
GRANT NUMBER E3330-GW

Financing Agreement

(Solar Energy Scale-Up and Access Project)

between

REPUBLIC OF GUINEA-BISSAU

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER E3330-GW

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF GUINEA BISSAU (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of assisting in financing the project described in Schedule 1 to this Agreement (“Project”). 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 grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to twenty-six million five hundred thousand Special Drawing Rights (SDR 26,500,000) (variously “Grant” or “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 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 June 15 and December 15 in each year.
- 2.05. The Payment Currency is Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through MOE, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following, namely that the Green Climate Fund Financing Agreement and/or the ESMAP Grant Agreement have been amended, suspended, abrogated, repealed, or waived so as to affect materially and adversely the ability of the Recipient to perform any of its obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) the Recipient has prepared and adopted the Project Implementation Manual, in form and substance satisfactory to the Association; and
 - (b) the Recipient has appointed two focal points one in EAGB and one in ME with terms of reference, qualification, and experience satisfactory to the Association.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. 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 VI — REPRESENTATIVE; ADDRESSES

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

Ministério das Finanças
Avenida Amilcar Cabral
Caixa Postal N°. 67
Bissau
Republic of Guinea-Bissau; and
 - (b) the Recipient's Electronic Address is:

E-mail: ilidio_94@hotmail.com
jaimejnh@gmail.com
- 6.03. 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	kmiwa@worldbank.org

AGREED as of the Signature Date.

REPUBLIC OF GUINEA-BISSAU

By

H.E. Mr. Ilídio Vieira Té

Authorized Representative

Name: H.E. Mr. Ilídio Vieira Té

Title: Ministro das finanças

Date: 10-Jun-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Keiko Miwa

Authorized Representative

Name: Keiko Miwa

Title: Country Director

Date: 09-Jun-2024

SCHEDULE 1

Project Description

The objective of the Project is to enable solar power generation and increase access to electricity in the Recipient's territory.

The Project consists of the following parts:

Part 1. Development of Solar Energy Generation and Network Enhancement

- 1.1. **Preparation and Implementation of Utility-Scale Solar Parks** through: (a) **Project preparation studies** including: (i) preparation of detailed environmental and social studies, including the environmental and social management plans and the resettlement action plans; (ii) detailed feasibility studies for the utility-size solar farms in Bissau and provincial cities as well as the mini-grids in the Bijagos Islands; (iii) VRE integration studies; (b) **Transaction advisory services** to mobilize private capital for the implementation of the solar investments and mini grids, identify the appropriate business model for their rollout (PPP and/or IPP options), prepare bidding documents and tender for the selection of private developers, PPAs and other legal documents; such advisory services to include technical experts, procurement experts, legal experts, financial experts, and environmental and social experts; and (c) **Site preparation activities** including site identification and preparation for construction, such as, *inter alia*: (i) coordination with the Recipient to ensure permits issuance and regulatory requirements; (ii) removal of native vegetation with environmental and social compliance; and (iii) preliminary site clearing, leveling and fencing for construction access.

- 1.2. **Solar Grid Infrastructure Upgrade and Expansion and Investment in BESS** through: (a) **Solar parks grid connection infrastructures** to connect the solar plants planned under Part 1.1 in Bissau, including single or double circuit power lines, switching stations and upgrades at collector substation; (b) **BESS for solar parks** following the completion of the VRE integration studies under Part 1.1; and (c) **Investment for grid modernization and upgrade to ensure large penetration of VRE** upon the recommendations of the VRE integration studies, including: (i) addition or replacement of lines and transformers for grid extension and capacity enhancements; (ii) equipment for smoothing the voltage map, such as voltage regulators, capacitor banks and other reactive power compensators; (iii) equipment for faster, digitalized and more efficient grid operation, such as monitoring systems, demand and production forecasting systems, automats for controlling generation units and grid operations through automatic generation control with a strong SCADA system to be established in a new national control center covering a wide range of grid services; and (iv) setting-up of said national control center to efficiently manage operation, control, and dispatching from the

entire national grid through transmission connections with neighboring countries once interconnected through WAPP.

- 1.3. **Distributing Solar Energy Supply Solutions** through the (a) **Development of Solar-Based Mini-Grids**, including: (i) **Site preparation activities**, such as site identification and preparation for construction, including: (A) coordination with the Recipient to ensure that all regulatory requirements are met; (B) permit costs and verification of environmental compliance; and (C) preliminary site clearing works, levelling and fencing; (ii) **Construction of power generation infrastructure and distribution networks** by financing the design, supply and installation of mini-grids including solar PV plants and distribution network; and (iii) (A) **'Last-mile' connection service** with provision and installation of complete service connection materials to connect households, small- to medium-size enterprises, and community infrastructures, including procurement and installation of conductor cables, meters, meter mounting board and other accessories; and (B) carrying out community awareness campaigns during said last-mile connection service on harmful social norms and gender-based violence; and (b) **Solar PV Solutions for Health Facilities and Productive Uses**, through: (i) **Access to electricity** using individual solar systems to all health facilities with no access to electricity and by improving the reliability and sustainability of the electricity supplied in a selected number of priority health facilities in urban and rural areas, as well as solar solutions for staff residences; and (ii) **Distribution of solar kits for productive uses of electricity**, including the retrofit of solar solutions to existing pumps for irrigation of small farms.
- 1.4. **Investing in Enhanced Reliability of Electricity** through (a) **Reinforcement of the existing Antula substation and completion of new distribution lines** including the financing of the relevant studies and engineering supervision services; (b) **Rehabilitation and/or upgrading of existing distribution networks** with the reinforcement and extension of existing lines, installation and distribution of substations, completion of the MV ring in Bissau, replacement of wooden poles and pole-mounted transformers and insulators, accessories, and conductors; and (c) **Connection of existing MV customers** in Bissau for which EAGB was not able to provide access to the grid.

Part 2. Capacity Building, Technical Assistance, and Implementation Support

- 2.1. **Capacity Building and Technical Assistance to EAGB and ME** for the: (a) **Preparation of a management implementation plan for EAGB to implement** an optimal organizational structure for EAGB with the incorporation of modern, integrated information systems; (b) **Implementation of EAGB organizational and staffing structure** based on the recommendations of the MIP, including the communications strategy, the staffing and management framework and the financing of Stipends and Scholarships; (c) **Professional program** to create a critical mass of competent specialists in core functions, including financial

management, procurement, monitoring and evaluation, environmental and social, electrical and renewable energy technicians and engineers to address the shortage of professionals in the energy sector; (d) **Incorporation of management information systems** which will include the upgrade or purchase of a commercial management system , an integrated distribution management system , and an enterprise resource planning system, including the update of respective databases supported by a geographic information system and training of users; (e) **Implementation of a revenue protection program** by means of ensuring permanent billing of all the large customers according to their actual fully metered consumption based on zero non-technical losses; (f) **Construction of EAGB headquarter and operationalization of remote centers** to cover Bissau and additional areas of the Recipient's territory; (g) **Technical Assistance** with the (i) hiring of consultants to support EAGB for the final design of the activities, the preparation of the bidding documents, and the supervision of the implementation of substations and the distribution works; (ii) assistance to ME to carry out various sector studies (national electrification strategy, cost of service study, off-grid market assessment, tariff study, update of study for the creation of regulatory body, update of the electricity sector masterplan), training and capacity building activities; (iii) support to ME in the implementation of its national action plan for gender mainstreaming in energy access; and (h) **Capacity building and support** for national actors on Compensation and Land Costs.

- 2.2. **Support to the Project Implementation Unit** by covering goods and services, additional experts, trainings and workshops/seminaries, external and internal audits, technical assistance activities, and operating costs.

Part 3. Contingent Emergency Response

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 vest in MOE the overall responsibility for the implementation of the Project and shall take all actions, including the provision of funding, personnel, and other necessary resources, to enable the Project Steering Committee, the Project Implementation Unit, and the Project Partners to perform their functions and obligations, in accordance with the provision of this Agreement, the Cooperation Agreements and the Project Implementation Manual.
2. The Recipient shall appoint and thereafter maintain two focal points one in EAGB and one in ME with terms of reference, qualification, and experience satisfactory to the Association and with functions further described in the Project Implementation Manual.
3. Project Steering Committee

The Recipient shall maintain throughout the Project implementation period, the Project Steering Committee with composition, mandate, and resources satisfactory to the Association, to be chaired by MOE, and to be comprised of, *inter alia*, representatives of the Recipient's ministries and agencies responsible for the Project, including ME and EAGB, as further detailed in the Project Implementation Manual. To this end, the Recipient shall ensure that the Steering Committee is responsible for endorsing the Annual Work Plans and Budgets for the Project, strategic guidance, and overall oversight of the Project, as further described in the Project Implementation Manual.

4. Project Implementation Unit

The Recipient shall, throughout the Project implementation period, maintain within the administrative authority of MOE, a Project Implementation Unit, with composition, mandate, and resources satisfactory to the Association as detailed in the Project Implementation Manual, including the obligation to:

- (a) maintain key staff including, *inter alia*, a Project coordinator, an engineer, one procurement officer, an accountant, a financial management specialist, two social safeguards specialists (one with special capacity in sexual exploitation and abuse/sexual harassment), two environmental safeguards specialists (one with special capacity in hygiene, health and security), and a monitoring and evaluation specialist; all with

qualifications, experience and terms of reference acceptable to the Association;

- (b) be responsible for day-to-day coordination of the Project activities, including: (A) carrying out Project financial management and procurement activities; (B) monitoring and evaluating Project activities and preparing Project progress reports and monitoring and evaluation reports; (C) preparing the Annual Work Plan and Budgets; and (D) ensuring compliance with the Environmental and Social Commitment Plan (“ESCP”) and Environmental and Social Standards for Project activities; and (E) coordinating with other stakeholders, including Project Partners and the Project Steering Committee.

B. Project Implementation Manual

- (a) The Recipient shall comply with the Project implementation manual (“Project Implementation Manual” or “PIM”) as prepared and adopted by the Recipient, containing, *inter alia*, detailed arrangements and procedures for: (i) implementation arrangements; (ii) administrative aspects; (iii) procurement; (iv) Environmental and Social Standards; (v) Annual Work Plans and Budgets (including sources of funding for Project activities) and financial management and accounting; (vi) model forms for the Cooperation Agreements and for the Stipend and Scholarship contracts; (vii) monitoring and evaluation; (viii) codes of conduct, citizen engagement and GRM; and (ix) such other technical, administrative, fiduciary or coordination arrangements as may be necessary to ensure effective Project implementation.
- (b) The Recipient: (a) shall ensure that the Project is carried out in accordance with the PIM; and (b) shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the PIM or any provision thereof, without the prior written agreement of the Association.
- (c) Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the PIM, and those of this Agreement, the provisions of this Agreement shall prevail.

C. Cooperation Agreements

- (a) To facilitate the carrying out of the Project, the Recipient may make part of the proceeds of the Financing allocated to Categories (1), (2) and (3) available to Project Partners under cooperation agreements (the “Cooperation Agreements”) to be entered into between the Recipient and said Project Partners, under terms and conditions approved by the Association and in accordance with the Project Implementation Manual.

- (b) The Recipient shall exercise its rights and carry out its obligations under the Cooperation Agreements in such a manner as to protect the interests of the Recipient and the Association in order to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not amend, assign, abrogate, suspend, terminate, waive, or fail to enforce the Cooperation Agreements or any of their provisions. In case of any inconsistencies between the terms of this Agreement and the terms of the Cooperation Agreements, the terms of this Agreement shall prevail.

D. Environmental and Social Standards

1. The Recipient shall 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 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 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. Without limitation upon the provisions of paragraph (b) above, if 60 days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Recipient shall: (a) not later than 30 days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

5. The Recipient shall 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.
6. The Recipient shall maintain and operate throughout Project implementation, 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, including a communication plan targeting vulnerable groups and a mapping of referrals for survivors in a safe, confidential and survivor-centered approach.
7. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and 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. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 3 of the Project (“Emergency Response Part”), the Recipient shall:

- (a) prepare and furnish to the Association for its review and approval, a Contingency Emergency Response Manual (“CER Manual”) which shall set forth detailed implementation arrangements for the Emergency Response Part, including: (i) any additional institutional structures or arrangements for coordinating and implementing the Emergency Response Part; (ii) specific activities which may be included in the Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Emergency Response Part; (iv) procurement methods and procedures for the Emergency Response Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social management arrangements and instruments for the Emergency Response Part adopted in accordance with the Environmental and Social Standards of Section I.D of this Schedule 2; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the Emergency Response Part;
 - (b) afford the Association a reasonable opportunity to review the proposed CER Manual;
 - (c) promptly adopt the CER Manual for the Emergency Response Part as shall have been approved by the Association and integrate it as an annex to the Project Implementation Manual;
 - (d) ensure that the Emergency Response Part is carried out in accordance with the CER Manual; provided, however, that in the event of any inconsistency between the provisions of the CER Manual and this Agreement, the provisions of this Agreement shall prevail; and
 - (e) not amend, suspend, abrogate, repeal or waive any provision of the CER Manual without the prior written approval by the Association.
2. The Recipient shall, throughout the implementation of the Emergency Response Part, maintain the institutional structures and arrangements established in accordance with the CER Manual, with adequate staff and resources satisfactory to the Association.
3. The Recipient shall undertake no activities under the Emergency Response Part unless and until the following conditions have been met in respect of said activities:
 - (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the Emergency Response Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such

determination, accepted said request and notified the Recipient thereof; and

- (b) the Recipient has ensured the preparation and disclosure of all environmental and social instruments as may be required for said activities in accordance with the CER Manual, the Association has approved all said instruments, and the Recipient has ensured the implementation of any actions which are required to be taken under said instruments.

F. Annual Work Plans and Budget

1. Without limitation to the obligations set forth in Section I.B above, the Recipient shall carry out the Project or cause the Project to be carried out in accordance with the Annual Work Plans and Budgets to be prepared and furnished to the Association not later than November 30 of each calendar year during the implementation of the Project (the first such Annual Work Plan and Budget being due as part of the Project Implementation Manual on or before the Effective Date), and containing all activities proposed for inclusion in the Project for the next calendar year, including: (a) detailed timetables for the sequencing and implementation of proposed Project activities; (b) types of expenditures required for such activities and a proposed financing plan and sources of funding for such expenditures; and (c) any Operating Costs or Training that may be required under the Project.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views on each such proposed Annual Work Plan and Budget; and thereafter ensure that the Project is implemented with due diligence during said following calendar year in accordance with such Annual Work Plan and Budget as shall have been approved by the Association.
3. The Annual Work Plans and Budgets may only be amended from time to time in consultation with, and after approval of, the Association. In case of any conflict between the terms of the Annual Work Plans and Budgets and those of this Agreement, the terms of this Agreement shall prevail.

G. Use of Military and Security Actors

1. Without limitations to the provisions of Section I.D.2 of this Schedule and if during Project implementation, the Recipient decides to use its military or security forces, the Recipient shall: (a) prior to any involvement of its military and/or security forces in the carrying out of Project activities, send a written notice to the Association communicating such decision, including the name of the military or security unit; and (b) all activities carried out by said military or security unit under the Project shall be under the control of MOE and shall be undertaken exclusively for the purposes related to the Project. All goods, services, Operating Costs, and Training financed by the Financing proceeds may be used by said military or

security unit under the direction and control of MOE and strictly in accordance with the Project Implementation Manual and other arrangements or protocols that the Association may require for carrying out these activities.

2. Except as the Association may otherwise agree, the Recipient shall ensure that the ownership of any assets generated, goods procured, and works constructed by the military or security unit referred to in paragraph 1 of this Section I.G, out of the Financing proceeds shall be transferred to, or shall vest, with MOE or any equivalent or appropriate line ministry or agency agreed with the Association.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar quarter, covering the calendar quarter.

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: (a) finance Eligible Expenditures; and (b) repay the Preparation Advance; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Part 1 of the Project	14,005,000	Up to 100% as defined in the relevant Annual Work Plan and Budget
(2) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Part 2.1 of the Project except for Eligible Expenditures	9,085,000	Up to 100% as defined in the relevant Annual Work Plan and Budget

under Category (4) below		
(3) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Part 2.2 of the Project	180,000	Up to 100% as defined in the relevant Annual Work Plan and Budget
(4) Consulting services to support Compensation and Land Costs under Part 2.1(h) of the Project	200,000	Up to 100% as defined in the relevant Annual Work Plan and Budget
(5) Emergency Expenditures under Part 3 of the Project	0	100%
(6) Refund of the Preparation Advance	3,030,000	Amount payable pursuant to Section 2.07 (a) of the General Conditions
TOTAL AMOUNT	26,500,000	

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 consulting services to support Compensation and Land Costs under Category (4), unless and until the Recipient has hired an international consultant with terms of reference, qualification, and experience satisfactory to the Association; or
- (c) for Emergency Expenditures under Category (5), unless and until all of the following conditions have been met in respect of said expenditures:

- (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to withdraw Financing amounts under Category (5); and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CER Manual, in form and substance acceptable to the Association.
- 2. The Closing Date is June 30, 2030.

Section IV. Other Undertakings

- 1. By December 31, 2027, or such other date as the Association shall agree upon, the Recipient, through MOE, shall: (i) carry out jointly with the Association, a mid-term review of the implementation of operations under the Project, which shall cover the progress achieved in the implementation of the Project; and (ii) following such mid-term review, act promptly and diligently to take any corrective action as shall be agreed by the Association.
- 2. The Recipient shall, not later than one (1) month after the Effective Date, publish the Safeguard Instruments, in form and substance satisfactory to the Association.
- 3. The Recipient shall, not later than three (3) months after the Effective Date, hire and thereafter maintain a social safeguard specialist with special capacity in sexual exploitation and abuse/sexual harassment), with qualification, experience, and terms of reference in form and substance satisfactory to the Association.
- 4. The Recipient shall, not later than three (3) months after the Effective Date, hire and thereafter maintain the internal auditor for the Project, with qualification, experience, and terms of reference in form and substance satisfactory to the Association.
- 5. The Recipient shall, not later than six (6) months after the Effective Date, hire and thereafter maintain the external auditors for the Project, with qualification, experience and terms of reference in form and substance satisfactory to the Association.

APPENDIX

Definitions

1. “Annual Work Plan and Budget” or “Annual Work Plans and Budgets” means any or all work plans prepared annually by the PIU in accordance with the provisions of Section I.F of Schedule 2 to this Agreement, as further detailed in the Implementation Manual and as approved by the Association.
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. “BESS” means battery energy storage system.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “Compensation and Land Costs” means the expenditures to be incurred in financing the cost of land and resettlement compensation and assistance in accordance with the ESCP.
6. “Contingency Emergency Response Manual” or “CER Manual” means the manual referred to in Section I.E.1(a) of Schedule 2 to this Agreement, to be adopted by the Recipient for the Emergency Response Part (Part 3 of the Project) in form and substance satisfactory to the Association.
7. “Cooperation Agreements” means collectively the Cooperation Agreements to be signed between the Recipient and the Project Partners, as the same may be amended from time to time with the Association prior written approval.
8. “EAGB” means collectively *Eletricidade e Agua da Guiné-Bissau*, the Recipient’s electricity and water public utility, as established and operating under the Recipient’s Decree No. 32/83 dated November 19, 1983, and *Eletricidade e Agua da Guiné-Bissau SA*, a company established and operating under the Recipient’s Laws or any successors thereto acceptable to the Association.
9. “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 human-made crisis or disaster.
10. “Emergency Expenditures” means any of the eligible expenditures set forth in the CER Manual in accordance with the provisions of Section I.E.1(a)(ii) of Schedule 2 to this Agreement and required for Part 3 (Emergency Response Part).

11. “Emergency Response Part” means Part 3 of the Project, as described in Section I.E of Schedule 2 to this Agreement.
12. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated April 15, 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.
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”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
14. “ESMAP Grant” means for purposes of paragraph 14 of the Appendix to the General Conditions, an amount of exceed two million and six hundred fifty thousand United States Dollars (\$2,650,000) to be provided by the Association acting as administrator of the Energy Sector Management Assistance Program Multi-Donor Trust Fund to assist in financing the Project.
15. “ESMAP Grant Agreement” means the agreement of same date herewith entered into between the Recipient and the Association acting as administrator of the Energy Sector Management Assistance Program Multi-Donor Trust Fund providing for the ESMAP Grant.
16. “Financing Agreement” means this Agreement.
17. “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).

18. “Green Climate Fund Financing” means, for purposes of paragraph 14 of the Appendix to the General Conditions, an amount of ten million and five hundred thousand Dollars (\$10,500,000) to be provided by the Association acting as an Accredited Entity of the Green Climate Fund to assist in financing the Project.
19. “Green Climate Fund Financing Agreement” means the agreement of same date herewith entered into between the Recipient and the Association acting as Accredited Entity of the Green Climate Fund providing for the Green Climate Fund Financing.
20. “GRM” means grievance resolution mechanisms for the Project, as further detailed in the Project Implementation Manual and in the ESCP.
21. “IPP” or “IPPs” means any or all Independent Power Producers in the Recipient’s territory, as established and operating under the Recipient’s laws.
22. “MOE” means *Ministério da Economia, do Plano e da Integração Regional*, the Recipient’s ministry in charge of economy, or any successor thereto acceptable to the Association.
23. “ME” means *Ministério da Energia*, the Recipient’s Ministry of Energy, or any successor thereto acceptable to the Association.
24. “MV” means Medium Voltage
25. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient or the Project Partners on account of Project implementation, including costs related to office equipment and supplies, vehicle operation and maintenance, shipping costs, office rentals, communication and insurance costs, office administration costs, bank charges, utilities, transport costs, accommodation, travel, *per diem* and supervision costs, administrative costs, as well as salaries of contracted employees, but excluding salaries of officials of the Recipient’s civil service and regular staff of the Project Partners, as further detailed in the relevant Annual Work Plan and Budget .
26. “PPA” means power purchase agreement.
27. “PPP” means public private partnerships.
28. “Preparation Advance” means the advance referred to in Section 2.07 (a) of the General Conditions (No. IDA V 3790), granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on July 23, 2021, and on behalf of the Recipient on July 23, 2021.

29. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated September 2023.
30. “Project Implementation Manual” means the manual referred to in Section I.B of Schedule 2 to this Agreement as adopted by the Recipient for the implementation of the Project and as the same may be amended from time to time with the prior written approval of the Association.
31. “Project Implementation Unit” or “PIU” means a unit under the administrative authority of MOE in charge of the day-to-day management, implementation and coordination of the Project as further detailed in the Project Implementation Manual.
32. “Project Partners” means collectively EAGB and any other public or private entity legally established in the Recipient’s territory, as further detailed in the Project Implementation Manual.
33. “Project Steering Committee” means the committee established and operating under the Project Implementation Manual for the overall oversight of the Project as further detailed in said Project Implementation Manual, or any successor thereto acceptable to the Association.
34. “PV” means photovoltaic.
35. “Safeguard Instruments” means collectively the environmental and social management framework, the labor management procedures, the resettlement framework and the stakeholder engagement plan; all as further detailed in the ESCP.
36. “SCADA” means Supervisory Control and Data Acquisition, a system used to monitor and control a plant or equipment in energy industries, including hardware, controllers, software, network, and communication.
37. “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.
38. “Stipends and Scholarships” means all reasonable expenditures in favor of selected beneficiaries to cover living expenses for national or international training under Part 2.1 of the Project, in accordance with the terms of specific contracts, as further detailed in the Project Implementation Manual.
39. “Training” means expenditures for Project related study tours, tuitions, Stipends, and Scholarships, training courses, seminars, workshops, and other training activities not included under goods or service providers’ contracts, including costs

of training materials, space and equipment rental, travel, accommodation and *per diem* costs of trainees and trainers but excluding Consulting Services of trainers.

40. “VRE” means Variable Renewable Energy.
41. “WAPP” means West African Power Pool is an electric energy grid interconnection agency founded in 2006 under the auspices of the Economic Community of West African States to establish a reliable power grid for the region and a common market for electricity.