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**LOAN NUMBER 9397-CM**

# **Loan Agreement**

**(DOUALA URBAN MOBILITY PROJECT)**

**between**

**REPUBLIC OF CAMEROON**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT**

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## **LOAN AGREEMENT**

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

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

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

### **ARTICLE II — LOAN**

- 2.01. The Bank agrees to lend to the Borrower the amount of one hundred ninety-one million five hundred thousand Euro (EUR 191,500,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Borrower elects to apply the Automatic Rate Fixing Conversion to the Loan. Accordingly, without limitation upon the provisions of Article IV of the General Conditions and unless otherwise notified by the Borrower to the Bank in accordance with the provisions of the Conversion Guidelines, the interest rate basis applicable to the aggregate principal amount of the Loan withdrawn during each Interest Period shall be converted from the initial Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread for the full maturity of such amount in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
- 2.07. The Payment Dates are February 15 and August 15 in each year.
- 2.08. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

### **ARTICLE III — PROJECT**

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall cause the Project to be carried out by the Douala City Council (“*Communauté Urbaine de Douala*” or CUD) (the “Project Implementing Entity”) in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Project Agreement.

### **ARTICLE IV — REMEDIES OF THE BANK**

- 4.01. The Additional Events of Suspension consist of the following:
- (a) The Project Implementing Entity’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.
  - (b) The Project Implementing Entity shall have failed to comply with its obligations under the Subsidiary Agreement.
  - (c) As a result of events which have occurred after the date of this Agreement, an extraordinary situation shall have arisen which shall make it improbable that the Project Implementing Entity will be able to perform any of its obligations under the Subsidiary Agreement.
  - (d) The Borrower or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of the Project Implementing Entity or for the suspension of its operations.
- 4.02. The Additional Events of Acceleration consist of any event specified in paragraphs (a) through (d) of Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

### **ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Subsidiary Agreement has been executed on behalf of the Borrower and the Project Implementing Entity in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.
  - (b) The Project Implementing Entity has adopted the Project Implementation Manual in accordance with the provisions of Section I.B of Schedule 2 to this Agreement and Section I.B.1 of the Schedule 1 to the Project Agreement.
  - (c) the Borrower, through the Project Implementing Entity shall have established the CUD-PIU, with functions and a composition satisfactory to the Bank, through the recruitment and appointment of a Project coordinator, a financial management specialist, a procurement specialist, an accountant, an internal auditor, an

environmental specialist, a social specialist, an infrastructure and urban development specialist, all of them under terms of reference and with qualifications and experience satisfactory to the Bank;

- (d) The Financing Agreement has been executed and delivered and all conditions precedent to the effectiveness of said agreements (other than the execution and effectiveness of this Agreement) have been fulfilled.

5.02. The Effectiveness Deadline is the date one hundred and eighty (180) days after the Signature Date.

5.03. For purposes of Section 9.05 (b) of the General Conditions, the date on which the obligations of the Borrower 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. Except as provided in Section 2.02 of this Agreement, the Borrower's Representative is its minister at the time responsible for the economy.

6.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower's address is:

Ministry of Economy, Planning, and Regional Development  
Boulevard du Vingt Mai  
P. O. Box. 660  
Yaoundé  
Cameroon;  
and

(b) the Borrower's Electronic Address is:

Facsimile:  
237-22222-1509

6.03. For purposes of Section 10.01 of the General Conditions: (a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex:	Facsimile:
248423(MCI) or 64145(MCI)	1-202-477-6391

AGREED as of the Signature Date.

**REPUBLIC OF CAMEROON**

By Alamine Ousmane Mey

**Authorized Representative**

**Name:** Alamine Ousmane Mey

**Title:** Minister of the Economy

**Date:** 23-Jul-2024

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

By Cheick Fantamady Kante

**Authorized Representative**

**Name:** Cheick Fantamady Kante

**Title:** Country Director

**Date:** 30-May-2024

## SCHEDULE 1

### Project Description

The objective of the Project is to improve urban mobility and support inclusive urban and economic development along selected Bus Rapid Transit corridors and its feeder lines in Douala.

The Project consists of the following parts:

#### **Part 1: Support to institutional strengthening and professionalization of existing public transport operators**

Improving and reforming the Borrower's institutional and regulatory frameworks, and supporting the professionalization of formal and informal operators including *inter alia*:

- (a) Providing technical assistance, capacity building and training for sector institutional strengthening, including *inter alia*: (i) technical support to the CUD from CODATU throughout the Part 1's implementation; (ii) technical assistance to the CUD to set up the appropriate sector management institution including regulatory framework, PPP contract management, and BRT system operations supervision; (iii) technical assistance to the CUD to design the mechanism for sexual harassment prevention and response, to be permanently embedded within the BRT system's operational manual and professional practice including *inter alia* the delivery of communication and awareness campaigns and code of conduct for BRT operator(s); and (iv) carrying out capacity building activities (including gender sensitization) to the public bus transport operator SOCATUR, CUD, and other sector institutions.
- (b) Providing technical assistance and carrying out activities to support: (i) the strengthening of the regulatory and management frameworks of the urban mobility sector including *inter alia* vehicle/route licensing, taxation, fines and violations, and permits issuance; (ii) the professionalization of transport operators, including the design of a reporting mechanism for cases of sexual harassment and capacity building and awareness raising for the implementation of measures that prevent and respond to sexual harassment; (iii) the design and carrying out of awareness and communication campaigns to ensure project stakeholders' buy-in; (iv) the reorganization of the SOCATUR bus network, improve feeder connections to the mass public transport network, improve traffic and parking management, and implement fare integration; (v) the design and implementation of a digital platform to connect public transport users and transport operators; and (vi) the assessment of the recruitment and retention barriers that women face to be employed in the transport sector.
- (c) Carrying out tactical urbanism activities and facilities for the informal transport operators including *inter alia*: (i) the development and construction of small-scale loading/unloading, parking areas for the informal transport operators taking into account aesthetic resignification to increase the perception of safety for women; (ii) the preparation and implementation of traffic and parking management plans; and (iii) the construction of a facility for vehicle maintenance and carrying out training for public transport vehicle drivers or the consolidation of existing maintenance and driver training centers.

- (d) Carrying out a fleet renewal scheme including *inter alia*: (i) technical assistance for the design of the renewal scheme, and (ii) carrying out the first phase of implementation of the renewal of the urban transport fleet

## **Part 2: BRT infrastructure facilities, systems, and rolling stock**

Implementing and operationalizing a sustainable, integrated, and inclusive BRT system along the selected corridor including *inter alia*:

- (a) Designing, constructing, and supervising of a 28 km BRT integrated transport corridor featuring *inter alia* roadways, drainage, sewer/water supply, lighting, traffic management systems, NMT facilities, landscaping, and equipping BRT facilities.
- (b) Acquiring and installing intelligent transport systems (ITS) including an Automatic Fare Collection system (AFCS) and Automatic Vehicle Location System (AVLS) to enable a centralized control of bus operations and fare management, and a User Information and Security System (UISS).
- (c) Acquiring a bus fleet through a public-private-partnership.
- (d) Implementing safeguard and social mitigation measures including *inter alia* (i) carrying out GBV prevention programs and related social aspects, including GRM; (ii) payment of compensation for economic involuntary resettlement associated with the project under the Resettlement Actions Plans, and (iii) developing and implementing COVID-19 and other health-related protocols.

## **Part 3: Transit-Oriented Development around the BRT system**

### **3.1 Road and non-motorized infrastructure improvement along feeder roads**

Improving the public transport and mobility infrastructure network along the BRT System's feeder roads, increasing public transport's level of service, improving multi-modal integration, promoting low-carbon modes use, and reducing transport-related GHG emissions, through:

- (a) Carrying out the construction, supervision of urban infrastructure improvements along the feeder roads network including *inter alia*: (i) reconstruction and rehabilitation of road infrastructures featuring roadways, drainage, sewer/water supply, lighting, traffic management systems, utilities relocation; (ii) NMT facilities construction/rehabilitation including, but not limited to, sidewalks, crosswalks, and pathways; and (iii) specific infrastructure to fluidify and optimize formal and informal public transport operations including *inter alia* parking and maintenance areas, loading/unloading facilities, and associated urban furniture.
- (b) Carrying out safeguard mitigation measures including *inter alia*: (i) GBV prevention programs and related social aspects; (ii) payment of compensation for economic involuntary resettlement associated with this Part; and (iii) implementation of relevant COVID-19 and other health-related protocols.

### **3.2 Corridor Development Strategy (CDS) and public space improvements around BRT stations**

Providing support to develop an integrated vision along the BRT Project Corridor and the creation of economically vibrant, inclusive, and attractive public spaces using Transit-Oriented Development, inclusive economic planning, and accessibility design principles through:

- (a) Developing a CDS for Transit-Oriented Development area with an emphasis on BRT station areas.
- (b) Preparing station-area development plans for the public spaces around one or two selected BRT stations.
- (c) Designing, constructing, and supervising selected pilot investment packages around BRT stations identified in the station-area development plans.
- (d) Providing technical assistance to support the organization of street traders/informal vendors along the BRT station areas to meaningfully participate in the preparation and design process.
- (e) Providing technical assistance to improve street trader management and the design of suitable fee structures for economic activities around BRT stations.
- (f) Providing technical assistance to support the implementation and institutionalization of the CDS through *inter alia*: (i) the development of the legal framework for its implementation; and (ii) the development of a capacity building strategy for the main actors in charge of the CDS's implementation.

#### **Part 4: Project management and capacity building**

- (a) Providing support for the operation of the CUD-Project Implementation Unit (“CUD-PIU”) through, *inter alia*: (i) purchasing of relevant equipment; (ii) Operating Costs; and (iii) consulting services for fiduciary support, environmental and social, and establishing the Project’s monitoring and evaluation system.
- (b) Providing capacity building and technical assistance to the CUD-PIU on important cross-cutting issues including gender, citizen engagement, road safety, climate change, disaster risk, project implementation and monitoring;
- (c) Providing technical assistance to support the CUD-PIU in the areas of procurement, supervision of work, studies, coordination of stakeholders

#### **Part 5: Contingent Emergency Response (CERC)**

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



## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

1. Project Steering Committee (PSC)
  - (a) The Borrower shall establish by no later than one (1) month after the Effective Date, and thereafter maintain at all times during the implementation of the Project, a Project Steering Committee with terms of reference, composition, powers, functions, staffing, facilities and other resources satisfactory to the Bank, to be responsible for *inter alia*, overseeing overall Project performance, approving Annual Work Plans and Budgets, providing strategic oversight and guidance, and supporting the mobilization of counterpart funds for the Project.
  - (b) Without limitation to the provisions of paragraph (a) above, the PSC shall be chaired by the Mayor of Douala or his/her representative and vice-chaired by a representative of the Borrower's ministry in charge of urban development and shall be comprised of representatives of relevant ministries and other public entities of the Borrower, as further detailed in the PIM.
  - (c) Without limitation to the provisions of paragraph (a) and (b) above, the Borrower, through the Project Implementing Entity, shall ensure that the PSC meets at least twice a year.
2. Project Implementing Entity
  - (a) The Borrower shall cause the Project Implementing Entity to be responsible for the carrying out the Project related activities, including, *inter alia*, technical supervision, monitoring and evaluation, financial management, procurement, and safeguards related work;
  - (b) The Borrower shall cause the Project Implementing Entity to: (i) maintain at all times during the implementation of the Project, a Project Implementation Unit ("CUD-PIU") within the Project Implementing Entity, with terms of reference, composition, powers, functions, staffing, facilities and other resources satisfactory to the Bank, to be responsible for the day to day implementation of the Project, including *inter alia*, environmental and social safeguards management, financial management, procurement, monitoring and evaluation, and reporting.
  - (c) Without limitation to the provisions of paragraph (a) and (b) above, the CUD-PIU shall include, *inter alia*, a Project coordinator, a financial management specialist, a procurement specialist, an accountant, an internal auditor, an environmental specialist, a social specialist, an infrastructure and urban development specialist, a monitoring and evaluation specialist, a communication officer, a social and environmental supervisor, a RAP expert, a GBV and gender specialist, a health, safety and environment expert, and an assistant to the procurement specialist, all

with qualifications, experience, integrity and terms of reference acceptable to the Bank.

- (d) Without limitation to the provisions of paragraph (a), (b), and (c) above, the Borrower shall cause the Project Implementing Entity to:
  - (i) no later than three (3) months after Effective Date, recruit and appoint: (1) the monitoring and evaluation specialist, (2) the communication officer, (3) the social and environmental supervisor, (4) the RAP expert, (5) the GBV and gender specialist, (6) the Health, Safety and Environment (HSE) expert, and (7) the assistant to the procurement specialist; and
  - (ii) not later than six (6) months after the Effective Date, recruit, and thereafter retain, an external auditor with qualification and experience satisfactory to the Bank.

3. Special Tender Board

The Borrower shall not later than one (1) month after Effective Date, establish and operationalize a special tender board for the Project in line with the Borrower's procurement regulations, to be responsible for overseeing the review of procurement documentation related to the Project in a manner acceptable to the Bank. Without limitation to the foregoing, until such time that the special tender board referred to in this paragraph shall have been established and become operational, the Borrower shall vest the functions of the special board onto the Project Implementing Entity's internal tender board, all in a manner satisfactory to the Bank.

**B. Implementation Covenants**

1. Project Manuals

- (a) The Borrower, through the Project Implementing Entity, shall maintain the Project Implementation Manual, containing detailed guidelines and procedures for the implementation of the Project, including with respect to: (i) administration and coordination, including monitoring and evaluation, environmental and social, and procurement procedures; (ii) corruption and fraud mitigation measures; (iii) a grievance redress mechanism; (iv) roles and responsibilities for Project implementation; and (v) such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance acceptable to the Bank.
- (b) The Borrower, through the Project Implementing Entity, shall, by no later than two (2) months after the Effective Date prepare and adopt a Project procedures manual, containing detailed guidelines and procedures for administrative, financial management, and disbursement, and other fiduciary matters under the Project, in form and substance acceptable to the Bank (the "Project Procedures Manual").
- (c) The Borrower shall ensure that the Project Implementation Manual, the Project Procedures Manual are not amended, suspended, repealed or abrogated without the prior written approval of the Bank.

- (d) In the event of any conflict between the provisions of the Project Implementation Manual, the Project Procedures Manual and this Agreement, the provisions of this Agreement shall prevail.

2. Annual Work Plans and Budget

For purposes of implementation of the Project, the Borrower shall cause the Project Implementing Entity to:

- (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, under the Project for the following year; (ii) the sources and proposed use of funds therefor; (iii) procurement and environmental and social safeguards arrangements therefor, as applicable and; (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity;
- (b) not later than November 30 of each year, furnish the draft annual work plan and budget for the following year to the Bank for its review, and promptly thereafter finalize the draft annual work plan and budget, taking into account the Bank's comments thereon; provided, that for the first year of Project implementation, the Borrower shall furnish the draft annual work plan and budget by no later than one (1) month after the Effective Date; and
- (c) thereafter adopt and carry out such draft annual work plan and budget for the relevant year as shall have been agreed with the Bank ("Annual Work Plan and Budget"), as such plan may be subsequently revised during such year with the prior written agreement of the Bank.

**C. Service Agreements with CODATU.**

- 1. For purpose of carrying out Part 1of the Project the Borrower shall cause the Project Implementing Entity to enter into, not later than six (6) months after the Effective Date, and thereafter maintain throughout the period of Project implementation, a service agreement with CODATU, under terms and conditions approved by the Bank (the "Service Agreement"), whereby the Borrower shall: (a) hire the services of CODATU to implement the above referred Component activities in accordance with the provisions of the PIM.
- 2. The Borrower shall cause the Project Implementing Entity to exercise its rights under the Service Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Financing. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the agreements or any provision contain therein (whether in whole or in part).
- 3. In the event of any conflict between the provisions of the Service Agreement and those of this Agreement the provisions of this Agreement shall prevail.

**D. Subsidiary Agreement.**

1. To facilitate the carrying out of the Project, the Borrower shall make the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Borrower and the Project Implementing Entity, under terms and conditions approved by the Bank, which shall include *inter alia*: (a) the roles and responsibilities of CUD with regard to the implementation of the Project; and (b) the obligation of CUD to comply with the technical, fiduciary and safeguards requirements applicable to the Project in accordance with the provisions of this Agreement (“Subsidiary Agreement”).
2. The Borrower shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Financing. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.
3. Notwithstanding the foregoing, in the event of a conflict among the provisions of the Subsidiary Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

**E. Safeguards.**

1. The Borrower shall ensure and cause the Project Implementing Entity to ensure that the Project is carried out with due regard to appropriate health, engineering, transport, safety, social, and environmental standards and practices, and in accordance with the Safeguards Instruments.
2. The Borrower shall ensure and cause the Project Implementing Entity to ensure that for each activity under the Project for which the ESMF and the RPF provide for the preparation of an ESIA, ESMP and/or a RAP:
  - (a) prior to implementation of any Project activity, the Borrower and the Project Implementing Entity shall proceed to have such ESIA, ESMP and/or RAP, as appropriate: (i) prepared in accordance with the ESMF and the RPF, respectively; (ii) adequately and publicly consulted upon with the Project Affected Persons as per the ESMF and the RPF, respectively, and submitted to the Bank for review and approval; and (iii) thereafter finalized, adopted and publicly disclosed, in-country and in the Bank’s website, in form and in substance satisfactory to the Bank; and
  - (b) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESIA, ESMP and/or RAP in a manner satisfactory to the Bank.
3. The Borrower shall, and shall cause the Project Implementing Entity to take all measures to implement the Resettlement Action Plan in a manner and timeframe satisfactory to the Bank. To this end, the Borrower shall ensure that:
  - (a) sufficient funds are made available to cover all the costs of implementing the Resettlement Action Plan.

- (b) prior to carrying out activities which involve displacement, Affected Persons shall be compensated at full replacement cost, resettled and provided with assistance in accordance with the Resettlement Action Plan, as applicable; and
  - (c) the implementation, monitoring and evaluation of such Resettlement Action Plan is completed and reported in a manner satisfactory to the Bank.
- 4. The Borrower and the Project Implementing Entity shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of Safeguard Instruments; (b) adopt and implement measures to assess and manage the risks and impacts of labor influx and workers' camps; and (c) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures on environmental, social, health and safety, gender-based violence and violence against children; all as applicable to such civil works commissioned or carried out pursuant to said contracts.
- 5. The Borrower and the Project Implementing Entity shall ensure that the Project does not include any activities and expenditures on the negative list set forth in the ESMF.
- 6. The Borrower shall ensure, and cause the Project Implementing Entity to ensure that: (a) all consultancies related to technical assistance, design and capacity building under the Project, the application of whose results could have environmental, social and health and safety implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Bank; and (b) such terms of reference shall require the technical assistance, design and capacity building activities to take into account the requirements of the applicable Bank Safeguards Policies and EHS Guidelines.
- 7. Without limitation upon its other reporting obligations under this Agreement, the Borrower shall, and cause the Project Implementing Entity to:
  - (a) take all measures necessary on its part to regularly collect, compile, and submit to the Bank, as part of the Project Reports, and promptly in a separate report whenever the Bank may require, information on the status of compliance with the Safeguards Instruments, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the Safeguards Instruments; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the Safeguards Instruments; and (iii) corrective and preventive measures taken or required to be taken to address such conditions;
  - (b) promptly furnish to the Bank a copy of each monthly progress report prepared and submitted by any entity (including any engineer) supervising the Project's civil works, the Project's contractors and/or subcontractors; and
  - (c) promptly notify the Bank 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.

8. The Borrower shall, and shall cause the Project Implementing Entity to, maintain, throughout Project implementation, and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.
9. Without limitation upon any provision on excluded expenditures set forth in the Safeguard Instruments and/or in the PIM, the Borrower shall ensure, and cause Project Implementing Entity to ensure, that the following activities shall not be eligible for inclusion under the Project or for financing under the Loan (“Negative List”):
  - (a) activities involving the use of pesticides;
  - (b) any activities that would lead to conversion or degradation of critical natural habitats or their supporting areas;
  - (c) any activities that would lead to conversion or degradation of critical forest areas, related critical natural habitats, clearing of forests or forest ecosystems;
  - (d) any activities in areas with Indigenous Peoples presence;
  - (e) activities involving financing the rehabilitation or construction of dams; or
  - (f) activities whose implementation or operation depend on an existing dam.
10. Except as the Bank shall otherwise agree, the Borrower shall ensure, and cause the Project Implementing Entity to ensure, that none of the provisions of the Safeguard Instruments is abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.
11. If during the implementation of the Project, the Bank determines that Affected Persons were (a) not included in the census survey of the Resettlement Action Plan, and (b) occupying the Project area prior to the cut-off date established in said Resettlement Action Plan, the Borrower shall cause the Implementing Entity to update the Resettlement Action Plan to include these Affected Persons.

**F. Stakeholder Engagement Plan**

- (a) The Borrower shall cause the Project Implementing Entity to adopt, not later than three (3) months after the Effective Date, the Stakeholder Engagement Plan in form and substance satisfactory to the Bank; (i) thereafter, carry out, and cause the Project Implementing Entity to carry out, the Stakeholder Engagement Plan with due diligence and efficiency and communicate the Stakeholder Engagement Plan to the Project stakeholders: (A) to achieve their participation and support of the Project all along the period of Project implementation; and (B) to ensure its measures and recommendations are implemented throughout Project implementation, in particular with a focus on the security of women, children and

other vulnerable groups, taking the necessary measures to help prevent and, as necessary, respond appropriately to the risks and incidences of sexual exploitation and abuse and sexual harassment against women, children and other vulnerable groups. Except as Bank shall otherwise agree, the Borrower shall ensure, and cause the Project Implementing Entity to ensure, that the Stakeholder Engagement Plan is not amended, suspended or waived. In case of any inconsistencies between the provisions of the Stakeholder Engagement Plan and the provisions of this Agreement, the provisions of this Agreement shall prevail.

- (b) Without limitation upon any of its reporting obligations under this Agreement, the Borrower shall regularly collect, compile, and submit to the Bank, and shall cause the Project Implementing Entity to regularly collect, compile, and submit to the Bank, promptly in a separate report whenever the Bank may require, information on the status of compliance with the Stakeholder Engagement Plan. Such information shall include: (i) measures taken in furtherance of the Stakeholder Engagement Plan; (ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Stakeholder Engagement Plan; and (iii) remedial measures taken or required to be taken to address such conditions.

#### **G. Contingent Emergency Response**

1. In order to ensure the proper implementation of contingent emergency response activities under Part 5 of the Project (“Contingent Emergency Response Part”), the Borrower shall ensure that:
  - (a) a manual (“CERC Manual”) is prepared and adopted in form and substance acceptable to the Bank, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;
  - (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Bank;
  - (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and

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

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

The Borrower shall cause the Project Implementing Entity to furnish to the Bank each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

**Section III. Withdrawal of Loan Proceeds**

**A. General.**

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

<b>Category</b>	<b>Amount of the Loan Allocated (expressed in EUR)</b>	<b>Percentage of Expenditures to be financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, Operating Costs, Training, and consulting services under Part 1, 3, and 4 of the Project	61,520,000	100%
(2) Goods, works, non-consulting services, Operating Costs, Training, and consulting services under Part 2 of the Project	129,500,000	39.5%



(3) Emergency Expenditures under Part 5 of the Project	0	
(4) Front-end Fee	480,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
<b>TOTAL AMOUNT</b>	<b>191,500,000</b>	

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

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date
  - (b) for Emergency Expenditures under Category (3), unless and until all of the following conditions have been met in respect of said expenditures:
    - (i) (A) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Financing amounts under Category (3); and (B) the Bank has agreed with such determination, accepted said request and notified the Borrower thereof; and
    - (ii) the Borrower has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.
2. The Closing Date is June 16, 2028.

**Section IV. Other Undertakings**

**A. BRT Legal, Financial and Institutional Framework**

1. To facilitate the implementation of Part 2 (c) of the Project, and prior to rolling stock acquisition, the Borrower shall cause the Project Implementing Entity to take all necessary steps to put in place and maintain an overall legal, financial and institutional framework acceptable to the Bank for the operational performance and maintenance of the BRT, and to this end shall, without limitation to the foregoing, unless otherwise agreed with the Bank, enter into a contract (PPP Agreement) in a manner satisfactory to the Bank, no later than twelve (12) months after the Effective Date (or such later date acceptable to the Bank), with an operator with qualifications and experience acceptable to the Bank (the “Private Operator”) on terms and conditions satisfactory to the Bank, selected through a transparent international competitive bidding process, which shall include, inter alia, the obligation of the Private Operator to acquire, operate and maintain a BRT fleet in accordance with the terms of the PPP Agreement.
2. The Borrower shall exercise its rights under the PPP Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Financing.

3. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the PPP Agreement or any of its provisions.

**B. counterpart funds**

The Borrower shall:

1. without limitation upon the provisions of Section 4.03 of the General Conditions, shall provide, promptly as needed, the funds (the “Counterpart Funds”) required for the establishment and operation of the PSC, the Special Tender Board and for any other activities required for the implementation of the Project, including any costs for cash compensation or land acquisition, if needed, for the implementation of RAPs, and (unless otherwise agreed with the Bank) any costs (including per diems) related to the carrying out of site visits, workshops, and follow-up and supervision missions by the Borrower (collectively, the “Counterpart Funds Activities”); and
2. ensure that all Counterpart Funds shall be used exclusively to pay for expenditures required for or related to the Counterpart Funds Activities, and that, unless otherwise agreed with the Bank, the proceeds of the Financing shall not be used to finance any such Counterpart Funds Activities.

**SCHEDULE 3**

**Commitment-Linked Amortization Repayment Schedule**

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

**Level Principal Repayments**

<b>Principal Payment Date</b>	<b>Installment Share</b>
On each February 15 and August 15 Beginning August 15, 2029 through August 15, 2050	2.27%
On February 15, 2051	2.39%

## APPENDIX

### Section I. Definitions<sup>1</sup>

1. “Affected Person” means a person or entity who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (i) the involuntary taking of land resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not such person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and, “Affected Persons”, means more than one such Affected Person.
  2. “Annual Work Plan and Budget” means the annual work plan and budget as prepared by the Project Implementing Entity and approved by the PSC in accordance with the provisions of Section I.B.2 of Schedule 2 to this Agreement.
  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. “BRT” means Bus Rapid Transit.
  5. “CAA” means *Caisse Autonome d’Amortissement*, the Borrower’s Autonomous Sinking Funds established by Decree No. 85/1176 dated August 28, 1985.
  6. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
  7. “CERC Manual” means the manual referred to in Section I.F of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Bank, and which is an integral part of the Operational Manual.
  8. “CDS” means the Borrower’s Corridor Development Strategy
  9. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 5 of the Project to respond to an Eligible Crisis or Emergency.
  10. “CUD” means *Communauté Urbaine de Douala* or the Douala City Council, established and operating pursuant to the CUD’s Legislation, as said law and decree may be amended from time to time.
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11. “CUD-PIU” means the project implementation unit to be established and maintained within the CUD in accordance with Section I.A of the Schedule to the Project Agreement.
12. “CUD’s Legislation” means the Borrower’s Law No. 87/015, dated July 15, 1987, *portant création des communautés urbaines*, the Borrower’s Decree No. 87/1366, *portant création de la Communauté Urbaine de Douala*, dated September 24, 1987, and the Borrower’s Law No. 2019/024 *portant code Général des Collectivités Territoriales qui transfère les compétences particulières aux CU*, dated December 24, 2019 as said laws and decree may be amended from time to time.
13. “Counterpart Funds” means an amount to be provided by the Borrower in accordance with the provision of Section V. B of Schedule 2 to this Agreement.
14. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
15. “EHS Guidelines” means the World Bank Group Environmental, Health and Safety Guidelines published on [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines), as said guidelines are updated from time to time.
16. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.G of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
17. “Emergency Action Plan” means the plan referred to in Section I.G, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
18. “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 Borrower, associated with a natural or man-made crisis or disaster.
19. “Environmental and Social Impact Assessment” or “ESIA” means the document prepared and adopted by the Borrower dated November 2021, satisfactory to the Bank, disclosed in-country, and the Bank’s website on December 1, 2021, setting out details of potential environmental and social risks, including risks of gender-based violence and sexual exploitation and abuse, and adverse impacts associated with any Project activities, together with an environmental and social management plan defining measures to manage such risks and impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse, procedural, budget and institutional arrangements and actions needed to implement these measures and including any schedules to such assessment, and as such assessment may be amended by the Borrower from time to time, with the prior written approval of the Bank
20. “Environmental and Social Management Framework” or “ESMF” means the local name of the instrument prepared and adopted by the Borrower, satisfactory to the Bank, dated November 2021, disclosed in-country, and the Bank’s website on December 1, 2021, setting out the principles, rules, guidelines and procedures to screen and assess the potential adverse environmental and social risks and impacts (including health and safety issues) of Project activities, including the risks of gender-based violence and sexual exploitation and abuse, adopt

measures to avoid, reduce, mitigate or offset environmental and social adverse risks and impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse, procedural, budget and institutional arrangements and actions needed to implement these measures, and information on the agency or agencies responsible for addressing the Projects' risks and impacts; as well as for the preparation of environmental and social management plans, as such framework may be amended by the Bank from time to time, with the prior written agreement of the Bank.

21. "Environmental and Social Management Plan" or "ESMP" means the *Plan de Gestion Environnementale et Sociale* prepared by the Project Implementing Entity, satisfactory to the Bank, and disclosed on the Bank's website on December 1, 2021, which details (i) the measures to be taken during the implementation of the Project to avoid, minimize, mitigate or offset adverse environmental and social impacts (including health and safety issues), or to reduce them to acceptable levels; (ii) the measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse; (iii) the procedural, budget and institutional arrangements and actions needed to implement these measures, including any schedules to such plan, and as such plan may be amended by the Borrower from time to time, with the prior written approval of the Bank.
22. "Financing Agreement" means the agreement between the Borrower and the Bank for the Project, of the same date as this Agreement, as such agreement may be amended from time to time.
23. "GBV" means gender-based violence.
24. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).
25. "GHG" means Greenhouse gaz.
26. "MINDCAF" means *Ministère des Domaines, du Cadastre et des Affaires Foncières*, the Borrower's ministry responsible for state property, surveys, and land tenure, and any successor thereto.
27. "MINEPAT" means *Ministère de l'Economie, du Plan et de l'Aménagement du Territoire*, the Borrower's ministry responsible of economy and any successor thereto.
28. "MINEDPED" means *Ministère de l'Environnement, de la Protection de la Nature et du Développement Durable*, the Borrower's ministry responsible for environment, nature protection and sustainable development and any sucesor thereto.
29. "MINHDU" means *Ministère de l'Habitat et du Développement Urbain*, the Borrower's ministry responsible for housing and urban development and any successor thereto.
30. "MINFI" means *Ministère des Finances*, the Borrower's ministry responsible for finance and any successor thereto.
31. "MINT" means the Borrower's ministry responsible for transport and any successor thereto.

32. "MINTP" means the Borrower's ministry responsible for public works and any successor thereto.
33. "NMT facilities" means non-motorized transport.
34. "Operator" means the private sector firm which is a party to the Lease Contract, Performance Contract and Work Contract with the Project Implementing Entity (as all hereinafter defined).
35. "Operating Costs" means the incremental expenses, included in the Annual Work and Budget Plans, and incurred by the Project Implementing Entity (as defined hereinafter) on account of Project implementation, management, supervision, evaluation and monitoring, 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 staff, but excluding salaries of civil servants.
36. "PPP Agreement" means an agreement to be entered into between the Borrower and a private entity for the implementation of Part 2 of the Project.
37. "Preparation Advance" means the advance referred to in Section 2.07 (a) of the General Conditions, granted by the Bank to the Borrower (i) pursuant to the letter agreement signed on behalf of the Bank on June 27, 2019 and on behalf of the Borrower on July 15, 2019 and (ii) pursuant to the letter agreement signed on behalf of the Bank on February 6, 2022 and on behalf of the Recipient on February 11, 2022.
38. "Procurement Regulations" means, for purposes of paragraph 85 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated November 2020.
39. "Project Agreement" means the agreement between the Bank and CUD of even date herewith, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the Project Agreement.
40. "Project Implementing Entity" means CUD.
41. "Project Implementation Manual" or "PIM" means that the Project implementation manual to be prepared and adopted in accordance with the provisions of Section I.B of Schedule 2 to this Agreement, as the same may be amended from time to time with the approval of the Bank, and such term includes any schedules and attachments supplemental to the Project Implementation Manual.
42. "Project Steering Committee" means the Borrower's steering committee referred to in Section I A.1 of Schedule 2 to this Agreement.
43. "Resettlement Action Plan" or "RAP" means, each, any of the documents to prepared and adopted by the Project Implementing Entity, satisfactory to the Bank, as the case may be in accordance with the procedures and requirements of the RPF (as hereinafter defined), which includes the principles, guidelines, procedures, organizational arrangements and budget to implement the resettlement related activities under the Project, or under Parts of the Project, as said resettlement action plan may be revised from time to time with the prior written agreement of the Bank; and "RAPs" means, collectively, all such RAP.

44. “Resettlement Costs” means the costs associated with resettlement activities under the Project, acceptable to the Association.
45. “Resettlement Policy Framework” or “RPF” means the resettlement policy framework prepared and adopted by the Project Implementing Entity for the Project, satisfactory to the Bank, and disclosed in-country on February 25, 2022, and on the Bank’s website on March 2, 2022, which sets out the resettlement principles, guidelines, organizational arrangements (including consultation and budget), and design criteria for the preparation of RAPs under the Project, as such framework may be amended from time to time with the prior written agreement of the Bank.
46. “Safeguards Instruments” means collectively and indistinctively, the ESIA(s), the ESMF, the ESMP(s), the Resettlement Policy Framework, and the Resettlement Action Plan(s), and “Safeguards Instrument” means any of such Safeguards Instruments
47. “Safeguard Policies” means, the Operational Policies (Ops) and Bank Procedures (BPs) of the Bank, namely OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitats), OP/BP 4.09 (Pest Management), OP/BP 4.10 (Indigenous Peoples), OP/BP 4.11 (Physical Cultural Resources), OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.36 (Forests), and OP/BP 4.37 (Safety of Dams); they can be found at <https://policies.worldbank.org>.
48. “Service Agreement” means the agreement to be entered into between the CUD and CODATU for purposes of carrying out Part 1 of the Project, pursuant to Section I.C of Schedule 2 to this Agreement.
49. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.
50. “SOCATUR” means *Société Camerounaise de Transports Urbains*, a *Société anonyme d'économie mixte*, established and operating in the territory of the Borrower, created on March 13, 2001.
51. “Stakeholder Engagement Plan” means the communication framework to be adopted by the Borrower and the Project Implementing Entity, satisfactory to the Bank, setting forth measures to ensure stakeholder engagement and participation throughout the carrying out of the Project, and including a social communication strategy that includes, *inter alia*, measures to address risks of sexual exploitation and abuse and sexual harassment against women, children and other vulnerable groups, as such framework may be amended from time to time with the prior written concurrence of the Bank.
52. “Subsidiary Agreement” means the agreement referred to in Section I.D of Schedule 2 to this Agreement pursuant to which the Borrower shall make the proceeds of the Financing available to CUD.
53. “Training” means expenses incurred by the Borrower under the Project for workshops and training including purchase and publication of materials, rental of facilities, course fees, study tours and travel and subsistence for participants, trainees and trainers.
54. “UISS” means the User Information and Security System.