
CREDIT NUMBER 7531-RW
CREDIT NUMBER 7530-RW

Financing Agreement

(Kigali Logistics Platform Connectivity Development Project)

between

REPUBLIC OF RWANDA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 7531-RW
CREDIT NUMBER 7530-RW

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF RWANDA (“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) 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 — FINANCING

- 2.01. The Association agrees to extend to the Recipient a credit in two portions, to assist in financing the project described in Schedule 1 to this Agreement (“Project”) as follows:
 - (a) A first portion, deemed as Concessional Financing for purposes of the General Conditions, in the amount of fifty million United States Dollars (USD50,000,000) (variously “Portion A of the Credit or the “PBA Portion of the Credit” and
 - (b) A second portion, deemed also Concessional Financing for purposes of the General Conditions, in the amount of eleven billion two hundred and thirty-six million three hundred thousand Japanese Yen (JPY 11,236,300,000) (Portion “B of the Credit” or the “SUW-SML Portion of the Credit”);

(Portions A of the Credit and Portion B of the Credit, collectively referred to a variously the “Credit” or the “Financing”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

- 2.04. The Payment Dates are April 1 and October 1 in each year.
- 2.05. The principal amount of Portion A the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.06. The principal amount of Portion B of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 4 to this Agreement.
- 2.07. The Payment Currency for Portion A the Credit is United States Dollar.
- 2.08. The Payment Currency for Portion B the Credit is Yen.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project (and cause Parts 1 and 3 of the Project to be carried out by the Rwanda Transport Development Agency) in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Project Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Condition of Effectiveness consists of the following, namely that the Recipient has prepared and adopted the Project Implementation Manual in the form and substance satisfactory to the Association.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is the Recipient's minister responsible for finance.
- 5.02. For purposes of Section 11.01 of the General Conditions:
 - (a) the Recipient's address is:

Ministry of Finance and Economic Planning
12 KN 3 Ave
P.O BOX 158
Kigali, Rwanda; and
 - (b) the Recipient's Electronic Address is:

Fax:
+250 25 257 5756

E-mail:
info@minecofin.gov.rw

5.03. For purposes of Section 11.01 of the General Conditions:

- (a) The Association's address is:

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

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

Telex:	Facsimile:	E-mail:
248423 (MCI)	1-202-477-6391	rwandainfo@worldbank.org

AGREED as of the Signature Date.

REPUBLIC OF RWANDA

By

Honorable Dr. Uzziel Ndagijimana

Authorized Representative

Name: Honorable Dr. Uzziel Ndagijimana

Title: Minister of Finance and Economic Planning

Date: 15-Apr-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Sahr Kpundeh

Authorized Representative

Name: Sahr Kpundeh

Title: Country Manager, World Bank, Rwanda

Date: 15-Apr-2024

SCHEDULE 1

Project Description

The objectives of the Project are to improve resilient and safe connectivity from the KLP (Masaka) to the regional logistics corridors and support local and regional economic activities around the corridors.

The Project consists of the following parts:

Part 1: Improving physical infrastructure

- 1.1 *Upgrading of the KLP/Bugesera connector roads.* (a) Carrying out of the design, preparation of bidding documents, upgrading to paved standard, and three-year output and performance-based maintenance of the following road sections: (i) Masaka-Kabukuba (about 16.88 km); (ii) Kabukuba-Nyamata (about 13.72 km), (iii) Gahembe-Kindama (about 19.21 km); and (iv) Kabukuba - Riziyeri (about 19.64 km); and (b) Carrying out related supervision and monitoring of civil works.
- 1.2 *Environmental, social risk management.* Carrying out: (a) resettlement of the Project-Affected Persons along the road sections and the roadside-infrastructure; (b) community and stakeholders' engagement including establishing and operating the grievance redress committees (as part of the grievance redress mechanisms including electronic grievance redress mechanism (e-GRM); (c) roadside investments and capacity building for livelihood restoration of communities living along the road sections; (d) comprehensive road safety measures including training and awareness campaigns and road safety capacity review, road safety policy and strategy preparation and road safety audits; and (e) environmental protection activities, including: (i) planting and management of trees within 10 meters distance of upgraded road sections; (ii) establishment and management of buffer zones for Lake Kidogo and select marshlands such as Akagera and Rugende.

Part 2: Trade facilitation and logistics improvement

- 2.1 *Basic Infrastructure for Women, Youth and SMEs along the Corridor.* Carry out a program of activities designed to help the local communities in the Project Area and means small and medium enterprises (SMEs) operating in the Project Area to benefit economically from the upgraded road sections, such a program to include: (a) carrying out community-driven demand analysis, prioritization, selection, design, and related supervision of civil works for upgrading/ construction of socio-economic infrastructure; (b) design, construction and supervision of development of basic infrastructure and facilities for at least one SMEs industrial park in the vicinity of the Project Area; (c) design and setting up of modern roadside markets; (d) design and setting up selling points in the selected villages; and (e) design and setting up an SMEs-oriented warehouse and e-commerce hub.

- 2.2. *Improved quality and standards of goods and services.* Carry out a program of activities designed to improve the aspects of the National Quality Infrastructure including: (a) upgrading national testing, calibration and verification laboratories to provide accreditation services for: (i) warehouses, cold rooms, deep freezers, and truck coolers, (ii) warehouse and axle load control weighbridges, (iii) platform weighing scales in warehouses; (b) assisting SMEs, especially those located along the corridor, to meet international quality standards for their products and services; and (c) strengthening Rwanda Standards Board's (RSB) outreach services and provision of mobile laboratories, and testing kits at border posts, airports, and logistics platforms.
- 2.3. *Institutional Support and strengthening MINICOM, RSB and RDB Capacity Building.* Provision of institutional support and capacity building for MINICOM, RSB, RDB, producers and traders with an emphasis on women through: (a) updating the Logistics and Distribution Services Strategy for Rwanda and updating phase II Kigali Logistics Platform feasibility study (analytical work of how to include other logistics providers in the KLP); (b) capacity building of MINICOM and RDB staff to: (i) develop, solicit, negotiate, and manage public-private partnerships for the sector; (ii) carry out risk-based system oversight and calibration to maintain performance standards; (iii) provide real time regulatory, logistical, and process-oriented information and capacity building for traders and SMEs; (iv) undertake project management, procurement, financial management and environmental and social risks management; and (c) carry out an assessment of barriers for women entrepreneurship.

Part 3: Implementation support, monitoring and capacity building

- 3.1. Carrying out Project management through supporting Project implementation units in undertaking, among others, procurement, financial management and environmental and social risks management and establishment and operation of grievance mechanism.
- 3.2. Carrying out Project monitoring and evaluation including undertaking any assessments, survey and other studies required under the Project.
- 3.3. Carrying out institutional support and capacity building for RTDA, MINIFRA and MINECOFIN including: (a) enhancing the skills of their staff in implementing projects; (b) studies for development of future projects; (c) carrying out feasibility study for a center for excellence in material testing under RTDA; and (d) the transport sector coordination activities at MININFRA.

Part 4: Contingent Emergency Response Component

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

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall designate and charge: (a) the Ministry of Infrastructure (through Rwanda Transport Development Agency) with overall responsibility for Project coordination and implementation; and (b) Ministry of Trade and Industry and the Ministry of Infrastructure for the implementation responsibility for their respective parts of the Project.

2. Steering Committee

(a) The Recipient shall maintain throughout Project implementation the Steering Committee, co-chaired by the Permanent Secretaries for the Ministry of Trade and Industry and the Ministry of Infrastructure and comprised of representatives from the Ministry of Finance and Economic Planning (MINECOFIN) and Rwanda Transport Development Agency, and including such other ministries, agencies and decentralized entities as further detailed in the Project Implementation Manual.

(b) The Steering Committee shall be responsible for: (i) providing overall strategic guidance and oversight to the Project, including establishing policy guidelines, policy coordination and addressing any inter-governmental issues that may need to be resolved at government level; (ii) reviewing and approving annual work plans and budgets; (iii) reviewing the annual implementation performance report to be prepared by the implementing agencies, and compiled by the Ministry of Infrastructure, and overseeing the implementation of corrective actions, if needed and (iv) such other functions as may be further detailed in the Project Implementation Manual.

3. Single Project Implementation Units

(a) No later than sixty (60) days after the Effective Date, the Recipient shall establish and thereafter maintain throughout Project implementation period the Project implementation unit within the Ministry of Industry and Trade (MINICOM SPIU) with resources and composed of key staff (including SPIU coordinator, financial management specialist, procurement specialist, e-commerce specialist, a trade specialist, a civil engineer, an environment specialist, a social specialist, a gender specialist and a community development officer); all with qualifications, experience

and under terms of reference acceptable to the Association as may be further detailed in the Project Implementation Manual.

- (b) The Recipient shall maintain throughout Project implementation period the Project implementation unit within the Rwanda Transport Development Agency (RTDA SPIU) with resources and composed of key staff, with qualifications, experience and under terms of reference acceptable to the Association as may be further detailed in the Project Implementation Manual.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project Implementing Entity's Respective Parts of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to respective Categories of the table set forth in Section III.1 of this Schedule available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association ("Subsidiary Agreement").
2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

C Project Implementation Manual and the CERC Manual

1. The Recipient shall:
 - (a) prepare a Project implementation manual, in form and substance satisfactory to the Association, containing detailed arrangements and procedures for implementation of the Project including *inter alia*: (i) implementation arrangements including delineation of roles and responsibilities of various entities, institutions and agencies involved in Project implementation and their coordination and inter-relationships; (ii) disbursement arrangements, reporting requirements, financial management procedures and audit procedures; (iii) the procurement procedures, standard procurement documentation, contracts administration and management procedures; (iv) measures to mitigate fraud and corruption as well as other integrity and fiduciary risks; (v) environmental and social risks management; (vi) procedures for preparing and reviewing a consolidated annual work plan and budget for each Fiscal Year; (vii) monitoring and evaluation arrangements, reporting and communication, including performance indicators; and (viii) such other

administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

- (b) (i) furnish to and exchange views with the Association on such manual promptly upon its preparation; (ii) thereafter adopt such manual as shall have been approved by the Association (“Project Implementation Manual” or “PIM”); and (iii) thereafter implement the Project in accordance with the PIM.
 - (c) not amend, suspend, abrogate, repeal or waive any provisions of the Project Implementation Manual without the prior written approval of the Association.
- 2. In the event of any conflict between the provisions of: (a) the Project Implementation Manual; and (b) those of this Agreement, the provisions of this Agreement shall prevail.
- 3. In order to ensure the proper implementation of Part 4 of the Project (“Contingent Emergency Response Component” or “CERC”), the Recipient shall:
 - (a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the CERC, including: (i) designation of, terms of reference for and resources to be allocated to the entity to be responsible for coordinating and implementing the CERC (“Coordinating Agency”); (ii) specific activities which may be included in the CERC, eligible expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the CERC; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CERC; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social risks management frameworks for the CERC, consistent with the Association policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CERC;
 - (b) afford the Association a reasonable opportunity to review said proposed operations manual;
 - (c) promptly adopt such operations manual for the CERC as shall have been approved by the Association (“CERC Manual”);
 - (d) ensure that Part 5 of the Project is carried out in accordance with the CERC Manual; and

- (e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Manual without prior written approval by the Association.
4. In the event of any conflict between the provisions of: (a) the CERC Manual; and (b) those of this Agreement, the latter shall prevail.

D. Environmental and Social Standards

1. The Recipient shall, and shall cause the Project Implementing Entity to, ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall, and shall cause the Project Implementing Entity to, ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall, and shall cause the Project Implementing Entity 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 Association 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 Recipient shall, and shall cause the Project Implementing Entity to, ensure that:
- (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, 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 Association, 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 Association 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 Recipient shall, and shall cause the Project Implementing Entity 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 Association.
 6. The Recipient shall, and shall cause the Project Implementing Entity to, 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 Plans

1. The Recipient shall prepare and furnish to the Association not later than March 31 of each Fiscal Year during the implementation of the Project (beginning in calendar year 2025), a consolidated work plan and budget containing *inter alia*: (i) all activities proposed to be implemented under the Project during the following Fiscal Year; (ii) proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing therefor - including the portion of the Counterpart Funds to be made available in that year for purposes of defraying the costs of VAT levied under Parts 1.1 and 1.2 of the Project - and disbursement schedule; and (iii) the training plan for such period.
2. The Recipient shall ensure that in preparing any training plan proposed for inclusion in an annual work plan and budget it shall identify in the training plan: (i) the objective and content of the Training envisaged; (ii) the selection method of the institutions or individuals conducting such Training, and said institutions if already known; (iii) the expected duration and an estimate of the cost of said Training; and (iv) the selection method of the personnel who will attend the Training, and number and names of such personnel if already known.

3. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed annual work plan and budget and shall thereafter ensure that the Project is implemented with due diligence during said following Fiscal Year in accordance with such work plan and budget as shall have been approved by the Association (“Annual Work Plan”).
4. The Recipient shall not make or allow to be made any changes to the approved Annual Work Plan without prior approval in writing by the Association.
5. Without limitation on the provisions of Part E of this Section, the Recipient shall prepare and furnish to the Association the first proposed Annual Work Plan and required under the Project not later than one month after the Effective Date.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall furnish to the Association each Project Report not later than forty-five days after the end of each calendar quarter, covering the calendar quarter.

B. Mid-term review

1. No later than thirty-six (36) months after the Effective Date, the Recipient shall, in conjunction with 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.
2. For the purpose of facilitating mid-term review, the Recipient shall prepare – terms of reference satisfactory to the Association – and furnish to the Association not less than three (3) months prior to the beginning of the Mid-term Review, a report integrating the results of the Project’s monitoring and evaluation activities, 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.
3. Following the Mid-term Review, the Recipient shall act promptly and diligently in order to take, or cause to be taken, measures recommended to ensure the efficient completion of the Project and the achievement of the objective as well as any corrective action deemed necessary by the Association to remedy any shortcoming

Section III. Withdrawal of the Proceeds of the Financing

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 Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of Portion A of the Financing Allocated (expressed in USD)	Amount of Portion B of the Financing Allocated (expressed in JPY)	Percentage of Expenditures to be Financed
(1) Goods, works, non-consulting services, Operating Costs, Training and consulting services for Parts 1.1 and 1.2 of the Project	21,690,000	9,284,776,000	100% (inclusive of Taxes, other than VAT), to be disbursed first from Portion B of the Credit and then from Portion A of the Credit
(2) Goods, works, non-consulting services, Operating Costs, Training and consulting services for Parts 2.1 and 2.2 of the Project	17,310,000	768,764,000	100% (inclusive of Taxes), to be disbursed first from Portion B of the Credit and then Portion A of the Credit
(3) Goods, works, non-consulting services, Operating Costs, Training, and consulting services for Parts 2.3, 3.1, 3.2 and 3.3 of the Project	11,000,000	0	100% (inclusive of Taxes), to be disbursed first from Portion B of the Credit and then Portion A of the Credit
(4) Resettlement Costs	0	1,182,760,000	100% (inclusive of Taxes), to be disbursed from Portion B of the Credit

(5) Emergency Expenditures under Part 4 of the Project	0	0	100% (inclusive of Taxes)
TOTAL AMOUNT	50,000,000	11,236,300,000	

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 Signature Date.
 - (b) under Category (5) until: (i) the Recipient’s relevant authority has declared a disaster, emergency or catastrophic event in Recipient’s territory; (ii) the Association and the Recipient have agreed in writing to address such disaster, emergency or catastrophic event under Part 4 of the Project and in accordance with the provisions of this Agreement; (iii) the Recipient has ensured that any environmental and social risks management instruments required for said activities have been duly prepared and disclosed, and the Recipient has ensured that any actions which are required to be taken under said instruments have been implemented, all in accordance with the applicable provisions of the CERC Manual; (iv) the Coordinating Agency in charge of coordinating and implementing the CERC has/ have adequate staff and resources, for the purposes of said activities; and (v) the Recipient has adopted a CERC Manual in accordance with the provisions of Section I.C.3 of Schedule 2 to this Agreement.
2. The Closing Date is September 30, 2030.
3. Notwithstanding the provisions of Article II, Section 2.06 of the General Conditions and pursuant to Article V, Section 5.03 of the General Conditions - which requires the Recipient to provide or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for the Project - the Recipient (through MINECOFIN) shall provide or cause to be provided promptly as needed funds required to pay for VAT levied on or in respect of Eligible Expenditures under Category 1 of the table set forth above (including goods, works and services for Parts 1.1 and 1.2 of the Project), or on their importation, manufacture, procurement or supply.

SCHEDULE 3

Repayment Schedule for Portion A of the Credit

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 1 and October 1:	
commencing April 1, 2034 to and including October 1, 2073	1.25%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to renumbered Section 3.03 (b) (originally numbered Section 3.05 (b)) of the General Conditions.

SCHEDULE 4

Repayment Schedule for Portion B of the Credit

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage) *
On each April 1 and October 1:	
commencing April 1, 2030 to and including April 1, 2035	8.33334%
on October 1, 2035	8.33326%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to renumbered Section 3.03 (b) (originally numbered Section 3.05 (b)) of the General Conditions.

APPENDIX

1. “Annual Work Plan” means the work plan and budget prepared annually by the Recipient and approved by the Association in accordance with Section I.E of Schedule 2 to this Agreement; and “Annual Work Plans” means more than one Annual Work Plan.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 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. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “CERC Manual” means the manual to be prepared and adopted by the Recipient in accordance with the provisions of Section I.C.3(c) of the Schedule 2 to the Agreement, as the manual may be revised from time to time in accordance with the provisions of Section I.C.3 (e) of the Schedule 2 to the Agreement.
5. “District” means an administrative subdivision of the Recipient, established pursuant to the Recipient’s law no. 065/2021 of October 9, 2021.
6. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
7. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the CERC Manual in accordance with the provisions of Section I.C.3(a)(ii) of the Schedule 2 to this Agreement and required for the activities included in Part 5 of the Project.
8. “Environmental and Social Commitment Plan” and the acronym “ESCP” mean the environmental and social commitment plan for the Project, dated February 21, 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 Recipient 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.
9. “Environmental and Social Standards” and the acronym “ESSs” mean, 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 African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.

10. “Fiscal Year” and the acronym “FY” mean each fiscal year of the Recipient, the twelve-month period starting on July 1 and ending on June 30 of the following year.
11. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (last revised on July 15, 2023).
12. “Kigali Logistics Platform” and the acronym “KLP” mean the facility built and operated in Masaka, Rwanda under public-private partnership with the Republic of Rwanda (and officially inaugurated on October 21, 2019 by the President of Rwanda) to serve as a regional multimodal freight and cargo logistics hub.
13. “Logistics and Distribution Services Strategy for Rwanda” means the Recipient’s logistics and distribution strategy for 2012 to 2022.
14. “Ministry of Finance and Economic Planning” and the acronym “MINECOFIN” mean the Recipient’s ministry in charge of finance or its successor thereto.
15. “Ministry of Infrastructure” and the acronym “MINIFRA” mean the Recipient’s ministry in charge of infrastructure or its successor thereto.
16. “Ministry of Trade and Industry” and the acronym “MINICOM” mean the Recipient’s ministry in charge of trade or its successor thereto.
17. “National Quality Infrastructure” means institutional framework that establishes and implements the practice of standardization, including conformity assessment services, metrology, and accreditation.

18. “Operating Costs” means the reasonable incremental expenses arising under the Project, and based on the Annual Work Plan, and consisting of, audit fees, expenditures for office supplies, vehicle operation and maintenance, maintenance of equipment, bank fees, communication and insurance costs, internet service charges, media and advertising expenses, office administration costs, utilities, rental, consumables, accommodation, travel and per diem, and salaries of Project staff, but excluding the salaries of the Recipient’s civil servants, meeting allowances, other sitting allowances, salary top ups and all honoraria.
19. “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.
20. “Project Area” means the area in the Recipient’s territory comprising the Districts of Bugesera, Kicukiro and Rwamagana (and other Districts agreed in writing by Recipient and the Association) where the Project will be implemented.
21. “Project Affected Person” means a person who, on account of the implementation of Project activities, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction or access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and term “Project Affected Persons” means the plural thereof.
22. “Project Implementation Manual” and the acronym “PIM” mean the manual referred to in Section I.C.1 (b)ii of Schedule 2 to this Agreement as the same may be amended from time to time with the prior written approval of the Association.
23. “Project Implementing Entity” means RTDA with which the Association will enter into a Project Agreement and/or the Recipient will enter into a Subsidiary Agreement.
24. “Resettlement Costs” means the expenditures incurred by the Recipient on account of implementation of the resettlement action plan(s), as approved by the Association, and which consist of the costs to finance expenditures cash payments for compensation or other cash payments for assistance due to Project Affected Persons or for the cost of land acquisition related to the activities to be carried out under the Project, and which resettlement costs are hereby deemed an Eligible Expenditure for purposes of Section 2.05 of the General Conditions.
25. “Rwanda Development Board” and the acronym “RDB” mean the mean the Recipient’s development board established to *inter alia* foster economic

development in Rwanda by enabling private sector growth, or any successor entity thereto.

26. “Rwanda Standards Board” and the acronym “RSB” mean the Recipient’s entity responsible for undertaking all activities pertaining to the development of standards, conformity assessment and metrology services in the Rwanda established and operating pursuant to Recipient’s law no. 50/2013 of June 28, 2013, or the legal successor thereto.
27. “Rwanda Transport Development Agency” and the acronym “RTDA” mean the Recipient’s entity responsible for managing and monitoring all activities in the transport sector established and operating pursuant to Recipient’s law no. 02/ 2010 of January 20, 2010 (as amended by law no. 29/2014 of August 12, 2014) and whose mission includes managing and maintaining national road network and implementation of Recipient’s government policy on roads, railways, cable cars as well as road and waterways transport infrastructure or the legal successor thereto.
28. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.
29. “Steering Committee” means committee referred to in Section I.A.2(a) of Schedule 2 to this Agreement.
30. “Subsidiary Agreement” any of the agreements referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to the Project Implementing Entity.
31. “Training” means the costs associated with training, workshops and study tours provided under the Project, based on the Annual Work Plan approved by the Association pursuant to Section I.E.3 of Schedule 2 to this Agreement consisting of reasonable expenditures (other than expenditures for consultants’ services) for: (i) travel, room, board and *per diem* expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.
32. “VAT” means the value added tax charged by the Recipient - under Recipient’s law no. 37/2012 of November 9, 2012 as modified and complemented by law no. 02/2012 of February 25, 2015, as amended from time to time - on supplies of goods and services in Rwanda and on imported goods and services.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.03 (Service Charge) and Section 3.04 (Interest Charge) are deleted in their entirety and the remaining Sections in Article III are renumbered accordingly, and all references to the Sections of Article III in any provision of the General Conditions are understood to be to such renumbered Sections.
2. Paragraph 66 (Interest Charge) in the Appendix is modified to read as follows:

“66. “Interest Charge” means the interest charge for the purpose of Section 3.07.
3. Paragraph 100 (Service Charge) in the Appendix is deleted in its entirety and the subsequent paragraphs are renumbered accordingly, and any reference to “Service Charge” or “Service Charges” in any provision of the General Conditions is deleted.