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**CREDIT NUMBER 7411-BD (PORTION A OF THE CREDIT)  
CREDIT NUMBER 7410-BD (PORTION B OF THE CREDIT)**

# **Financing Agreement**

**(Jamuna River Sustainable Management Project 1)**

**between**

**PEOPLE'S REPUBLIC OF BANGLADESH**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**CREDIT NUMBER 7411-BD (PORTION A OF THE CREDIT)  
CREDIT NUMBER 7410-BD (PORTION B OF THE CREDIT)**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between PEOPLE’S REPUBLIC OF BANGLADESH (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”).

WHEREAS:

(A) the Recipient, having satisfied itself as to the feasibility and priority of the Project described in Schedule 1 to this Agreement (“Project”), has requested the Association to extend a credit to assist in the financing of the Project;

(B) the Recipient also requested the Association to make available a Global Shield Financing Facility grant in the amount of six million United States Dollars (US\$ 6,000,000) to assist in the financing of the Project, under a grant agreement between the Recipient and the Association, dated the same date of this Agreement (“Grant 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, to assist in financing the Project, a credit (variously, “Credit” and “Financing”), in two portions, as follows:
  - (a) the first portion of the Credit, which is deemed as Concessional Financing for the purposes of the General Conditions, in the amount equivalent to fifty-three million seven hundred thousand Special Drawing Rights (SDR 53,700,000) (“Portion A”); and
  - (b) the second portion of the Credit, which is deemed as Non-concessional Financing for purposes of the General Conditions, in the amount equivalent to twenty-seven million two hundred thousand Euro (EUR 27,200,000) (“Portion B”), as such amount may be converted from time to time through a Currency Conversion.
- 2.02. The Recipient may withdraw the proceeds of the Credit in accordance with Section III of Schedule 2 to this Agreement.

**ARTICLE III – TERMS FOR PORTION A OF THE CREDIT**

- 3.01. The Maximum Commitment Charge Rate for Portion A of the Credit is one half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance of Portion A of the Credit.
- 3.02. The Payment Dates of Portion A of the Credit are January 1 and July 1 in each year.
- 3.03. The principal amount of Portion A of the Credit shall be repaid in accordance with the repayment schedule set forth in Section A of Schedule 3 to this Agreement.
- 3.04. The Payment Currency of Portion A of the Credit is Dollar.

**ARTICLE IV – TERMS FOR PORTION B OF THE CREDIT**

- 4.01. The Front-end Fee is one quarter of one percent (1/4 of 1%) of Portion B of the Credit amount.
- 4.02. The Commitment Charge for Portion B of the Credit is one-quarter of one percent (1/4 of 1%) per annum on the Unwithdrawn Credit Balance of Portion B of the Credit.
- 4.03. The Interest Charge for Portion B of the Credit is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.09(e) of the General Conditions.
- 4.04. The Payment Dates of Portion A of the Credit are June 1 and December 1 in each year.
- 4.05. The principal amount of Portion B of the Credit shall be repaid in accordance with the repayment schedule set forth in Section B of Schedule 3 to this Agreement.

**ARTICLE V — PROJECT**

- 5.01. 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 VI — EFFECTIVENESS; TERMINATION**

- 6.01. The Additional Condition of Effectiveness consists of the following, namely, that the Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 6.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

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

## **ARTICLE VII — REPRESENTATIVE; ADDRESSES**

- 7.01. The Recipient's Representative is its Senior Secretary/Secretary or Additional Secretary, or any Joint Secretary, Deputy Secretary, Senior Assistant Secretary, or Assistant Secretary of the Economic Relations Division of the Ministry of Finance.

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

- (a) the Recipient's address is:

Economic Relations Division  
Ministry of Finance  
Sher-E-Bangla Nagar  
Dhaka 1207  
Bangladesh; and

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

Facsimile:  
+88029180788 / +88029180671

E-mail:  
[secretary@erd.gov.bd](mailto:secretary@erd.gov.bd)

- 7.03. 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:

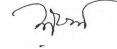
Facsimile:

1-202-477-6391

AGREED as of the Signature Date.

**PEOPLE'S REPUBLIC OF BANGLADESH**

**By**



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

**Name:** Secretary Sharifa Khan  
\_\_\_\_\_

**Title:** MS.  
\_\_\_\_\_

**Date:** 22-Nov-2023  
\_\_\_\_\_

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**



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

**Name:** Abdoulaye Seck  
\_\_\_\_\_

**Title:** Country Director  
\_\_\_\_\_

**Date:** 22-Nov-2023  
\_\_\_\_\_

## SCHEDULE 1

### Project Description

The objective of the Project is to increase capacity for flood management and navigation along the Jamuna River.

The Project consists of the following parts:

#### **Part 1: Flood and Riverbank Erosion Management**

- (a) *Works and O&M.* Providing support for the design, construction, and operation of transversal structures and longitudinal structures, including: (i) construction of innovative top blocked permeable groynes at Kalihati in Tangail and Fulchhari in Gaibandha; (ii) construction and maintenance of embankments and revetments to protect the riverbanks at Kalihati in Tangail, Fulchhari in Gaibandha and Kawakhola in Sirajganj; and (iii) small-scale, innovative excavation to protect the riverbank and *char* land at Kawakhola in Sirajganj, including the preparation of an excavated soil management plan.
- (b) *Land Acquisition and Compensation.* Providing support for: (i) land acquisition at Kalihati in Tangail and Fulchhari in Gaibandha and compensation for affected people in Kawakhola; and (ii) afforestation works associated with the sites identified under Part 1(a)(i).
- (c) *Institutional Strengthening.* Carrying out institutional strengthening activities, including: (i) capacity building for BWDB staff; consultancy services to, *inter alia*, develop a national river management master plan, biodiversity management plan, piloting of fisheries management plan, gender and sexual exploitation and abuse/sexual harassment risk mitigation action plan; carry out livelihood restoration and development, stakeholder consultation and grievance redress mechanism activities; and partnership with universities; and (ii) purchase of goods/equipment to support the institutional strengthening activities.
- (d) *Community Engagement.* Providing support for the formation of pilot water management groups that promote participatory planning, decision-making, and monitoring in the river management sector to directly engage and empower people along the Jamuna River, including: (i) enhancing climate and disaster risk preparedness and response in select communities; and (ii) engaging communities in Kawakhola *char* development.
- (e) *Preparation for the Second Project.* Carrying out feasibility studies for the subsequent project, including economic analysis, environmental and social risks and impact assessments and plans.

#### **Part 2: Navigation Channel Development**

- (a) *Hydrography and RIS.* Developing and operating an RIS system across the Bangabandhu Bridge to Doikhawa stretch of the Jamuna River, which incorporates physical aids to navigation, very high frequency communication system and radar, hydrography and inland electronic navigational chart, automatic identification system, and notice to skippers, to meet the RIS maturity level D+ of the PIANC standards.

- (b) *Prototype Structures.* Testing pilot green shipping that could kick-start innovative thinking in the IWT sector, including through commercialization, including the environmentally friendly design, commissioning, delivery, and O&M of a prototype cargo vessel and cargo-handling pontoons that cater to the specific conditions of the Jamuna River and require public investment to spur innovation.
- (c) *Institutional Strengthening.* Carrying out institutional strengthening activities, including the preparation of the Jamuna River navigation master plan, carrying out of regional IWT dialogue, and capacity building for BIWTA staff, line ministry officials and other IWT stakeholders.
- (d) *Community Engagement.* Providing support for the formation of local community groups in select communities to encourage ownership of assets and inform behaviors to prevent damages to buoys and labor contracting societies to perform basic maintenance and report any abnormalities they cannot handle to BIWTA.
- (e) *Preparation for the Second Project.* Carrying out feasibility studies for subsequent project, including economic and financial analysis, service charge models, environmental and social risk and impact assessments and plans.

**Part 3: Financial Protection of Communities**

- (a) *Design and Development of Prearranged Financial Solutions.* Designing, developing, and implementing prearranged financial solutions for climate-vulnerable communities when flood events occur, such as: (i) macro-level insurance, including technical work for product design, support for insurance premiums payment to insurers and delivery costs of funds to beneficiaries; and (ii) community protection fund, including provision of initial capital needed to set up the fund and development of operational protocols and governance rules.
- (b) *Institutional Strengthening.* Identifying and addressing capacity gaps for the proposed solutions under Part 3(a) of the Project, providing support for monitoring and evaluation and learning, including to scale-up the financial solutions, and the preparation of a gender strategy to ensure women's access to disaster risk financing and relevant livelihood opportunities.

**Part 4: Project Management**

Providing support to the PIUs for Project implementation, including:

- (a) support for at least one navigation expert, fiduciary consultants, panel of experts for BIWTA-PIU; and hiring of vehicles for BWDB-PIU;
- (b) support for procurement, financial management and audit, local occupational health and safety, environmental, social, resettlement and grievance redress mechanism, capacity development and training, gender and sexual exploitation and abuse/sexual harassment, and panel of experts for BWDB-PIU;
- (c) support for the operations of BWDB-PIU and IDRA-PIU offices and hiring of vehicles for BIWTA-PIU; and
- (d) support for procurement, financial management, audit, and environmental and social safeguards for IDRA-PIU.

**Part 5:        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, at all times during the implementation of the Project:
  - (a) cause:
    - (i) BWDB to be responsible for the implementation of Part 1 and, together with BIWTA and IDRA, Part 4 of the Project, as well as coordination and consultation with other stakeholders, as the lead agency;
    - (ii) BIWTA to be responsible for the implementation of Part 2 and, together with BWDB and IDRA, Part 4 of the Project; and
    - (iii) IDRA to be responsible for the implementation of Parts 3 and, together with BWDB and BIWTA, Part 4 of the Project; and
  - (b) take, or cause to be taken, all actions, including the provision of funding, personnel, and other resources, to enable BWDB, BIWTA, and IDRA (together, “Implementing Agencies”, and individually, “Implementing Agency”) to perform its respective functions under the Project, including the establishment of a dedicated unit for Project management and implementation in each Implementing Agency (“Project Implementation Unit”), by not later than sixty (60) days after the Effective Date, which shall be headed by a Project director and supported with adequate number of staff and/or consultants, each with terms of reference, qualifications, and experience satisfactory to the Association.
2. The Recipient shall maintain, at all times during the implementation of the Project, with a mandate, composition, and resources satisfactory to the Association:
  - (a) a steering committee (“Project Steering Committee” or “PSC”) for each Implementing Agency, which shall: (i) be established by not later than sixty (60) days after the Effective Date; (ii) be responsible for providing overall guidance and policy direction at a higher level and ensuring sound coordination between the Implementing Agencies and other government entities involved; (iii) be led by a Senior Secretary/Secretary of the concerned ministry, with the PSC under MOWR acting as the coordinator of all PSCs; and (iv) consist of representatives from concerned ministries, BWDB, BIWTA, IDRA, Economic Relations Division, Finance Division, the Planning Commission, IMED, and the Bangladesh Bridge Authority and other relevant stakeholder agencies; and
  - (b) a panel of experts for BWDB and BIWTA, which shall: (i) be established by not later than six (6) months after the Effective Date; and (ii) be responsible for addressing Project risks, providing advice on river engineering and morphology, inland navigation, livelihood restoration, and aquatic biodiversity, and ensuring that the Project is implemented in line with global best practices.

**B. Project Operations Manual.**

1. The Recipient shall prepare and adopt, by not later than forty-five (45) days after the Effective Date, and thereafter implement the Project in accordance with, a manual (“Project Operations Manual”), in form and substance satisfactory to the Association, which shall include provisions on the following matters:
  - (a) detailed description of Project activities;
  - (b) institutional arrangements for the oversight, coordination, management and day-to-day implementation of the Project, including coordination and synergy between the development of the river management master plan under Part 1(c)(i) of the Project and the development of the navigation master plan under Part 2(c) of the Project as well as synergy on environmental and social risk management;
  - (c) financial management;
  - (d) procurement;
  - (e) arrangements for preventing, detecting, reporting, investigation, remediation and otherwise addressing fraud and corruption, including compliance with the Anti-Corruption Guidelines;
  - (f) environmental and social management systems, including on grievance redressal mechanism, gender-based violence and sexual exploitation and abuse (GBV/SEA);
  - (g) monitoring and evaluation, reporting and communication;
  - (h) disbursement and flow of funds arrangements;
  - (i) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.
2. Except as the Association shall otherwise agree in writing, shall not amend, abrogate, or waive, or permit to be amended, abrogated, or waived, the Project Operations Manual and/or any provision thereof.
3. In the event of any inconsistency between the provisions of the Project Operations Manual and those of this Agreement, this Agreement shall govern.

**C. Environmental and Social Standards.**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
  - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;

- (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
  4. The Recipient shall ensure that:
    - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
    - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
  5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
  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 the 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.

**D. 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 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 Credit 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 Contingent Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

**E. Expenditures to be Financed with Counterpart Funds**

The Recipient shall: (a) ensure that all expenditures under Part 1(b) and consulting services under Part 1(d) are financed exclusively out of its own resources and not out of the proceeds of the Financing; and (b) provide, promptly as needed, the resources needed for this purpose:

- (i) all costs associated with land and land use rights, compensation and afforestation required for the purposes of the Project;
- (ii) procurement of vehicles (other than one prototype self-propelled vessel and two prototype floating jetties), recurrent expenditures for the purpose of attending meetings, conferences, seminars, workshops and study tours (sitting allowances / cash per diems / honoraria, notwithstanding eligible expenditures under Operating Costs and Training), and recurrent expenditures for fuel, under the Project;

- (iii) all Taxes, except value-added taxes under Part 2 of the Project up to 15% of the Credit Amount;
- (iv) all Incremental Operating Costs associated with the operations of BWDB-PIU and IDRA-PIU offices and leasing of vehicles for BIWTA-PIU under Part 4 of the Project; and
- (v) procurement of equipment and goods under Part 3.

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

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

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

**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 Credit to: (a) finance Eligible Expenditures; and (b) pay: (i) the Front-end Fee for Portion B of the Credit; and (ii) each Interest Rate Cap or Interest Rate Collar premium for Portion B of the Credit in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Credit Allocated		Percentage of Expenditures to be Financed
	Portion A (expressed in SDR)	Portion B (expressed in EUR)	
(1) Goods (excluding vehicles), works, non-consulting services, consulting services, and Training under Parts 1(a) and 1(c)(ii), and works under Part 1(d) of the Project	39,950,000		100% (exclusive of Taxes)
(2) Goods (excluding vehicles other than prototype self-propelled vessels and prototype floating jetties), works, non-consulting services, consulting services, Incremental Operating Costs, and Training under Part 2 of the Project	12,750,000	27,132,000	100% (inclusive of Taxes, except for Taxes specified in Section I.E(iii) of Schedule 2))
(3) Goods (excluding vehicles), non-consulting services, consulting services, Training and Incremental	1,000,000		100% (exclusive of Taxes)

Operating Costs under Part 4(a) of the Project			
(4) Emergency Expenditures	0	0	
(5) Front-end Fee		68,000	Amount payable pursuant to Section 4.01 of this Agreement in accordance with Section 3.08 (b) of the General Conditions
(6) Interest Rate Cap and Interest Rate Collar premium		0	Amount due pursuant to Section 4.05 (c) of the General Conditions
<b>TOTAL AMOUNT</b>	53,700,000	27,200,000	100%

**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; or
  - (b) for Emergency Expenditures under Category (4), 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 Credit amounts under Category (4); 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, 2028.

### SCHEDULE 3

#### Repayment Schedule

##### A. Repayment Schedule for Portion A of the Credit

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each January 1 and July 1: commencing January 1, 2030 to and including January 1, 2035	<b>8.33334%</b>
On July 1, 2035	<b>8.33326%</b>

\* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

##### B. Commitment-Linked Amortization Repayment Schedule for Portion B of the Credit

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

#### Level Principal Repayments

<b>Principal Payment Date</b>	<b>Installment Share</b>
On each June 1 and December 1 Beginning December 1, 2028 through December 1, 2057	1.67%
On June 1, 2058	1.47%

## APPENDIX

### Section I. Definitions

1. “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.
2. ““Bangladesh Bridge Authority” means the Recipient’s authority established and operating pursuant to the Bangladesh Bridge Authority Act, 2016 (Act No. 34 of 2016), or any successor thereto.
3. “BIWTA” or “Bangladesh Inland Water Transport Authority” means the Recipient’s authority under MOS, established and operating pursuant to the Inland Water Transport Authority Ordinance, 1958 (E. P. Ordinance No. LXXV of 1958), or any successor thereto.
4. “BWDB” or “Bangladesh Water Development Board” means the Recipient’s board under MOWR, established and operating pursuant to the Bangladesh Water Development Board Act, 2000 (Act No. 26 of 2000), or any successor thereto.
5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. “CERC Manual” means the manual referred to in Section I.D of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Association.
7. “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.
8. “Emergency Action Plan” means the plan referred to in Section I.D 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.
9. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.D of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
10. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated August 14, 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.
11. “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.
12. “EUR” means Euro.
  13. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (last revised on July 15, 2023), with the modifications set forth in Section II of this Appendix.
  14. “IDRA” or “Insurance Development and Regulatory Authority” means the Recipient’s authority under MOF, established and operating pursuant to the Insurance Development and Regulatory Authority Act 2010, or any successor thereto.
  15. “IMED” or “Implementation Monitoring and Evaluation Division” means the Recipient’s division under the Ministry of Planning, responsible for monitoring and evaluation of development projects, or any successor thereto.
  16. “Implementing Agencies” means BWDB, BIWTA, and IDRA.
  17. “Incremental Operating Costs” means the reasonable costs required for the day-to-day coordination, administration and supervision of Project activities, including hiring and/or routine repair and maintenance of vehicles, equipment, facilities and office premises; office rent; office supplies; utilities; consumables; communication expenses; translation; printing, photocopying and postal expenses; bank charges; advertising expenses; insurance; costs of clearing, forwarding, inspection, survey and transportation of goods; Project-related meeting expenses; Project-related travel, subsistence and lodging expenses; provided that such Operating Costs are paid to the eligible recipient through the banking system (except for petty cash expenses following the Recipient’s existing policy); and salaries and allowances of contractual staff (other than consultants) but excluding salaries and salary top ups of the Recipient’s civil servants, workshop allowances and/or other sitting allowances, cash per diems, honorarium of any other nature, and fuel.
  18. “Insurance Premium Payment” means the costs of insurance premium payment under Part 3(a)(i) of the Project.
  19. “IWT” means inland water transport.
  20. “Land Acquisition Costs” means the costs of land acquisition and compensation under Part 1(b) of the Project to be financed out of the proceeds of the Credit.
  21. “Level D+ of PIANC Standards” means the intermediate class of RIS maturity, where five of the eight assessment criteria are met, in accordance with the PIANC’s framework for inland waterways (workgroup 201) and RIS guidelines (workgroup 125).
  22. “Ministry of Planning” means the Recipient’s ministry responsible for planning, or any successor thereto.

23. “MOF” or “Ministry of Finance” means the Recipient’s ministry responsible for finance, or any successor thereto.
24. “MOS” or “Ministry of Shipping” means the Recipient’s ministry responsible for shipping, or any successor thereto.
25. “MOWR” or “Ministry of Water Resources” means the Recipient’s ministry responsible for water resources, or any successor thereto.
26. “O&M” means operation and maintenance.
27. “PIANC” is the world association for waterborne transport infrastructure, established in 1885.
28. “Planning Commission” means the Recipient’s commission responsible for planning, or any successor thereto.
29. “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.
30. “Project Implementation Units” means the Recipient’s units to be established in accordance with Section I.A.1(b) of Schedule 2 to this Agreement.
31. “Project Operations Manual” means the Recipient’s manual, acceptable to the Association, to be prepared and adopted in accordance with Section I.B of Schedule 2 to this Agreement, as the same may be amended from time to time with prior written agreement of the Association.
32. “Project Steering Committee” means the Recipient’s committee to be established in accordance with Section I.A.2(a) of Schedule 2 to this Agreement.
33. “RIS” means river information services.
34. “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.
35. “Training” means the reasonable costs required for the participation of personnel involved in training activities, conferences, seminars, workshops and study tours under the Project, which have been approved by the Association in writing on a bi-annual basis, including: (a) travel, hotel, and subsistence costs associated to training, conferences, seminars, workshops and study tours provided that such costs are paid directly to the eligible recipient using the banking system; and (b) costs associated with rental of training and workshop facilities; preparation and reproduction of training and workshop materials; and other costs directly related to preparation and implementation of any training course or workshop; but excluding sitting allowances, workshop allowances and honorarium of any nature.

## **Section II. Modifications to the General Conditions**

The General Conditions are hereby modified as follows:

1. Section 3.03 (Service Charge) is deleted in their entirety and the remaining Sections in Article III are renumbered accordingly, and all references to the Sections of Article III in any provision of the General Conditions are understood to be to such renumbered Sections.
2. Paragraph 66 (Interest Charge) in the Appendix is modified to read as follows:  
  
“66. “Interest Charge” means the interest charge for the purpose of Section 3.07.
3. Paragraph 100 (Service Charge) in the Appendix is deleted in its entirety and the subsequent paragraphs are renumbered accordingly, and any reference to “Service Charge” or “Service Charges” in any provision of the General Conditions is deleted.