
GRANT NUMBER E203-HT

Financing Agreement

(Additional Financing for Caribbean Regional Air Transport Connectivity Project)

between

REPUBLIC OF HAITI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER E203-HT

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF HAITI (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of providing an additional financing to complement the Caribbean Regional Air Transport Connectivity Project (IDA Grant Number D6290-HT) (Original Project) and finance scaling-up activities related to the Original Project (as defined in the Appendix to this Agreement).

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 nine million Special Drawing Rights (SDR 9,000,000) (“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 February 15 and August 15 in each year.
- 2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall: (a) carry out Parts 1, 2 and 3 of the Project through MTPTC;

and (b) cause Part 4 of the Project to be carried out by the Coordinating Authority; all in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.02. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its minister in charge of finance, or any successor thereto.
- 5.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

Ministère de l'Economie et des Finances
Palais des Ministères
5, Avenue Charles Sumner/Turgeon
Port-au-Prince
République d'Haïti; and

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

Facsimile:	E-mail:
(+509) 229 917 32	cabinet@mef.gouv.ht

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

- (a) The Association's address is:

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

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

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

AGREED as of the Signature Date.

REPUBLIC OF HAITI

By



Authorized Representative

Name: Michel Patrick Boisvert

Title: Minister of Economy and Finances

Date: 11-Sep-2023

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Laurent Msellati

Title: Country Manager

Date: 07-Sep-2023

SCHEDULE 1

Project Description

The objectives of the Project are to: (i) improve operational safety and navigation efficiency of air transport in the Recipient's territory; and (ii) increase the climate and disaster resilience of associated infrastructure at the Recipient's international airports.

The Project consists of the following parts:

Part 1: PAP and CAP Operational Safety and Navigation Efficiency Investments

Support infrastructure and equipment at PAP and CAP in order to enhance the safety of air transport operations in compliance with international and regional standards (ICAO SARPs) and airfield capacity standards to accommodate air traffic, including in post-disaster relief efforts, through *inter alia*: (a) civil works including: (i) PAP taxiway and apron expansion, (ii) CAP runway rehabilitation, (iii) construction of PAP runway end safety areas and paved stop-ways, and (iv) construction of a replacement CAP air traffic control tower; (b) purchase and installation of equipment such as: (i) an automatic dependent surveillance-broadcast including receiver antenna(s), onboard transmitters for aircrafts based in the Recipient's territory, consoles for PAP and CAP air traffic control towers and (ii) communication and surveillance technology for the new CAP air traffic control tower; and (c) consulting and non-consulting services for corresponding supervision activities, associated technical studies, technical assistance, and training as needed including for relevant social and environmental safeguards instruments.

Part 2: PAP and CAP Airfield Drainage System Improvements

Support investments in the perimeter of PAP and CAP to reduce the risk of airfield flooding associated with the annual rainy season, hurricanes, and climate change at PAP and CAP and thus improve their resilience to climate change and disasters, through, *inter alia*: (a) works including (i) CAP drainage system rehabilitation and partial enlargement and (ii) PAP airfield drainage improvements and flood management and (b) consulting and non-consulting services for supervision activities, associated technical studies, technical assistance, and training as needed including for relevant social and environmental safeguards instruments.

Part 3: Institutional Strengthening and Project Management

Support institutional strengthening and capacity as well as Project management for MTPTC, AAN and OFNAC through technical assistance, equipment and training to enhance: (a) institutional sustainability, continued assistance on airfield asset management, and operational safety; (b) sustainable air transport, improved investment strategy and planning descriptions, including, *inter alia*: OFNAC capacity building to improve air traffic control operations; AAN capacity building to improve airport operations with respect to safety; a wildlife management plan to reduce runway incursions by wildlife and

bird strikes for aircraft on landing and takeoff; an aviation sector strategy to guide AAN and OFNAC priorities and investment decision-making for the next decade with a focus on improving safety and climate and disaster resilience of key airport infrastructure; and training on best practices for climate and disaster resilience; and (c) Project implementation, including, *inter alia* overall management, implementation, supervision, fiduciary, monitoring and evaluation activities of the Project; by hiring necessary staff, and conducting capacity building, training, communication, and citizen engagement activities.

Part 4: Contingency Emergency Response

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

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall vest the overall responsibility for the implementation of the Project in MTPTC and ensure that: (a) MTPTC shall carry out Parts 1, 2 and 3 of the Project in collaboration with AAN and OFNAC; and (b) the Coordinating Authority shall carry out Part 4 of the Project; all in accordance with the Operational Manual, the ESCP and the CER Operations Manual, as applicable.
2. The Recipient shall operate and maintain, at all times during the implementation of the Project, the Project Implementing Unit under the administrative authority of MTPTC, with functions, staffing and resources satisfactory to the Association, as further detailed in the Operational Manual.
3. The Recipient shall operate and maintain, at all times during the implementation of the Project, AAN and OFNAC under the administrative authority of MTPTC, with functions, staffing and resources satisfactory to the Association, as further detailed in the Operational Manual.
4. The Recipient shall ensure that the Project Implementing Unit shall be responsible for the day-to-day administration, overall planning, coordination, fiduciary (procurement, disbursement, safeguards and financial management), monitoring, evaluation, reporting, and communication of Project activities; as further detailed in the Operational Manual.

B. Operational Manual

1. The Recipient shall carry out the Project in accordance with a manual (the Operational Manual), satisfactory in form and substance to the Association, which consists of different schedules setting forth rules, methods, guidelines, specific development plans, standard documents and procedures for the carrying out of the Project, including the following:
 - (a) the detailed description of all Project activities, their sequencing and the prospective timetable and benchmarks in relation thereto;
 - (b) the Project administrative, financial, accounting, auditing, procurement and disbursement procedures, including all relevant standard documents;
 - (c) the monitoring indicators for the Project; and

- (d) The grievance mechanisms and the code of ethics and conduct.
 - 2. The Operational Manual shall only be amended from time to time in consultation with, and after approval of, the Association. In case of any conflict between the terms of the Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.
- C. Implementation Arrangements for Part 4 of the Project (Contingent Emergency Response)**
- 1. In order to ensure the proper implementation of contingent emergency response activities under Part 4 of the Project (“CER Part”), the Recipient shall take the following measures:
 - (a) prepare and furnish to the Association for its review and approval, an operations manual (“CER Operations Manual”) which shall set forth detailed implementation arrangements for the CER Part, including:
 - (i) designation of terms of reference for, and resources to be allocated to, the entity to be responsible for coordinating and implementing the CER Part (“Coordinating Authority”);
 - (ii) specific activities which may be included in the CER Part, Eligible Expenditures required therefore (“Emergency Expenditures”), and any procedures for such inclusion;
 - (iii) financial management arrangements for the CER Part;
 - (iv) procurement methods and procedures for the CER Part;
 - (v) documentation required for withdrawals of Emergency Expenditures;
 - (vi) environmental and social management arrangements and instruments applicable to the CER Part, consistent with the provisions of Section E below; and
 - (vii) any other arrangements necessary to ensure proper coordination and implementation of the CER Part;
 - (b) afford the Association a reasonable opportunity to review the proposed CER Operations Manual;
 - (c) promptly adopt the CER Operations Manual for the CER Part as accepted by the Association and integrate it as an annex to the Operational Manual;
 - (d) ensure that the CER Part is carried out in accordance with the CER Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CER Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
 - (e) not amend, suspend, abrogate, repeal or waive any provision of the CER Operations Manual without prior approval by the Association.

2. The Recipient shall, throughout the implementation of the CER Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.
3. The Recipient shall undertake no activities under the CER Part (and no activities shall be included in the CER Part) unless and until the following conditions have been met in respect of said activities:
 - (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CER Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (b) the Recipient has prepared and ensured the disclosure of all environmental and social instruments as may be required for said activities, in accordance with the CER Operations Manual and the ESCP, the Association has approved all said instruments, and the Recipient has ensured the implementation of any actions which are required to be taken under said instruments.

D. Environmental and Social Standards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and
 - (d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Association shall otherwise agree in writing and the Recipient has, thereafter, disclosed the revised ESCP.
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:
 - (a) take all measures necessary on its part 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 management tools and instruments referred to therein, including resettlement action plans, 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) promptly notify the Association 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, including, gender-based violence and violence against minors, in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.
5. The Recipient shall maintain and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Association, 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 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 said calendar semester as further detailed in the Operational Manual.

Section III. Withdrawal of the Proceeds of the Financing

A. General

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

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Training and Operating Costs for Parts 1 and 2 of the Project	9,000,000	100%
(2) Emergency Expenditures under Part 4 of the Project (CER Part)	0	100%
TOTAL AMOUNT	9,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Section III.A above, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date; or
 - (b) under Category (2), for Emergency Expenditures, unless and until the Association is satisfied, and notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:
 - (i) the Recipient has determined that an Eligible Emergency has occurred, has furnished to the Association a request to include said activities in the CER Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;
 - (ii) the Recipient has ensured that all environmental and social instruments required for said activities have been prepared and disclosed, and the Recipient has ensured that any actions which are required to be taken under said instruments have been implemented, all in accordance with the provisions of Section I.D. of this Schedule 2;
 - (iii) the Recipient's Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.C of this Schedule 2, for the purposes of said activities; and

- (iv) the Recipient has adopted the CER Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CER Operations Manual remain – or have been updated in accordance with the provisions of Section I.C of this Schedule 2 so as to be appropriate for the inclusion and implementation of said activities under the CER Part.

- 2. The Closing Date is June 30, 2026.

APPENDIX

Definitions

1. “AAN” means “Autorité Aéroportuaire Nationale”, the Recipient’s airport authority, or any successor thereto acceptable to the Association.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. “CAP” refers to the IATA three letter code for “Cap-Haïtien Airport”, an airport located in the city of Cap-Haïtien in the Recipient’s territory.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “CER” means Contingency Emergency Response, to be carried out, if needed, under Part 4 of the Project.
6. “CER Operations Manual” means the Recipient’s manual for the CER Part referred to in Section I.C.1 of Schedule 2 to this Agreement, to be adopted by the Recipient for the CER Part of the Project (and annexed to the Operational Manual) in accordance with the provisions of said Section, as such manual may be amended from time to time with the prior written consent of the Association.
7. “CER Part” or “CER Part of the Project” each means Part 4 of the Project.
8. “Coordinating Authority” means the entity or entities designated by the Recipient in the CER Operations Manual and approved by the Association pursuant to Section I.C.1(a)(i) of Schedule 2 to this Agreement, to be responsible for coordinating the CER Part of the Project.
9. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient associated with natural or man-made crisis or disaster.
10. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the CER Operations Manual in accordance with the provisions of Section I.C.1(a)(ii) of Schedule 2 to this Agreement and required for the activities included in the CER Part of the Project.
11. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the Recipient’s environmental and social commitment plan, acceptable to the

Association, dated March 25, 2020, and amended on April 27, 2023, 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.

12. “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.
13. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020, April 1, 2021, and January 1, 2022).
14. “IATA” means “International Air Transport Association”, created in Havana, Cuba on April 19, 1945 and incorporated in December 18, 1945 through a special Act of the Canadian Parliament, as the prime vehicle for inter-airline cooperation in promoting safe, reliable, secure and economical air services for the benefit of the world’s consumers with 290 members from 120 countries, as operating under its Articles of Association, as amended to date.
15. “ICAO” means the “International Civil Aviation Organization”, a specialized agency of the United Nations created on April 4, 1947 with headquarters in Montreal, Canada and in charge of the principles and techniques of international air navigation, as well as planning and development of international air transport to ensure its safe and orderly growth.
16. “ICAO SARPs” means standards and recommended practices adopted by the Council of ICAO.

17. “MTPTC” means *Ministère des Travaux Publics, Transports et Communications*, the Recipient’s Ministry of Public Works, Transport and Communications, or any successor thereto acceptable to the Association.
18. “OFNAC” means *Office National de l’Aviation Civile*, the Recipient’s bureau of civil aviation, or any successor thereto acceptable to the Association.
19. “Operating Costs” means reasonable and necessary incremental expenses incurred on account of Project implementation, including office supplies, vehicle rental, operation and maintenance, insurance costs, bank charges, office administration, maintenance and rental costs, utilities, travel, *per diem* and supervision costs and salaries of locally contracted employees (excluding salaries of the Recipient’s civil service staff), and as approved by the Association.
20. “Operational Manual” means the manual referred to in Section I.B.1 of Schedule 2 to this Agreement, as may be revised from time to time with the Association’s prior and written approval.
21. “Original Financing Agreement” means the financing agreement for the Caribbean Regional Air Transport Connectivity Project between the Recipient and the Association, dated June 29, 2020 (IDA Grant Number D6290-HT).
22. “Original Project” means the Caribbean Regional Air Transport financed through the Original Financing Agreement.
23. “PAP” refers to the IATA three letter code for “Port au Prince Toussaint Louverture Airport”, an airport located in the capital city of the Recipient.
24. “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.
25. “Project Implementing Unit” means “Unité Centrale d’Exécution”, the Recipient’s unit within MTPTC referred to in paragraph 2 of Section I.A of Schedule 2 to this Agreement.
26. “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.
27. “Training” means expenditures incurred by the Recipient in connection with carrying out training activities under the Project, including travel costs and *per diem* for local trainees, study tours, workshops, conferences, rental of facilities and equipment and training materials and related supplies.