between the Borrower, through the Ministry of Finances, and CDC, as referred to in Section I.B of Schedule 2 to this Agreement.
34. "VAT" means value-added tax.