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**GRANT NUMBER E3720-DJ  
CREDIT NUMBER 7016-DJ (Amendment)**

# **Financing Agreement**

**(Additional Financing for the Horn of Africa Initiative: Djibouti Regional Economic  
Corridor Project)**

**and**

**Amendment to the Original Financing Agreement**

**between**

**THE REPUBLIC OF DJIBOUTI**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**GRANT NUMBER E3720-DJ  
CREDIT NUMBER 7016-DJ (Amendment)**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between THE REPUBLIC OF DJIBOUTI (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of providing an additional financing to the Original Project. The Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

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

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to sixty-seven million eight hundred thousand Special Drawing Rights (SDR 67,800,000) (“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 June 15 and December 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. 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 — 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 fifteen (15) years after the Signature Date.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

5.01. The Recipient's Representative is its minister of economy and finance in charge of industry.

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

(a) the Recipient's address is:

Ministry of Economy and Finance in Charge of Industry  
Cité Ministérielle  
BP13, Djibouti  
République de Djibouti; and

(b) the Recipient's Electronic Address is:

Facsimile:                      E-mail:  
+253 21358135                  cabinet@economie.gouv.dj

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

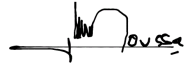
(b) the Association's Electronic Address is:

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

AGREED as of the Signature Date.

**THE REPUBLIC OF DJIBOUTI**

**By**



\_\_\_\_\_  
**Authorized Representative**

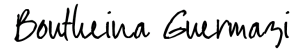
**Name:** H.E. Ilyas Moussa Dawaleh  
Minister

**Title:** \_\_\_\_\_

**Date:** 17-oct.-2024

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**



\_\_\_\_\_  
**Authorized Representative**

**Name:** Boutheina Guermazi  
Director, Regional Integration

**Title:** \_\_\_\_\_

**Date:** 12-Oct-2024

## SCHEDULE 1

### Project Description

The objective of the Project is to improve regional connectivity and resilience, enhance logistics efficiency, and to improve spatial accessibility for the population living in the territory of the Recipient, along the Djibouti- Addis Southern Corridor.

The Project consists of the following parts:

#### **Part 1: Improvement of infrastructure and introduction of axle load control system along the Djibouti-Addis Southern Corridor**

Improve the road corridor through Output- and Performance-based Road Contracts (OPBRC) which will include rehabilitation works for some sections, and the maintenance and operation of the corridor, including axle load control and road safety.

##### 1.1: Rehabilitation and upgrade of road sections along the Djibouti-Addis Southern Corridor and logistics infrastructure

- (a) (i) Carrying out the rehabilitation of (A) the Djibouti city – Arta section on the RN1 and a section of at least 32 kilometers from the RN1/Arta junction in the direction of Doudoubalala on the RN1; (B) RN1/RN5 junction - Ali Sabbieh section on the RN5; and (C) Ali Sabbieh - Guelileh section on the RN19, all with climate resilient standards; and
- (ii) Carrying out the performance-based maintenance on the sections of the Djibouti-Addis Southern Corridor described in Part 1.1.(a) (i) above, through the OPBRC, allocating the existing toll revenue, including the operation and maintenance of the axle load control stations along the Djibouti-Addis Southern Corridor.
- (b) Support the development of climate and natural disaster vulnerability assessment on the sections of the Djibouti-Addis Southern Corridor referred to in Part 1.1(a) above.
- (c) Carrying out: (i) a logistic study and the implementation of its recommendations; and (ii) road safety audits and road safety screening and appraisal tools including: (A) construction of safe, climate resilient and energy-efficient platforms and rest stops for trucks along the corridor; (B) the rehabilitation and upgrading of customs check posts; and (C) treatment of identified road safety “black spots”.
- (d) Carrying out rural road improvement through: (i) financing enhancements to lifeline rural tracks with climate-resilient standards, including mapping

and upgrading rural tracks and their adjacent feeder roads in settlement areas and small towns adjacent to the Djibouti-Addis Southern Corridor referred to in Part 1.1(a) above; (ii) financing of associated technical assistance and consulting services to prepare and supervise the work; and (iii) financing of technical assistance for the development of a master plan for a rural tracks strategy focusing on areas along the corridor.

1.2: Deployment of Integrated Transport Information System (ITIS)

Carrying out the design and implementation of ITIS systems aimed at ensuring fluidity of freight movement between Ethiopia and Djibouti, which shall include, *inter alia*: (a) integration of information systems between road, rail and border control agencies; (b) traffic safety status and alert report, including during climate-related emergencies; (c) electronic payments for the toll; and (d) installation and interconnection of weighing stations along the corridor at key locations selected in accordance with COMESA regulations.

**Part 2: Improvement of transit services and introduction of intelligent transport systems along the Djibouti-Addis Southern Corridor**

2.1: Enhancement of Customs Transit Procedures

(a) Provision of technical assistance to the Recipient customs agency to support operationalization of the cross-border harmonization of customs declaration documents between Ethiopia and the Recipient, by supporting the interconnection of the two customs systems for an automated and systematic exchange between Ethiopia and Djibouti; and (b) support the operationalization of export transit procedures of the Ethio-Djibouti Customs Transit Protocol Agreement.

2.2: Development of an OSBP at Guelileh border

(a) support the construction of the Recipient portion of an OSBP at Guelileh border with Ethiopia, including office buildings and associated facilities; (b) provision of training and technical assistance to customs agents, transporters, clearing agents and members of the private sector to operationalize customs procedures and processes for OSBPs; and (c) support coordinated management of the Ethiopia-Djibouti corridor including options for the creation of a transport and transit corridor management committee and its operationalization.

2.3: Upgrade the Recipient's customs automated system

Provision of support to, *inter alia*: (a) finalize the upgrade of the Recipient's customs management system to a web-based system through technical assistance; (b) implement electronic cargo tracking systems for transit; (c) acquire x-ray cargo-scanners remote image analysis equipment and systems; (d) introduce a

Cargo Targeting System for anticipated risk management based on cargo manifests' data through technical assistance; and (e) provide capacity building through technical assistance.

**Part 3: Institutional strengthening and capacity-building and Project implementation support**

3.1: Technical assistance in respect of the OPBRC

Provision of technical assistance to the Recipient for: (a) the structuring and tendering of an OPBRC for the major rehabilitation works / upgrade of road sections along the Djibouti-Addis Southern Corridor, the maintenance and the operation of the road including axle load control station(s); (b) the monitoring of compliance by the contractors with the technical, performance and environmental/social criteria established in the OPBRC, as well as technical and social audits; (c) developing robust procedures and processes for the public authority to fund long-term rehabilitation and operation and maintenance contracts, including carrying out road corridor analysis, the structuring of the tender and the drafting of the contract, and other relevant points needed to address the links between the performance-based contractual approach and local communities, climate change and resilience, job creations, road safety and occupational safety; and (d) capacity-building on the road sector management best practices and technical, administrative, and financial management of road projects and assets, including establishing client readiness to adopt OPBRC.

3.2: Institutional strengthening and capacity-building on road performance-based contracts, PPPs and road sector efficiency

Provision of capacity building support to road asset management under OPBRC and, to output based contracts under public-private partnership modalities through: (a) assisting in designing the institutional monitoring framework for PPP contracts, (b) capacity building to the Recipient's agencies in charge of management of the road sectors on output-based approaches, fiscal management linked to performance-based contracts and to PPP schemes, and raising awareness on issues related to axle load control, road safety, climate change (adaptation / resilience and mitigation) and, in line with international standards, gender in PPPs; and (c) technical support for increasing the road sector governance and institutional efficiency.

3.3: Maximizing the Djibouti-Addis Southern Corridor's development impacts for local communities

Supporting: (a) the design and implementation of programs aimed at preventing and reducing the impact of HIV/AIDS infection among communities; (b) disease prevention campaign targeting the Djibouti-Addis Southern Corridor' users; (c)

literacy trainings for women addressing their specific needs; (d) support to female labor force participation (in direct jobs resulting from the Project's activities or indirect jobs through development of businesses along the corridors); (e) the implementation of GBV protocol/measures for border personnel and women, as well as GBV training and information sessions for both women and men, truck drivers, border personnel; (f) sensitize border security on the importance of allowing women to trade hassle-free; (g) the design of interventions to increase road safety targeting populated areas and schools located along the roads improved under Part 1; and (h) communication and prevention campaigns regarding activities under 3.3(a) to (g) above and Part 1.

3.4: Project and Djibouti-Addis Southern Corridor management including corridor performance monitoring and reporting.

Provision of support for Project implementation, monitoring and evaluation, and audits.

**Part 4: Contingent 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 carry out the implementation of the Project through the ADR under the MoIE, and shall take all actions including the provision of funding, personnel, and other resources necessary to enable the ADR to perform its functions.
2. The Recipient shall maintain throughout the Project implementation period, with composition, mandate and resources satisfactory to the Association, the steering committee, to be chaired by MoIE, and responsible for providing technical supervision and guidance for the Project, as further described in the Project Implementation Manual (the “Steering Committee”).
3. ADR shall maintain throughout the period of Project implementation, a Project Coordination Unit (PCU) to run the day-to-day management of the Project, in form and with terms of reference, functions, composition, mandate, staffing, and adequate resources satisfactory to the Association, and as further described in the Project Implementation Manual. To this end, the Recipient shall maintain key staff, including a procurement specialist, a financial management specialist and social and environmental specialists as defined in the ESCP, each with terms of reference and experience satisfactory to the Association.
4. The Recipient shall cause ADR and DPCR to maintain throughout implementation of the Project, a written Project Implementation Support Agreement, in form and manner satisfactory to the Association, by which DPCR shall commit to allocate and thereafter transfer to ADR resources to cover a part of the costs of implementing Part 1.1(a)(ii) of the Project. Such amounts shall be thereafter allocated in the relevant AWPB to cover a part of the costs of the relevant activities under Part 1.1(a)(ii) of the Project.

##### **B. Project Implementation Manual**

1. Not later than sixty (60) days after the Effective Date, the Recipient shall, update and thereafter maintain, in accordance with terms of reference acceptable to the Association, a Project implementation manual, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) monitoring, evaluation, reporting and communication; (c) detailed procedures for coordination and collaboration among different sector actors involved in the carrying out of the Project; (d) administration, financial

management and accounting; and (e) such other administrative, technical and organizational arrangements and procedures as shall be required for purposes of implementation of the Project.

2. The Recipient shall afford the Association a reasonable opportunity to review such manual and shall thereafter adopt said manual as shall have been approved by the Association (“Project Implementation Manual” or “PIM”).
3. The Recipient shall carry out the Project in accordance with the PIM and shall not amend, abrogate, waive or permit to be amended, abrogated or waived, the aforementioned manual, or any provision thereof, without the prior written consent of the Association.
4. In the event of any inconsistency between this Agreement and the PIM the provisions of this Agreement shall prevail.

**C. Annual Work Plan and Budget**

1. The Recipient shall, not later than November 15 in each calendar year during Project implementation, prepare and furnish to the Association, a plan of Project activities proposed for implementation in the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of said activities; and (b) the types of expenditures required for such activities, a proposed financing plan and a budget (“Annual Work Plan and Budget”).
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on such proposed Annual Work Plan and Budget and thereafter ensure that the Project is implemented in accordance with such Annual Work Plan and Budget as shall have been approved by the Association.
3. In the event of any conflict between the Annual Work Plan and Budget and the provisions of this Agreement, the provisions of this Agreement shall prevail.

**D. Environmental and Social Standards**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. 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.

6. The Recipient 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 ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

**E. Contingent Emergency Response**

1. In order to ensure the proper implementation of contingent emergency response activities under Part 4 of the Project (“Contingent Emergency Response Part”), the Recipient shall ensure that:
  - (a) a manual (“CERC Manual”) is prepared and adopted in form and substance acceptable to the Association, 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 Association;
  - (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 Association.

2. The Recipient 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 Association.
3. The Recipient 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 the ESCP, and in form and substance acceptable to the Association; and
  - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Association.
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 Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar quarter, covering the calendar quarter.

**Section III. Withdrawal of the Proceeds of the Financing**

**A. General**

1. 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:

<b>Category</b>	<b>Amount of the Financing Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consulting services, Operating Costs, and	67,800,000	100%

Training for Parts 1, 2.3, and 3 of the Project		
(2) Goods, works, non-consulting services, and consulting services, and Training for Parts 2.1 and 2.2 of the Project.	0	100%
(3) Emergency Expenditures under Part 4 of the Project	0	100%
<b>TOTAL AMOUNT</b>	67,800,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date; or
  - (b) under Category (2), unless the customs authorities of Recipient and Ethiopia have entered into a mutual understanding in form and manner satisfactory to the Association, sufficient for the Recipient to be able to carry out the activities under Parts 2.1 and 2.2 of the Project; or
  - (c) 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 Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw Financing amounts under Category (3); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
    - (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.
2. The Closing Date is December 31, 2031.

**Section IV. Amendment to the Original Financing Agreement**

1. Schedule 1 to the Original Financing Agreement is deleted in its entirety and replaced by a new Schedule 1 strictly identical to Schedule 1 to this Agreement.

2. Section I.A.3 of Schedule 2 to the Original Financing Agreement is amended to read as follows:

“3. ADR shall maintain throughout the period of Project implementation, a Project Coordination Unit (PCU) to run the day-to-day management of the Project, in form and with terms of reference, functions, composition, mandate, staffing, and adequate resources satisfactory to the Association, and as further described in the Project Implementation Manual. To this end, the Recipient shall maintain key staff, including a procurement specialist, a financial management specialist and social and environmental specialists as defined in the ESCP, each with terms of reference and experience satisfactory to the Association.

3. Section I.A.4 of Schedule 2 to the Original Financing Agreement is amended to read as follows:

“4. The Recipient shall cause ADR and DPCR to maintain throughout implementation of the Project, a written Project Implementation Support Agreement, in form and manner satisfactory to the Association, by which DPCR shall commit to allocate and thereafter transfer to ADR resources to cover a part of the costs of implementing Part 1.1(a)(ii) of the Project. Such amounts shall be thereafter allocated in the relevant AWPB to cover a part of the costs of the relevant activities under Part 1.1(a)(ii) of the Project.”

4. Section II of Schedule 2 to the Original Financing Agreement is amended to read as follows:

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

5. The disbursement table in Section III.A of Schedule 2 to the Original Financing Agreement is deleted in its entirety and replaced by the following table:

<b>Category</b>	<b>Amount of the Financing Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consulting services, Operating Costs, and	46,753,930	100%

Training for Parts 1, 2.3, and 3 of the Project		
(2) Goods, works, non-consulting services, and consulting services, and Training for Parts 2.1 and 2.2 of the Project.	2,475,000	100%
(3) Emergency Expenditures under Part 4 of the Project	0	100%
(4) Refund of Preparation Advance	271,070	Amount payable pursuant to Section 2.07(a) of the General Conditions
(5) Eligible Expenditures for the CERP	0	100% (inclusive of Taxes)
<b>TOTAL AMOUNT</b>	49,500,000	

6. Section III.B.2 of Schedule 2 to the Original Financing Agreement is amended to read as follows:

“The Closing Date is December 31, 2031.”

7. The following definitions in the Appendix of the Original Financing Agreement are amended to read as follows:

“DPCR” means Djibouti Ports Corridor Road SA, a fully owned entity of the Recipient in charge of road operation and maintenance, established in 2007 and operating pursuant to Decree No. 2018-319/PR/MET of October 18, 2018, in charge of supporting ADR in the implementation of Part 1 of the Project.



## APPENDIX

1. “ADR” means *Agence Djiboutienne des Routes*, Djibouti Road Agency the Recipient’s agency in charge of roads, established under the MoIE.
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. “Annual Work Plan and Budget” or “AWPB” means the instrument referred to in Section I.C.1 of Schedule 2 to this Agreement.
4. “Cargo Targeting System” or “CTS” means the system developed and implemented by the World Customs Organization which enables customs administrations to receive cargo manifests, bills of lading or airway bill data and systematically apply risk profiles to identify potentially high-risk consignments on import, export and transshipment.
5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. “CERC” means contingent emergency response component.
7. “CERC Manual” means the manual referred to in Section I.E. of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Association, and which is an integral part of the Project Implementation Manual.
8. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 4 of the Project to respond to an Eligible Crisis or Emergency.
9. “COMESA” means Common Market for Eastern and Southern Africa.
10. “Djibouti-Addis Southern Corridor” means the road corridor in the territory of the Recipient between the cities of Djibouti and Guelileh, through the city of Ali Sabieh.
11. “DPCR” means Djibouti Ports Corridor Road SA, a fully owned entity of the Recipient in charge of road operation and maintenance, established in 2007 and operating pursuant to Decree No. 2018-319/PR/MET of October 18, 2018, in charge of supporting ADR in the implementation of Part 1 of the Project.

12. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
13. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.E. of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
14. “Emergency Action Plan” means the plan referred to in Section I.E. of Schedule 2 to this Agreement, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
15. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated August 12, 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.
16. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
17. “Ethio-Djibouti Customs Transit Protocol Agreement” means the agreement between the Beneficiary and Ethiopia, dated November 8, 2008 which includes transit modalities, roles and responsibilities, operational processes, and procedures, guarantee mode, legal route, and legally valid crossing points.
18. “Ethiopia” means the Federal Democratic Republic of Ethiopia.

19. “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).
20. “ITIS” means the Integrated Transport Information System referred to in Part 1.2 of Schedule 1 of this Agreement.
21. “MoIE” means the Recipient’s ministry in charge of infrastructure and equipment, or any successor thereto.
22. “OPBRC” means output- and performance- based road contract.
23. “Operating Costs” means the incremental operating costs under the Project, based on the Annual Work Plan and Budget approved by the Association, and incurred by the ADR, on account of utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, office space rental, building and equipment maintenance, public awareness-related media expenses, travel and supervision, and salaries of contractual and temporary staff, but excluding salaries, fees, honoraria, and bonuses of members of the Recipient’s civil service.
24. “Original Financing Agreement” means the agreement entered into between the Recipient and the Association for the provision of Credit 7016-DJ dated December 23, 2021, as amended from time to time.
25. “Original Project” means, collectively, the set of activities included in Schedule 1 to the Original Financing Agreement.
26. “OSBP” means one-stop border post.
27. “PPP” means public-private partnership.
28. “PPP Unit” means the unit within the Recipient’s ministry in charge of economy and finance, in charge of promotion of public private partnerships in the territory of the Recipient.
29. “Preparation Advance” means the advance referred to in Section 2.07 (a) of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on May 11, 2021 and on behalf of the Recipient on May 12, 2021.
30. “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.

31. “Project Coordination Unit” or “PCU” means the coordination unit referred to in Section I.A.3 of Schedule 2 to this Agreement.
32. “Project Implementation Manual” means the manual referred to in Section I.B of Schedule 2 to this Agreement.
33. “Project Implementation Support Agreement” means the agreement between ADR and DPCR referred to in Section I.A.4 of Schedule 2 to this Agreement.
34. “RN” means *Route Nationale* or national highway.
35. “Single Administrative Document” or “SAD” means the common customs declaration form template used by the Recipient and Ethiopia according to COMESA standards.
36. “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.
37. “Steering Committee” means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement.
38. “Training” means the costs of training under the Project, based on the Annual Work Plan and Budget approved by the Association, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities.
39. “World Customs Organization” or “WCO” means the organization established in 1952 by the Convention Establishing the Customs Co-operation Council (in force as of November 4, 1952) as an independent intergovernmental body whose mission is to enhance the effectiveness and efficiency of customs administrations.