



**MDTF GRANT No. TFA5256 and GRANT No. TFA5145
SCF GRANT NUMBER TFC1335
GRANT No. TFA5256 and GRANT No. TFA5145 (Amendment)**

Trust Fund Grant Agreement

(Second Additional Financing for the Feeder Roads Development Project)

between

REPUBLIC OF RWANDA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as administrator of the Rwanda Feeder Roads Development Multi-Donor Trust Fund
and acting as Implementing Entity for the Climate Investment Fund under the Strategic
Climate Fund.**



MDTF GRANT No. TFA5256 and GRANT No. TFA5145
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TRUST FUND GRANT AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF RWANDA (“Recipient”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT/INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as an implementing agency of the Rwanda Feeder Roads multi donor trust fund (“MDTF”) and as Implementing Entity for the Climate Investment Fund under the Strategic Climate Fund (“SCF”) for the purpose of: (i) providing additional financing for activities related to the Original Project; and (ii) amending the Original Grant Agreement. The Recipient and the Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

- 1.01. The Standard 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 Standard Conditions or in the Appendix this Agreement.

Article II
The Project

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article II of the Standard Conditions, Schedule 2 to this Agreement and the Project Agreement.

Article III
The Grant

- 3.01. The Bank agrees to extend to the Recipient a grant from various sources in the following amounts, which in aggregate do not exceed six million five hundred thousand United States Dollars (USD 6,500,000) (“Grant”), to assist in financing the Project: (a) an amount not to exceed five million five hundred thousand United States Dollars (USD 5,500,000) (“MDTF Grant”); and (b) an amount not to exceed one million United States Dollars (USD 1,000,000) (“SCF Grant”).

- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Additional Remedies

- 4.01. The Additional Events of Suspension referred to in Section 4.02(k) of the Standard Conditions consist of the following:
 - (a) The Recipient has taken or permitted to be taken any action which would prevent or interfere with the performance by the Project Implementing Entity of its obligations under the Project Agreement.
 - (b) The Project Implementing Entity has failed to perform its obligations under the Project Agreement.
 - (c) IBRD or IDA has declared the Project Implementing Entity's ineligible to receive proceeds of any financing made by IBRD or IDA, or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA (including as administrator of funds provided by another financier), as a result of:
 - (i) a determination by IBRD or IDA that the Project Implementing Entity have engaged in fraudulent, corrupt, coercive, or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or
 - (ii) a declaration by another financier that the Project Implementing Entity are ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Project Implementing Entity have engaged in fraudulent, corrupt, coercive, or collusive practices in connection with the use of the proceeds of a financing made by such financier.
 - (d) As a result of events which have occurred after the date of this Agreement, an extraordinary situation has arisen which makes it improbable that the

Project Implementing Entity will be able to perform their obligations under the Project Agreements.

- (e) The Bank has determined after the Effective Date referred to in Section 5.01 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V **Effectiveness; Termination**

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied:
- (a) The execution and delivery of this Agreement on behalf of the Recipient and the Project Agreement on behalf of the Project Implementing Entity have been duly authorized by all necessary governmental and corporate action.
 - (b) The Subsidiary Agreement, as referred to in Section I.A of Schedule 2 to this Agreement, has been updated and executed between the Recipient and RTDA and has been duly authorized or ratified by all necessary governmental and corporate action and, in a manner satisfactory to the Bank.
 - (c) The Recipient through the Project Implementing Entity has updated and adopted the Project Implementation Manual.
 - (d) At least 60% of the pending land acquisition necessary for implementation of the Project has been completed in accordance with the Safeguard Instruments, and in a manner satisfactory to the Bank.
 - (e) The Recipient: (i) has provided evidence that at least 60% of the outstanding funds due to implement the Resettlement Action Plan has been deposited into the Counterpart Fund Account; and (ii) has made resettlement payments, compensation and full replacement cost to at least 60% of the Project affected persons, and has resettled and provided with assistance all such Project Affected Persons in accordance with the Resettlement Action Plan, and in form and substance satisfactory to the Bank.
 - (f) The Recipient has recruited the following staff to the SPIU: one feeder roads program manager, three feeder roads specialists, two environmental specialists, three social safeguards specialists, six feeder roads engineers based at the districts, six safeguards officers at the districts, a procurement

specialist, a contracts management specialist, a monitoring and evaluation specialist, a community development officer, a financial management specialist, an accountant, and a gender specialist, all with the terms of reference acceptable to the Association and in accordance with the Procurement Guidelines.

- 5.02. As part of the evidence to be furnished pursuant to Section 5.01(a), there shall be furnished to the Bank an opinion or opinions satisfactory to the Bank of counsel acceptable to the Bank or, if the Bank so requests, a certificate/legal opinion satisfactory to the Bank of a competent official of the Member Country, showing the following matters:
- (a) on behalf of the Recipient, that this Agreement has been duly authorized by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms;
 - (b) on behalf of the Project Implementing Entity, that the Project Agreement has been duly authorized by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms; and
 - (c) the Subsidiary Agreement referred to in Section I.A of Schedule 2 to this Agreement has been duly authorized by the Recipient and the Project Implementing Entity and is legally binding upon each such party in accordance with its terms.
- 5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 5.04. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI

Recipient’s Representative; Addresses

- 6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Recipient’s minister responsible for finance.

6.02. For purposes of Section 7.01 of the Standard 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:

Tel:	Facsimile:	E-mail:
(+250) 25 257 7581	(+250) 25 257 5756	info@minecofin.gov.rw

6.03. For purposes of Section 7.01 of the Standard Conditions:

- (a) the Bank's address is:

International Bank for Reconstruction and Development
International Development Association
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 RWANDA

By

Uzziel Ndagijimana

Authorized Representative

Name: Uzziel Ndagijimana

Title: Minister of Finance and Economic Planning

Date: 22-Jun-2023

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT AND
INTERNATIONAL DEVELOPMENT ASSOCIATION
acting as an implementing agency of the Rwanda Feeder
Roads multi donor trust fund and as Implementing
Entity for the Climate Investment Fund under the
Strategic Climate Fund**

By

Rolande Pryce

Authorized Representative

Name: Rolande Pryce

Title: Country Manager

Date: 22-Jun-2023

SCHEDULE 1

Project Description

The objective of the Project is to enhance all season road connectivity to agricultural market centers in Selected Districts.

The Project consists of the following parts:

Part A: Rehabilitation, Upgrading and Maintenance of Indicative Feeder Roads

1. Rehabilitating, upgrading and maintenance of indicative feeder roads in Karongi and Nyamasheke Districts.
2. Rehabilitating and upgrading of indicative feeder roads in Rwamagana and Gisagara Districts.
3. Maintenance of indicative feeder roads in Rwamagana and Gisagara Districts.
4. Rehabilitating and upgrading of indicative feeder roads in Gatsibo and Nyagatare Districts.
5. (i) Rehabilitating, upgrading and maintenance of indicative feeder roads in Nyabihu, Nyaruguru, Rutsiro and Gakenke Districts; and (ii) road widening of feeder roads in Nyabihu, Nyaruguru, Rutsiro and Gakenke Districts.
6. Maintenance of indicative feeder roads in Gatsibo and Nyagatare Districts.

Part B: Strategy Development for Rural Access and Transport Mobility Improvement and Institutional Development Support

1. Preparation of a national feeder roads development strategy and program.
2. Preparation of District business plans for feeder roads development and transport services improvement.
3. Building capacity of Selected Districts in rural feeder roads management, including through the provision of technical assistance to support District staff in Project implementation and strengthening public entities involved in rural feeder roads management.
4. Strengthening the capacity of RTDA in feeder roads development, maintenance, planning and monitoring, including, *inter alia*, on landslide resilience and hazards warning and road safety.

5. Providing office space to RTDA, field inspection and office equipment to RTDA and Selected Districts.
6. Preparing follow-up feeder roads investment operations including carrying out design and feasibility studies on indicative feeder roads, and preparation of associated environmental and social safeguard instruments.
7. Training and organization of local community associations from the road side rural population to undertake road maintenance.

Part C: Project Management Support.

1. Providing technical assistance for environmental, social, technical, and financial audits.
2. Support to the monitoring and evaluation of the project.
3. Financing of Operating Costs.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Grant available to the Project Implementing Entity under a subsidiary agreement (“Subsidiary Agreement”) between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Bank, which shall include the obligation of the Project Implementing Entity to:
 - (a) implement the Project with due diligence and efficiency and in conformity with appropriate administrative, technical, financial, economic, environmental and social standards and practices, including the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds, other than the Recipient, the Safeguard Instruments, and in accordance with the provisions of this Agreement;
 - (b) (i) procure all goods, works and services required under the Project and to be financed out of the proceeds of the Grant in accordance with this Agreement; and (ii) ensure that all such goods, works and services are used exclusively for the purposes of the Project;
 - (c) ensure that all facilities relevant to the Project shall at all times be properly operated and maintained and that all necessary repairs and renewals of such facilities shall be made promptly as needed;
 - (d) with respect to records management: (i) maintain records adequate to record the progress of the Project (including its cost and the benefits to be derived from it), to identify the goods, works and services financed out of the proceeds of the Grant and disclose their use in said parts; (ii) furnish such records and information as may be requested by the Recipient or the Bank; and (iii) retain all records evidencing expenditures under the Project for the period of time specified in the Standard Conditions;
 - (e) with respect to monitoring and evaluation: (i) maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with indicators acceptable to the Recipient and the Bank, the progress of the Project and the achievement of its objective; (ii) prepare periodic reports, in form and substance satisfactory to the Recipient and the Bank, integrating the results of such monitoring and evaluation activities and setting out measures recommended to ensure the

continued efficient and effective execution of the Project and to achieve its objective, each such report to cover a calendar semester; (iii) furnish each such report to the Recipient and the Bank within forty-five (45) days after the end of such period; and (iv) prepare, and furnish to the Recipient a final report, of such scope and in such detail as the Recipient and the Bank shall reasonably request, on the execution of the Project, and furnish the same to the Recipient and the Bank not later than six (6) months after the end of the Project;

- (f) with respect to financial management: (i) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Recipient and the Bank, both in a manner adequate to reflect its operations and financial condition, including the operations, resources and expenditures related to the Project; (ii) avail the records pertaining to said parts to external and internal auditors; (iii) prepare interim unaudited financial reports covering each semester, and furnish them to the Recipient and the Bank not later than forty-five (45) days after the end of the period covered by such reports, and provide such other information concerning such unaudited financial statements as the Recipient or the Bank may from time to time reasonably request; and (iv) have its financial statements audited by independent auditors and applying standards both acceptable to the Bank at least once in each fiscal year; and
- (g) enable the Recipient and the Bank to inspect the Project, their operations and any relevant records and documents.

2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Grant. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Subsidiary Agreement or any of its provisions.

B. Institutional Arrangements

RTDA

1. The RTDA shall be responsible for overall Project implementation, management, and monitoring and evaluation, including administrative and financial management, procurement, and environmental and social safeguards.

Project Steering Committee

2. The Recipient shall maintain, throughout Project implementation, a steering committee (“Project Steering Committee”) with terms of reference satisfactory to the Bank and with adequate composition and resources to carry out its responsibilities under the Project.
3. The Project Steering Committee shall provide policy and strategic guidance to the Project.

Single Project Implementation Unit

4. The Recipient shall cause RTDA to, throughout Project implementation: (a) maintain, within RTDA, the Single Project Implementation Unit (“SPIU”) comprising the SPIU Coordinator who shall head the said unit, and any such other technical specialists as may be agreed with the Bank, all with terms of reference, qualifications and experience satisfactory to the Bank; (b) make available to the Bank an annual performance assessment of the SPIU individual consultants; and (c) ensure that the SPIU has adequate resources to carry out its responsibilities under the Project.
5. The SPIU shall be responsible for day-to-day Project management and implementation including financial management, procurement and monitoring and evaluation.

District Project Management Team

6. The Recipient shall cause RTDA to, throughout Project implementation, ensure that a District Project Management Team is maintained in each Selected District with terms of reference and staffing acceptable to the Bank.
7. The District Project Management Team shall be responsible for District-level Project implementation.

C. Implementation Arrangements

Project Implementation Manual

1. The Recipient shall cause RTDA to: (a) carry out the Project in accordance with a Project implementation manual (“Project Implementation Manual”) containing detailed guidelines and procedures for the implementation of the Project, including in the areas of monitoring and evaluation, procurement, coordination, social and environmental safeguards, financial, administrative and accounting procedures, corruption and fraud mitigation measures and such other arrangements and procedures as shall be required for the Project; and (b) except as the Bank shall

otherwise agree in writing, not amend or waive, or permit to be amended or waived any provision of the Project Implementation Manual.

2. In case of a conflict between the provisions of the Project Implementation Manual and this Agreement, those of this Agreement shall prevail.

Annual Work Plan and Budget

3. The Recipient shall cause RTDA to, not later than May 31 of each year, prepare and furnish to the Bank, an annual program of activities proposed for implementation under the Project during the following Fiscal Year, together with a proposed budget for the purpose (“Annual Work Plan and Budget”).
4. The Recipient shall cause RTDA to exchange views with the Bank on each such proposed annual work plan and budget, and thereafter carry out such program of activities for such following Fiscal Year, as shall have been agreed with the Bank.

District Implementation Agreements

5. To facilitate the implementation of the Project at the District level, the Recipient shall cause RTDA to, not later than thirty (30) days after the Effective Date, to update and enter into implementation agreements with each Selected District detailing mutual responsibilities for the implementation of the Project and detailing other terms and conditions as may be approved by the Bank (“District Implementation Agreement”), and further detailed in the Project Agreement, such terms and conditions to include the obligation of said Selected District to: (a) carry out its activities under the Project with due diligence and efficiency and in accordance with this Agreement, the Project Agreement, the Project Implementation Manual and the Anti-Corruption Guidelines; (b) maintain policies and procedures adequate to enable it to monitor the progress of its activities under the Project and the achievement of the Project’s objectives; (c) enable the Recipient, RTDA and the Bank to inspect the Project activities within the Selected District’s jurisdiction, its operation and any relevant records and documents; and (d) prepare and furnish to the Recipient, RTDA and the Bank all such information as the Recipient, RTDA or the Bank may reasonably request relating to the foregoing.
6. The Recipient shall cause RTDA to exercise its rights and perform its obligations under each District Implementation Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Grant. Except as the Bank shall otherwise agree, the Recipient shall cause RTDA not to assign, amend, abrogate, or waive any District Implementation Agreement or any of its provisions.

D. Safeguards.

1. The Recipient shall ensure that the Project is carried out by RTDA in accordance with the Safeguard Instruments. To this end, the Recipient shall ensure that the following actions are taken by RTDA, in a prompt manner acceptable to the Bank:
 - (a) If any Project activity would, pursuant to the ESMF: (i) require the carrying out of an ESIA, the Recipient shall ensure that the ESIA for such activity is (A) carried out, in accordance with the requirements of the ESMF and furnished to the Bank for its prior review and written approval; and (B) disclosed and consulted upon, in a form and manner acceptable to the Bank; and (ii) require the preparation of an ESMP, the Recipient shall ensure that such ESMP is (A) prepared in accordance with the ESMF and furnished to the Bank for its review and approval; and (B) disclosed and consulted upon, in a manner acceptable to the Bank.
 - (b) If any Project activity would, pursuant to the RPF require the preparation of a RAP, the Recipient shall ensure that: (i) such RAP is prepared in accordance with the RPF and furnished to the Bank for its prior review and written approval; (ii) such RAP is disclosed and consulted upon, in a manner acceptable to the Bank; and (iii) no civil works under said activity shall be commenced until all measures required to be taken under said RAP, including but not limited prior payment of full compensation to all Project Displaced Persons, shall have been taken in a form and manner acceptable to the Bank.
2. Without limitation to its other reporting obligations under this Agreement and under Section 2.06 of the Standard Conditions, the Recipient shall cause RTDA to:
 - (a) include in the Project Reports referred to in Section II.A of this Schedule, and promptly in a separate report where the circumstances warrant, adequate information on the implementation of the Safeguard Instruments, giving details of:
 - (i) measures taken in furtherance of such Safeguard Instruments;
 - (ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and
 - (iii) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of such Safeguard Instruments; and

- (b) afford the Bank a reasonable opportunity to exchange views with the Recipient and/or RTDA on such Project Reports.
3. The Recipient shall cause RTDA to ensure that:
- (a) all terms of reference for all studies or other technical assistance to be carried out under the Project are consistent with and pay due attention to the Safeguard Instruments and to the Recipient's own laws relating to the environment and social aspects;
 - (b) in drafting any manuals under the Project, due attention is given to the Safeguard Instruments; and
 - (c) to this end, the Recipient shall, prior to undertaking each study included in the Project:
 - (i) prepare and furnish the terms of reference for such study to the Bank for its review;
 - (ii) afford the Bank a reasonable opportunity to exchange views with the Recipient on said terms of reference; and
 - (iii) promptly finalize such terms of reference as shall have been approved by the Bank.
4. The Recipient shall cause RTDA to maintain, and publicize the availability of, grievance redress mechanisms to hear and determine fairly and in good faith, all complaints raised in relation to the implementation of the Project by Project Affected persons, and take all measures necessary to implement the determinations made under such grievance redress mechanisms in a manner acceptable to the Bank.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall ensure that each Project Report is furnished to the Bank not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section III. Procurement

A. General

1. **Goods, Works and Non-consulting Services.** All goods, works, and non-consulting services required for the Project and to be financed out of the proceeds

of the Grant shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Consultants’ Services.** All consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

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

Procurement Method
(a) Limited International Bidding
(b) National Competitive Bidding
(c) Shopping
(d) Direct Contracting
(e) Procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Bank

Procurement Method
(f) Procurement from UNOPS
(g) Community Participation procedures which have been found acceptable to the Bank and set out in the Project Implementation Manual

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) Quality-based Selection
(b) Selection under a Fixed Budget
(c) Least Cost Selection
(d) Selection Based on Consultants' Qualifications
(e) Single Source Selection of firms
(f) Single-source procedures for the Selection of Individual Consultants
(g) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants

D. Review by the Bank of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Bank’s Prior Review. All other contracts shall be subject to Post Review by the Bank.

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; 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 the MDTF Grant Allocated (expressed in USD)	Amount of the SCF Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (exclusive of Taxes)
(1) Goods, works, consulting services, non-consulting services, Training and Operating Costs under the Project (excluding Parts A.3, A.5(ii) and A.6)	5,500,000	1,000,000	100%
TOTAL AMOUNT	5,500,000	1,000,000	

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) until all the pending land acquisition necessary for implementation of the Project has been completed in accordance with the Safeguard Instruments, and in a manner satisfactory to the Bank; and

- (c) until the Recipient: (i) has provided evidence that the outstanding funds due to implement the Resettlement Action Plan has been deposited into the Counterpart Fund Account; and (ii) has made resettlement payments, compensation, and full replacement cost to all the Project Affected Persons and has resettled and provided with assistance all such Project Affected Persons in accordance with the Resettlement Action Plan, and in form and substance satisfactory to the Bank.
2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions for: (a) MDTF Grant (TF0A5256 & TF0A5145) is December 31, 2025; and (b) CIF Grant (TF0C1335) is December 31, 2025.

Section V. Other Undertakings

Recipient's Contribution

1. The Recipient shall cause RTDA to prepare and furnish to the Bank, on or before May 31 in each year, or such other date as may be agreed with the Bank, a proposed cash flow based maintenance plan for such year, detailing the maintenance works under Parts A(3) and A(6)(ii), road widening activities under Part A(5)(ii), and resettlement activities (in accordance with the RAP) of the Project proposed to be carried out by the Recipient during each quarter of the year and the projected costs associated therewith; and thereafter adopt such cash flow based maintenance plan for such year, taking into account the comments of the Bank thereon ("Cash Flow Maintenance Plan") provided, however, that the Cash Flow Maintenance Plan for the year during which this Agreement becomes effective shall be submitted within thirty (30) days of the Effective Date of the Agreement.
2. For purposes of the Project, the Recipient shall maintain at all times during Project implementation, in Rwandan Francs, in its national bank, a separate account under terms and conditions acceptable to the Bank ("Counterpart Fund Account"), to be managed by RTDA, into which it shall deposit, at the beginning of each semester, funds in amounts necessary to meet the cost of carrying out Parts A(3) and A(6) of the Project, any resettlement activities, taxes and road widening activities in Part A(5), as set forth in the Cash Flow Maintenance Plan.
3. The Recipient shall deposit into the Counterpart Fund Account, not later than ninety (90) days after the Effective Date of this Agreement, an initial advance for purposes of carrying out Parts A(3) and A(6) of the Project, any resettlement activities, taxes and road widening activities in Part A(5)(ii), as detailed in the Cash Flow Maintenance Plan, and shall thereafter replenish the Counterpart Fund Account taking into account the balance of funds in the account and projected expenditures, at the beginning of each semester, with such amounts as shall be sufficient to cover the cost of carrying out the Project and any resettlement activities during said semester, all as detailed in the Cash Flow Maintenance Plan

and per the schedule below (or as may be agreed from time to time between the Bank and the Recipient):

Fiscal Year (FY) Period	Amount of Counterpart Funds (in USD)
FY 2023	7,230,000
FY 2024	6,675,000
FY 2025	4,710,000
FY 2026	2,335,000
TOTAL	20,950,000

4. The Recipient shall ensure that funds deposited into the Counterpart Fund Account shall be used exclusively to finance expenditures under Parts A(3) and A(6) of the Project, any resettlement activities, taxes and road widening activities under Part A(5)(ii) of the Project.
5. For purposes of implementing Parts A(3), A(5)(ii) and A(6) of the Project, the Recipient shall cause RTDA to enter into respective multi-year maintenance contracts, and relevant construction contracts, all in form and substance satisfactory to the Bank, with contractors whose qualifications, experience, and terms of reference shall be satisfactory to the Bank.

APPENDIX**Section I. Definitions**

1. “Annual Work Plan and Budget” means the program of activities agreed each Fiscal Year between the Recipient, RTDA, and the Bank for implementation under the Project in accordance with Section I.C.3 of Schedule 2 to this Agreement during the following Fiscal Year, as the same may be revised from time to time in accordance with said Section.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard 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 IV.A of Schedule 2 to this Agreement.
4. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
5. “Counterpart Fund Account” means the Recipient’s account described in Section V.2 of Schedule 2 to this Agreement.
6. “Displaced Person” means any person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in his or her: (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 of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons.
7. “District” means an administrative subdivision of the Recipient, established pursuant to the Recipient’s Organic Law No. 29/2005 of December 31, 2005.
8. “District Implementation Agreement” means with respect to each Selected District, the agreement acceptable to the Bank to be entered into between RTDA and said Selected District, in accordance with the provisions of Section I.C.5. of Schedule 2 to this Agreement and the Project Agreement.
9. “District Project Management Team” means the District’s team responsible for Project implementation in each Selected District, and comprising the infrastructure officer as coordinator and officers from procurement, finance, planning, agricultural and environment units of the District administration.

10. “Environmental and Social Management Framework” or “ESMF” means the updated Recipient’s Environmental and Social Management Framework, dated February 2017, and disclosed in country on March 2, 2017 and at the Bank Infoshop on March 16, 2017 defining the set of mitigation, enhancement, monitoring, and institutional measures to be taken during implementation of the Project to eliminate any adverse environmental and social impacts, offset them, reduce them to acceptable levels, or to enhance positive impacts of the Project activities.
11. “ESIA” means an Environmental and Social Impact Assessment, acceptable to the Bank, prepared by the Recipient pursuant to the ESMF identifying and assessing the potential environmental impacts of proposed project activities, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures; and “ESIAs” means, collectively, all such assessments.
12. “ESIA for Nyagatare District” means Recipient’s environmental and social impact assessment, acceptable to the Bank, dated December 2016, and disclosed in country on March 10, 2017 and at the Bank Infoshop on March 13, 2017, conducted for identifying and assessing the potential environmental impacts of Project activities in the Nyagatare District, evaluating alternatives, and designing appropriate related mitigation, management, and monitoring measures.
13. “ESIA for Nyaruguru District” means Recipient’s environmental and social impact assessment, acceptable to the Bank, dated December 2016, and disclosed in country on March 10, 2017 and at the Bank Infoshop on March 13, 2017, conducted for identifying and assessing the potential environmental impacts of Project activities in the Nyaruguru District, evaluating alternatives, and designing appropriate related mitigation, management, and monitoring measures.
14. “ESMP” means an Environmental and Social Management Plan, acceptable to the Bank, prepared by the Recipient pursuant to the ESMF setting out the measures to be taken during Project implementation to eliminate, or offset the adverse environmental and social impacts of Project activities; and “ESMPs” means, collectively, all such plans.
15. “Fiscal Year” means each fiscal year of the Recipient commencing on July 1 and ending on June 30 of the subsequent year.
16. “Operating Costs” means the incremental expenses incurred by the RTDA on account of Project implementation, management, and monitoring, including expenses for office space rental, utilities, and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, building and equipment maintenance, advertising expenses, travel and supervision, salaries of contractual and temporary Project staff, but excluding salaries, fees, honoraria, and bonuses of members of the Recipient’s civil service and RTDA.

17. “Original Grant Agreement” means the grant agreement for the Original Project between the Recipient and the International Bank for Reconstruction and Development and International Development Association acting as administrator of the Rwanda Feeder Roads Development Multi-Donor Trust Fund (Grant No. TFA5256 and Grant No.TFA5145), dated December 7, 2017 as amended.
18. “Original Project” means the Project described in Schedule 1 to the Original Grant Agreement
19. “Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
20. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated November 8, 2017 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
21. “Project Agreement” means the agreement between the Bank and the Project Implementing Entity relating to the implementation of all or part of the Project, as such agreement may be amended from time to time. “Project Agreement” includes the Standard Conditions as applied to the Project Agreement, and all appendices, schedules and agreements supplemental to the Project Agreement.
22. “Project Implementation Manual” means the Project Implementation Manual in form and substance acceptable to the Bank, to be updated and adopted by the RTDA, referenced in Section I.C.1 of Schedule 2 to this Agreement, as the same may be amended in accordance with the provisions of said Section.
23. “Project Implementing Entity” means Rwanda Transport Development Agency.
24. “Project Steering Committee” means a committee established for purposes of the Project and referred to in Section I.B.2 of Schedule 2 to this Agreement.
25. “RAP for the Nyagatare District” means the Recipient’s resettlement action plan for the Project activities to be carried out in the Nyagatare District, dated February 2017, prepared in accordance with the Resettlement Policy Framework and disclosed in country on March 29, 2017 and at the Bank Infoshop on April 3, 2017, which, *inter alia*: (a) contains a census survey of Displaced Persons and valuation of assets; (b) describes compensation and other resettlement assistance to be provided, consultation to be conducted with Displaced Persons about acceptable alternatives, institutional responsibilities for the implementation and procedures for grievance redress, and arrangements for monitoring and evaluation; and (c) contains a timetable and budget for the implementation of such measures.

26. “RAP for the Nyaruguru District” means the Recipient’s resettlement action plan for the Project activities to be carried out in the Nyaruguru District, dated February 2017, prepared in accordance with the Resettlement Policy Framework and disclosed in country on March 29, 2017 and at the Bank Infoshop on April 3, 2017, which, *inter alia*: (a) contains a census survey of Displaced Persons and valuation of assets; (b) describes compensation and other resettlement assistance to be provided, consultation to be conducted with Displaced Persons about acceptable alternatives, institutional responsibilities for the implementation and procedures for grievance redress, and arrangements for monitoring and evaluation; and (c) contains a timetable and budget for the implementation of such measures.
27. “Resettlement Action Plan” or “RAP” means the document, acceptable to the Bank, prepared and disclosed in accordance with the Resettlement Policy Framework, which, *inter alia*: (a) contains a census survey of Displaced Persons and valuation of assets; (b) describes compensation and other resettlement assistance to be provided, consultation to be conducted with Displaced Persons about acceptable alternatives, institutional responsibilities for the implementation and procedures for grievance redress, and arrangements for monitoring and evaluation; and (c) contains a timetable and budget for the implementation of such measures, and “RAPs” means, collectively, all such plans.
28. “RPF” means the Recipient’s Resettlement Policy Framework acceptable to the Bank, dated February 2017, disclosed in the territory of the Recipient on March 2, 2017 and at the Bank’s *Infoshop* on March 13, 2017, in form and substance satisfactory to the Bank, setting out guidelines, procedures, timetables and other specifications for the provision of compensation, rehabilitation and resettlement assistance to Displaced Persons, as amended from time to time with the prior written consent of the Bank.
29. “Rwandan Francs” means the Recipient’s currency.
30. “Rwanda Transport Development Agency” or “RTDA” means a semi-autonomous road agency, established and operating pursuant to the Recipient’s Law No. 02/2010 of January 20, 2010, as said Law may be amended from time to time, or the legal successor thereto.
31. “Safeguard Instruments” means the ESMF, RPF, ESIA, ESMPs, RAPs, ESIA for Nyagatare District, ESIA for Nyaruguru District, RAP for Nyagatare District and RAP for Nyaruguru District.
32. “Selected Districts” means Gakenke, Gatsibo, Gisagara, Karongi, Nyagatare, Nyabihu, Nyamasheke, Nyaruguru, Rutsiro, and Rwamagana.

33. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
34. “Single Project Implementation Unit” or “SPIU” means a department of the Recipient within RTDA responsible for assisting RTDA in the implementation of the Project.
35. “SPIU Coordinator” means the team leader appointed by the RTDA, with qualifications and experience acceptable to the Bank, who shall be responsible for the overall management of the SPIU and for the implementation of the Project at national level.
36. “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019, with the modifications set forth in Section II of this Appendix.
37. “Subsidiary Agreement” means the agreement to be entered into between the Recipient and RTDA as described in Section I.A of Schedule 2 to this Agreement.
38. “Training” means the training of persons involved in Project-supported activities, such term including seminars, workshops, and study tours, and costs associated with such activity include travel and subsistence costs for training participants, costs of securing the services of trainers, rental of training facilities, preparation and reproduction of training materials and other costs directly related to course preparation and implementation.
39. “United Nations Office for Procurement Services” or “UNOPS” means an agency of the United Nations established in 1974 to expand the capacity of the United Nations system and its partners to implement peace building, humanitarian and development operations that matter for people.

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. Section 2.11, *Procurement* is deleted in its entirety and the remaining Section 2.12, *Anti-Corruption* in Article II is renumbered accordingly.
2. Paragraphs 19 (Procurement Plan) and 20 (Procurement Regulations) in the Appendix are deleted in their entirety and the subsequent paragraphs are renumbered accordingly.

Section III. Amendments to the Original Grant Agreement

The Original Grant Agreement is amended as follows:

1. Part A.5 of the Project description in Schedule 1 of the Original Grant Agreement is amended and restated as set forth in Part A.5 of Schedule 1 to this Agreement.
2. The Closing Date set forth in Section IV.B.2 of Schedule 2 to the Original Grant Agreement shall be the date December 31, 2025.