
GRANT NUMBER E349-3E

Financing Agreement

**(Inclusive Digitalization in Eastern and Southern Africa under the Multiphase
Programmatic Approach Program)**

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA

GRANT NUMBER E349-3E

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (“Recipient”).

WHEREAS:

- A. The Participating Countries, and the Regional Bodies, including the Recipient, have agreed to participate in the MPA Program, and intend to coordinate among each other for the carrying out of activities under projects and programs to be implemented by the Participating Countries and the Regional Bodies to enhance enabling environment for increasing access to and inclusive usage of the internet and digitally enabled services in Eastern and Southern Africa.
- B. To facilitate the implementation of the MPA Program:
1. by a financing agreement to be entered into on or about the date hereof between the Republic of Malawi (“Malawi”) and the Association (“Malawi Financing Agreement”), the Association will extend to Malawi, financing to assist Malawi in financing activities related to the MPA Program on the terms and conditions set forth in the Malawi Financing Agreement;
 2. by a financing agreement to be entered into on or about the date hereof between the Democratic Republic of Congo (“DRC”) and the Association (“DRC Financing Agreement”), the Association will extend to DRC financing to assist DRC in financing activities related to the MPA Program on the terms and conditions set forth in the DRC Financing Agreement; and
 3. by a loan agreement to be entered into on or about the date hereof between Republic of Angola (“Angola”) and the and the International Bank for Reconstruction and Development (“Bank”) (“Angola Loan Agreement”), the Bank will extend to Angola financing to assist Angola in financing activities related to the MPA Program on the terms and conditions set forth in the Angola Loan Agreement.
- C. The Recipient, having satisfied itself as to the feasibility and priority of its activities, has requested the Association to assist in financing activities related to the MPA Program.

NOW, THEREFORE, 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 seven million six hundred thousand Special Drawing Rights (SDR 7,600,000) (“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 March 15 and September 15 in each year.
- 2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project and the MPA Program. To this end, the Recipient shall carry out the Project 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 Event of Suspension consists of the following, namely, that the Recipient's Charter has, in the opinion of the Association, 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 Operations Manual, in form and substance satisfactory to the Association; and
 - (b) the Recipient has established the Project Coordination Unit (PCU) within its secretariat, and appointed/recruited to the PCU, a Project coordinator, a financial management specialist, and a procurement specialist – all with experience, qualifications, and under terms of reference 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 Secretary General.
- 6.02. 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:
248423 (MCI)	1-202-477-6391

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

(a) the Recipient's address is:

COMESA Secretariat
P.O. Box 30051
Lusaka
Zambia; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
+260 211 225 107	secgen@comesa.int

AGREED as of the Signature Date.

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Boutheina Guerhazi

Authorized Representative

Name: Boutheina Guerhazi

Title: Director, Regional Integration

Date: 10-Jul-2024

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA

By

Chileshe Mpundu Kapwepwe

Authorized Representative

Name: Chileshe Mpundu Kapwepwe

Title: Secretary GENERAL

Date: 17-Jul-2024

SCHEDULE 1

Project Description

The objective of the Project is to enhance enabling environment for increasing access to and inclusive usage of the internet and digitally enabled services in Eastern and Southern Africa.

The Project constitutes a phase of the MPA Program, and consists of the following parts:

Part 1: Regional Harmonization and Planning Platform

- 1.1. Provision of regional technical assistance and Training, including for:
 - (a) preparing a regional digital inclusion action plan and associated draft regulations and policies, including on digital safeguards, digital literacy, and digital financial services;
 - (b) enhancing the implementation of a regional roaming framework and the development of a regional model to enhance spectrum management;
 - (c) developing policy and regulatory guidelines and standards to promote the safe use of artificial intelligence and other emerging technologies, including for climate adaptation and mitigation;
 - (d) enabling the cross-border flow of data to support cross-border e-commerce; and
 - (e) developing policy, regulatory frameworks, and guidelines at the regional level to enable and promote private capital mobilization for digital infrastructure with recommendations for possible financing facilities and instruments to expand digital infrastructure at the regional level.

- 1.2. Establishment of planning platform and models, including:
 - (a) support for integrated digital infrastructure planning, including development of geospatial mapping tools; and
 - (b) support for the development of least cost option and innovative financing models to extend internet access to cross-border areas and priority public entities.

Part 2. Regional Knowledge and Capacity Building

- 2.1. Carrying out a program of activities, including:
 - (a) development of practical toolkits to support Participating Countries with project preparation and implementation readiness, including templates, draft terms of reference, and project management tools for procurement, financial management, budgeting, environmental and social risk and impact management, and grievance redress mechanism; and
 - (b) establishment of a regional monitoring and evaluation platform, leveraging innovative data collection and evidence generation at the regional level.
- 2.2. Provision of capacity building, knowledge sharing, awareness raising, and Training for Participating Countries, on key aspects of project preparation and implementation, including on institutional coordination and implementation of digital safeguards, procurement, financial management, environmental and social (E&S) frameworks, quality assurance, statistics, data collection and analysis, monitoring and evaluation.

Part 3. Regional Project Coordination and Management

Carrying out a program of activities to strengthen the capacity of the PCU for Project management and implementation - including monitoring and evaluation, validating and reporting on the MPA Program results framework, fiduciary, and environmental and social functions - and coordination with the Participating Countries.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Regional Program Steering Committee

- (a) The Recipient shall, not later than ninety (90) days after the Effective Date, establish and thereafter maintain throughout the implementation of the Project, a regional program steering committee, with composition, functions, and terms of reference satisfactory to the Association (“Regional Program Steering Committee” or “RPSC”).
- (b) Without limitation to Section I.A.1(a) of this Schedule, the RPSC shall include high level representatives, duly authorized to make policy decisions, of COMESA Member States and Participating Countries.
- (c) Without limitation to Section I.A.1(a) of this Schedule, the RPSC shall be responsible for, inter alia; (i) approving Annual Workplans and Budgets, (ii) reviewing Project progress; and (iii) providing strategic guidance for implementation of the Project.

2. Project Coordination Unit

- (a) The Recipient shall establish and thereafter maintain at all times during the implementation of the Project, a Project Coordination Unit (the “PCU”) within its secretariat, with composition, powers, functions, facilities, and adequate staffing including (i) a Project coordinator, a financial management specialist, and a procurement specialist; and (ii) a digital specialist, an environmental expert with OHS expertise, a social expert, a stakeholder engagement/communication expert, and a monitoring and evaluation expert, to be appointed not later than ninety (90) days after the Effective Date - all with experience, qualifications and under terms of reference satisfactory to the Association.
- (b) Without limitation upon the provisions of sub-paragraph (a) immediately above, the PCU shall be responsible for the day-to-day management and implementation of the Project, including preparation of Annual Work Plans and Budget, environmental and social safeguards management, financial management, procurement, monitoring and evaluation, and reporting, within the established management structures of the Recipient.

3. Regional Level Coordination

- (a) The Recipient shall collaborate and coordinate with the Participating Countries to enable the said Participating Countries draw the benefits of the regional harmonization and planning platform under the MPA Program, as shall be set forth in the Project Operations Manual. To this end, the Recipient shall, as may be required and on *ad hoc* basis, request the Participating Countries to designate a senior official to represent such Participating Country in the regional fora organized and coordinated by the Recipient in connection with the MPA Program, as shall be agreed between the Recipient and the Participating Countries.
- (b) Without limitation to the provisions of sub-paragraph (a) immediately above, the Recipient shall ensure that that Participating Countries which are not COMESA Member States are adequately informed of any technical assistance, platforms, meetings, or related events managed by the Recipient under the MPA Program, which such countries could express interest in, and participate.

B. Implementation Covenants

1. Project Operations Manual

- (a) The Recipient shall prepare and adopt a Project operations manual (“Project Operations Manual” or “POM”), and thereafter carry out the Project in accordance with said Project Operations Manual, containing detailed guidelines and procedures for the implementation of the Project, including with respect to: (i) Project administration and coordination; (ii) monitoring and evaluation, financial management, procurement and accounting procedures; (iii) environmental and social risk management, including Labor Management Procedures; (iv) corruption and fraud mitigation measures; (v) a grievance redress mechanism; (vi) roles and responsibilities for Project implementation; (vii) Personal Data collection and processing requirements in accordance with good international practice; and (viii) such other arrangements and procedures as shall be required for the effective implementation of the Project - all in form and substance satisfactory to the Association; and
- (b) Except as the Association shall otherwise agree in writing, the Recipient shall not amend, waive, suspend, or abrogate the provisions of the POM, and in case of any inconsistency between the provisions of the POM and those of this Agreement, the provisions of this Agreement shall prevail.

2. Annual Work Plans and Budget

The Recipient shall:

- (a) prepare a draft annual work plan and budget for each year of Project implementation, setting forth, *inter alia*: (i) a detailed description of the planned activities, including any proposed conferences and Training for the following year; (ii) the sources and proposed use of funds proposed under such annual work plan and budget; and (iii) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each such activity;
- (b) not later than October 31st of each year, furnish the draft annual work plan and budget for the following year to the Association for its review, and promptly finalize the draft annual work plan and budget, taking into account the Association's comments, and thereafter adopt such annual work plan and budget as shall have been agreed with the Association ("Annual Work Plan and Budget"), as such plan may be revised with the prior written agreement of the Association. Notwithstanding the foregoing, the Annual Work Plan and Budget for the first year of Project implementation shall be furnished to the Association not later than ninety (90) days after the Effective Date; and
- (c) in the event of any conflict between the provisions of the Annual Work Plan and Budget and this Agreement, the provisions of this Agreement shall prevail.

C. 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. 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 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 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.

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 semester, covering the calendar semester. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

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 the 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, non-consulting services, consulting services, Training and Operating Costs for the Project	7,600,000	100%
TOTAL AMOUNT	7,600,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 115,000 may be made for payments made prior to this date but on or after June 1, 2024, for Eligible Expenditures.
2. The Closing Date is October 31, 2032.

APPENDIX

Section I. Definitions

1. “Angola Loan Agreement” means the agreement on or about the date hereof under which the Bank has agreed to extend to Angola, the amount of US\$300 million equivalent, to assist with financing activities related to the MPA Program.
2. “Annual Workplan and Budget” means the yearly workplan and budget required to be prepared pursuant to Section I.B.2(b) of Schedule 2 to this Agreement, and “Annual Workplans and Budgets mean more than one.
3. “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.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “COMESA Member States” mean Burundi, Comoros, Democratic Republic of Congo, Djibouti, Egypt, Eritrea, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tunisia, Uganda, Zambia and Zimbabwe, and such other countries that have agreed to join COMESA and have been ratified by COMESA as member countries.
6. “DRC Financing Agreement” means the agreement on or about the date hereof under which the Association has agreed to extend to DRC the amount of US\$ 400 million equivalent, to assist with financing activities related to the MPA Program.
7. “Eastern and Southern Africa” means the region of Sub-Saharan Africa consisting of the member states of the Recipient and the Participating Countries..
8. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 30, 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” 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 African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.

10. “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), with the modifications set forth in Section II of this Appendix.
11. “Malawi Financing Agreement” means the agreement on or about the date hereof under which the Association has agreed to extend to Malawi the amount of US\$70 million equivalent, to assist with financing activities related to the MPA Program.
12. “MPA Program” means Inclusive Digitalization in Eastern and Southern Africa, a regional, multi-sector, and multi-phase program intended to increase access to, and inclusive use of, the internet and digitally enabled services in Eastern and Southern Africa.
13. “OHS” means occupational, health and safety.
14. “Operating Costs” means the reasonable expenses incurred by the Recipient on account of Project implementation, based on an Annual Work Plan and Budget approved by the Association, including: expenditures for maintenance of equipment, facilities and vehicles used for Project implementation, fuel, routine repair and maintenance of equipment, vehicles and office premises, communication and insurance costs, use of internet costs, stationery and other office supplies, utilities used for Project implementation, consumables, transport costs, travel, travel per diem costs, and accommodation expenses, workshop venues and materials, and costs of printing, photocopying and advertising, office rentals, bank charges, salaries of non-consultant contracted employees, but excluding salaries, top-ups, honoraria, or allowances of the Recipient’s staff.
15. “Participating Countries” means all the countries referred to in the preamble to this Agreement, and those that will participate in the future operations under the MPA Program.

16. “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.
17. “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
18. “Project Operations Manual” or “POM” means the manual referred to in Section I.B.1 of Schedule 2 to this Agreement, as such manual may be amended from time to time, with the prior written approval of the Association.
19. “Recipient’s Charter” means the Treaty Establishing the Common Market for Eastern and Southern Africa, signed on November 5, 1993.
20. “Regional Bodies” means COMESA, and any regional organization that will participate in future operations under the MPA Program.
21. “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.
22. “Stakeholder Engagement Plan” means the stakeholder engagement plan to be prepared and adopted by the Recipient in a manner and substance satisfactory to the Association, as the same shall be updated after stakeholders consultations as set forth in the ESCP, which plan sets out the mechanisms for identifying stakeholders, gauging their interests and providing them and their communities with systematic means and processes for inclusive and meaningful engagement to influence Project design and implementation, including a grievance redress mechanism, as said instrument may be updated from time to time with the prior written concurrence of the Association.
23. “Training” means the reasonable costs associated with training, workshops and study tours provided under the Project, based on an Annual Work Plan and Budget approved by the Association, consisting of reasonable expenditures (other than expenditures for consultants’ services) for: (a) travel, room, board and *per diem* expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (b) course fees; (c) training facility rentals; and (d) training material preparation, acquisition, reproduction and distribution expenses.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 2.06 (Financing Taxes) is modified to read as follows:

“Section 2.06 *Financing Taxes*

The use of any proceeds of the Financing to pay for Taxes levied by, or in the territory of, the Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply, if permitted by the Legal Agreements, is subject to the Association’s policy of requiring economy and efficiency in the use of the proceeds of its credits and grants. To that end, if the Association at any time determines that the amount of any such Tax is excessive, or that such Tax is discriminatory or otherwise unreasonable, the Association may, by notice to the Recipient, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Financing.”

2. Paragraphs (b) and (c) of Section 3.18 (Manner of Payment) are modified to read as follows:

“(b) All Financing Payments shall be paid without restrictions of any kind imposed by, or in the territory of, the Member Country, and without deduction for, and free from, any Taxes levied by, or in the territory of, the Member Country.

(c) The Legal Agreements shall be free from any Taxes levied by, or in the territory of the Member Country, or in connection with their execution, delivery or registration.”

3. Paragraph (a) of Section 5.11 (Visits) is modified to read as follows:

“Section 5.11 *Visits*

“(a) The Recipient shall take all action necessary or useful to ensure that the Member Country affords all reasonable opportunity for representatives of the Association to visit any part of their territories for purposes related to the Financing or the Project.”

4. Section 6.01 (Financial and Economic Data) is deleted in its entirety and the remaining section in Article VI is renumbered accordingly.

5. Section 8.02 (Suspension by the Association) is modified as follows:

(a) Paragraph (j) on *Membership* is modified to read as follows:

“(j) *Membership*. The Member Country or any member of the Recipient: (i) has been suspended from membership in or ceased to be a member of the Association; or (ii) has ceased to be a member of the International Monetary Fund.”

- (b) Paragraph (m) is renumbered as paragraph (n), and a new paragraph (m) is added to read as follows:

“(m) *Interference*. The Member Country: (i) has taken or permitted to be taken any action which would prevent or interfere with the execution of the Project or the performance by the Recipient of its obligations under the Financing Agreement; or (ii) has failed to afford a reasonable opportunity for representatives of the Association to visit any part of its territory for purposes relating to Financing or the Project.”

6. The Appendix (**Definitions**) is modified as follows:

- (a) Paragraph 77 (Member Country) is modified to read as follows:

“77. “Member Country” means the member of the Association in whose territory the Project is carried out or any such member’s political or administrative subdivisions. If such activity is carried out in the territory of more than one such member, “Member Country” refers separately to each such member.”

- (b) Paragraph 92 (Recipient) is modified to read as follows:

“92. “Recipient” means the party to the Financing Agreement to which the Financing is extended.”