
**CREDIT NUMBER 7461-RW (CREDIT A)
CREDIT NUMBER 7460-RW (CREDIT B)**

Financing Agreement

**(Rwanda - Accelerating Sustainable and Clean Energy Access Transformation in
Eastern and Southern Africa Project using Multi-Phase Programmatic Approach)**

between

REPUBLIC OF RWANDA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 7461-RW (CREDIT A)
CREDIT NUMBER 7460-RW (CREDIT B)

FINANCING AGREEMENT

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

WHEREAS:

- A. The Participating Countries, including the Recipient and the Regional Bodies have agreed to participate in the MPA Program, and intend to coordinate among each other for the carrying out of activities under projects and programs to be implemented by the Participating Countries and the Regional Bodies to accelerate access to sustainable, reliable and clean energy in Eastern and Southern Africa;
- B. To facilitate the implementation of the MPA Program:
1. by a financing agreement to be entered into on or about the date hereof between the Republic of Sao Tome and Principe (“STP”) and the Association (“STP Financing Agreement”), the Association will extend to STP financing to assist STP in financing activities related to the MPA Program on the terms and conditions set forth in the STP Financing Agreement;
 2. by a financing agreement to be entered into on or about the date hereof between the United Republic of Tanzania (“Tanzania”) and the Association (“Tanzania Financing Agreement”), the Association will extend to Tanzania financing to assist Tanzania in financing activities related to the MPA Program on the terms and conditions set forth in the Tanzania Financing Agreement;
 3. by a financing agreement to be entered into on or about the date hereof between the Federal Republic of Somalia (“Somalia”) and the Association (“Somalia Financing Agreement”), the Association will extend to Somalia financing to assist Somalia in financing activities related to the MPA Program on the terms and conditions set forth in the Somalia Financing Agreement;
 4. by a financing agreement to be entered into on or about the date hereof between the Association and the Common Market for Eastern Africa (“COMESA”) (“COMESA Financing Agreement”), the Association will extend to COMESA financing to assist COMESA in financing activities related to the MPA Program, on the terms and conditions set forth in the COMESA Financing Agreement;

5. by a financing agreement to be entered into on or about the date hereof between the Association and the Eastern and Southern African Trade Development Bank (“TDB”) (“TDB Financing Agreement”), the Association will extend to TDB financing to assist TDB in financing activities related to the MPA Program, on the terms and conditions set forth in the TDB Financing Agreement; and
- C. The Recipient, having satisfied itself as to the feasibility and priority of its activities, has requested the Association to assist in financing activities related to the MPA Program.

NOW, THEREFORE, the Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient credits, which are deemed as Concessional Financing for purposes of the General Conditions (collectively, “Credit” and “Financing”), in the following amounts to assist in financing the project described in Schedule 1 to this Agreement (“Project”):
 - (a) the amount of two hundred million United States Dollars (US\$ 200,000,000) (“Credit A”); and
 - (b) the amount of one hundred million United States Dollars (US\$100,000,000) (Credit B”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Payment Dates are March 1 and September 1 in each year.
- 2.05. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

- 2.06. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project and the MPA Program. To this end, the Recipient shall cause: (a) Parts 1, 2, 3.5, and 4.1 of the Project to be carried out by the Energy Development Corporation Limited (EDCL) (EDCL Respective Parts), and (b) Parts 3.1, 3.2, 3.3, 3.4, and 4.2 of the Project to be carried out by Development Bank of Rwanda (BRD) (BRD Respective Parts), all in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the respective Subsidiary Agreements.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consist of the following:
- (a) the EDCL Legislation has been amended, suspended, abrogated, repealed, or waived so as to affect materially and adversely the ability of the EDCL to perform any of its obligations under the Project; and
 - (b) the BRD Legislation has been amended, suspended, abrogated, repealed, or waived so as to affect materially and adversely the ability of BRD to perform any of its obligations under the Project.
- 4.02. The Co-financing Deadline for the effectiveness of the Co-financing Agreement is June 30, 2025.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) the Recipient has caused the EDCL to prepare and adopt the EDCL Project Operations Manual, in form and substance satisfactory to the Association.
 - (b) the Subsidiary Agreements, acceptable to the Association, shall have been executed and delivered on behalf of the Recipient and each Project Implementing Entity, and such Subsidiary Agreements shall have become effective and binding upon such parties in accordance with its terms.
 - (c) the Recipient has caused the Project Implementing Entities to prepare, consult upon, disclose, and adopt: (i) the Environmental and Social Management Framework (ESMF) consistent with the national legislation and ESS1, including GBV/SEA/H Action Plan consistent with the national legislation and ESS4, (ii) the Labor Management Procedures (LMP) consistent with the national legislation and ESS2, (iii) the Resettlement Policy Framework (RPF) consistent with the national legislation and

ESS5, all as set forth in the ESCP, and in form and substance satisfactory to the Association.

- 5.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is the minister responsible for finance.

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

(a) the Recipient's address is:

Ministry of Finance and Economic Planning
12 KN 3 Ave
P.O BOX 158
Kigali, Rwanda; and

(b) the Recipient's Electronic Address is:

E-mail: info@minecofin.gov.rw

6.03. 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.

REPUBLIC OF RWANDA

By

Dr. Uzziel Ndagijimana

Authorized Representative

Name: Dr. Uzziel Ndagijimana

Title: Minister of Finance and Economic Planning

Date: 14-Dec-2023

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Sahr Kpundeh

Authorized Representative

Name: Sahr Kpundeh

Title: Country Manager, World Bank, Rwanda

Date: 14-Dec-2023

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SCHEDULE 1

Project Description

The objective of the Project is to increase access to sustainable and clean energy in the Republic of Rwanda.

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

Part 1. Increasing Access to Grid Electricity

1. Expanding grid electricity to targeted Districts, including, *Gisagara, Huye, Muhanga, Nyamagabe, Nyanza, Nyaruguru, Ruhango, Bugesera, Gatsibo, Kayonza, Kirehe, Ngoma, Nyagatare, Rwamagana*, and any qualifying District that may be added, *and* installation of related electricity connections, through the provision of technical advisory services, works and acquisition of goods.

Part 2. Enhancing the Reliability of Electricity Service

1. Carrying out a program of electrification activities (“Subprojects”) to increase efficiency and reliability of electricity supply in targeted areas, and to improve reliability in the distribution network responses to fluctuations and load loss.

Part 3. Increasing Access to Off-Grid Electricity, Clean Cooking Solutions, and Productive Uses of Energy

1. Increasing access to off-grid electricity through Results-based Financing Facility to Off-grid Solar Companies (“RBF-OSC Facility”), and the provision of results-based partial grants (“OSC Grants”) to eligible OSCs to facilitate the sale of solar systems and related after sale services to qualifying households and micro-enterprises, including associated incremental Operating Costs for management of the RBF-OSC Facility.
2. Increasing access to clean cooking solutions, through Results-based Financing Facility for Clean Cooking Solutions (“RBF-CCS Facility”), and the provision of results-based partial grants (“CCS Grants”) to eligible enterprises to facilitate the sale of eligible cooking technologies and products to qualifying households, including associated incremental Operating Costs for management of the RBF-CCS Facility.
3. Increasing access to technologies for productive uses of energy, through Results Based Financing Facility for Productive Uses of Energy (“RBF-PUE Facility”), and the provision of *results*-based partial grants (“PUE Grants”) to eligible enterprises to increase affordability of PUE technologies, including associated incremental operating costs for management of the RBF-PUE Facility.

4. Provision of a revolving line of credit (“Line of Credit” or “LOC”) to BRD for retail lending to MSMEs, and eligible financial institutions (“Participating Financial Institutions” or “PFIs”) (“Sub-financing”) for further on-lending to eligible MSMEs (“Sub-loans”) engaged in off-grid electrification, clean cooking technology and productive uses of energy.
5. Increasing access to clean cooking, and promoting efficient and clean cooking solutions, and modern cooking technologies to public schools and other public institutions, through the provision of works, technical advisory services, and acquisition of goods.

Part 4. Technical Assistance, Institutional Capacity Building, and Implementation Support for Energy Access Acceleration

1. Strengthening the capacity of EDCL for Project management, implementation, and coordination, including: (a) provision of technical assistance to conduct studies on energy efficiency and productive uses of energy, and additional related studies as may be required; (b) building the capacity for designing and implementing energy sector programs; and (c) enhancing the capacity of the Program Coordination Unit (PCU) for Project implementation, including provision of training to the staff of PCU, facilitating the participation of Sector Working Group secretariat in Project implementation, hire of required PCU staff, hire of RBF Facility verification agents, all through the provision of technical advisory services, Training, Operating Costs, and acquisition of goods.
2. Strengthening the capacity of BRD’s Single Project Implementation Unit (“BRD Single PIU”) for Project management, implementation and coordination, including (a) provision of technical assistance to conduct awareness raising campaigns on raising and market facilitation for off-grid solar, clean cooking, and productive use of energy technologies adoption, and conducting additional studies that may be required; (b) provision of Training to the staff of the BRD Single PIU, and strengthening the capacity of BRD Single PIU for Project implementation, and support to grievance redress committees, through the provision of technical advisory services and Operating Costs.

SCHEDULE 2**Project Execution****Section I. Implementation Arrangements****A. Institutional Arrangements.****Energy Development Corporation Limited (EDCL)****1. EDCL Subsidiary Agreement.**

- (a) To facilitate the carrying out of the EDCL's Respective Parts of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Categories 1, 2 and 3 of the table set forth in Section III.A of this Schedule available to EDCL under a subsidiary agreement between the Recipient and the EDCL, under terms and conditions approved by the Association, ("EDCL Subsidiary Agreement").
- (b) The Recipient shall exercise its rights under the EDCL Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the EDCL Subsidiary Agreement or any of its provisions.

2. EDCL Program Coordination Unit

The Recipient shall cause EDCL:

- (a) to maintain a program coordination unit ("EDCL Program Coordination Unit" or "EDCL PCU"), with the responsibility for day-day management and implementation of EDCL Respective Parts of the Project, with adequate resources, and staff including Program manager, a project coordinator, a procurement specialist, a financial management specialist, an environmental and social specialist, a monitoring and evaluation specialist, occupational health and safety specialist, contract management specialist, and a corporate services specialist, all with experience, qualifications, and terms of reference satisfactory to the Association; and
- (b) Without limitation to the provisions of sub-paragraph 2(a) immediately above, the EDCL PCU shall be responsible for: (A) coordinating EDCL Respective Parts of the Project, providing technical advice and guidance, developing the Annual Work Plans and Budgets (including annual operational plans) for the project, preparing budgets, periodic progress

reports and procurement plans, procurement, financial management, and internal audit under the Project; (B) maintaining a financial management system and preparing financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to EDCL Respective Parts of the Project; (C) having such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; and (D) preparing and submitting withdrawal application to the Association and operating the designated account for the Project, all in accordance with the provisions of this Agreement and EDCL Project Operations Manual.

Development Bank of Rwanda (BRD)

3. BRD Subsidiary Agreement.

- (a) To facilitate the carrying out of the BRD's Respective Parts of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Categories 4, 5, and 6 of the table set forth in Section III.A of this Schedule available to BRD under a subsidiary agreement between the Recipient and the BRD, under terms and conditions approved by the Association, ("BRD Subsidiary Agreement").
- (b) The Recipient shall exercise its rights under the BRD Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Subsidiary Agreement or any of its provisions.

4. BRD Single Project Implementation Unit

The Recipient shall cause BRD:

- (a) to maintain a project implementation unit ("BRD Single Project Implementation Unit" or "BRD Single PIU"), with the responsibility for day-day management and implementation of BRD Respective Parts of the Project, with adequate resources, and staff including a manager for Parts 3.1, 3.2, 3.3, and 3.4 respectively, a procurement specialist, a financial management specialist, an environmental, and a social specialist, and such technical staff as may be agreed upon with the Association, all with experience, qualifications, and terms of reference satisfactory to the Association; and

- (b) Without limitation to the provisions of sub-paragraph 4(a) immediately above, the BRD Single PIU shall be: (A) coordinating BRD Respective Parts of the Project, providing technical advice and guidance, developing the Annual Work Plans and Budgets (including annual operational plans) for the Project, preparing budgets, periodic progress reports and procurement plans, procurement, financial management, and internal audit under the Project; (B) maintaining a financial management system and preparing financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; (C) having such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; and (D) preparing and submitting withdrawal application to the Association and operating the designated account for the Project, all in accordance with the provisions of this Agreement and BRD Project Operations Manual.

5. Project Steering Committees

- (a) The Recipient shall maintain during Project implementation: (i) the Grid Electricity Project Steering Committee (GE-PSC), with the responsibility for providing oversight and strategic guidance of the EDCL Respective Parts of the Project, and (ii) the Off-Grid and Clean Cooking Project Steering Committee (OG/CC-PSC), with the responsibility for providing oversight and strategic guidance of the BRD Respective Parts of the Project - all with terms of reference, functions, resources, and mandate, satisfactory to the Association.
- (b) (i) The GE-PSC shall be responsible for providing oversight and strategic guidance for the EDCL Respective Parts of the Project, including in each case reviewing progress in Project implementation, and other critical aspects of project performance; and (ii) The OC/GC-PSC shall be responsible for providing oversight and strategic guidance for the BRD Respective Parts of the Project, including in each case reviewing progress in Project implementation, and other critical aspects of project performance.

B. Project Operations Manuals (POM)

1. The Recipient shall cause EDCL and BRD to carry out their respective parts of the Project in accordance with the manuals (the EDCL Project Operations Manual, BRD Project Operations Manual (together, POMs) prepared in form and substance satisfactory to the Association.

2. The EDCL POM, and the BRD POM, shall each include, *inter alia*, the following provisions: (a) disbursement arrangements, reporting requirements, financial management procedures and audits; (b) procurement arrangements; (c) institutional administration, coordination and day-to-day execution of activities of the Project; (d) monitoring, evaluation, reporting and communication; (e) Project impact and implementation indicators, including the procedures for monitoring and evaluation of the Project; (f) corruption and fraud prevention measures; (g) roles and responsibilities of various agencies and stakeholders in the implementation of the Project; (h) mechanisms for ensuring close coordination and collaboration between various Project stakeholders, in particular and as applicable, the steering committees, the EDCL PCU, the BRD Single PIU, the technical and management teams within EDCL and the BRD, respectively; (i) detailed procedures, eligibility, selection/eligibility criteria and flow of funds for the RBF Facilities and associated grants Under Parts 3.1, 3.2, 3.3 and 3.4 of the Project; (j) personal data collection and processing requirements in accordance with good international practice; (k) environmental and social framework aspects, including a detailed description of the grievance redress mechanism process as well as any process for recording and reporting project-related accidents and incidents; and (l) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.
3. Except as the Association shall otherwise agree in writing, the Recipient shall not amend, waive, suspend, or abrogate any provision of any POMs, and in case of any inconsistency between the provisions of any POMs and those of this Agreement, the provisions of this Agreement shall prevail.

C. Annual Work Plans and Budget

1. The Recipient shall cause the EDCL and BRD each, to prepare and furnish to the Association: (a) not later than May 31 of each calendar year (EDCL), and (b) not later than November 30 of each calendar year (BRD), during the implementation of the Project, a work plan and budget containing all activities proposed to be included in their respective parts of the Project during the following calendar year, and a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing therefor.
2. Each such proposed work plan and budget shall specify any training activities that may be required under the Project, including: (a) the type of training; (b) the purpose of the training; (c) the personnel to be trained; (d) the institution or individual who will conduct the training; (e) the location and duration of the training; and (f) the cost of the training.
3. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient and EDCL or BRD, on each such proposed work plan and budget and shall thereafter ensure that the Project is implemented with due diligence during said following Fiscal Year in accordance with such work plan and

budget as shall have been approved by the Association (“Annual Work Plan and Budget”).

4. The Recipient shall not make or allow to be made any change to the approved Annual Work Plan and Budget without prior approval in writing by the Association.

D. RBF Facilities and Associated Grants

1. The Recipient shall cause BRD, to ensure that each Proposal for a grant under the RBF facilities is vetted, appraised, and approved in accordance the guidelines, standards and procedures set forth in the BRD Project Operations Manual.
2. The Recipient shall cause BRD to make each grant under a Sub-financing Agreement between the BRD and the pertinent Beneficiary on terms and conditions approved by the Association, which shall include the following:
 - (a) BRD shall obtain rights adequate to protect its interests and those of the Association and the Recipient, including the right to: (i) suspend or terminate the right of the Beneficiary to use the proceeds of the Sub-financing, or obtain a refund of all or any part of the amount of the Sub-financing then withdrawn, upon such Beneficiary’s failure to perform any of its obligations under the Sub-financing Agreement;
 - (b) require each Beneficiary to: (i) carry out its activities (Subproject) with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines; (ii) provide, promptly as needed, the resources required for the purpose; (iii) procure the goods, works and services to be financed out of the Sub-financing in accordance with the provisions of the Procurement Regulations; (iv) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives; and
 - (c) require each Beneficiary to; (i) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project; and at the Association’s or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; (ii) enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and (iii) prepare and furnish to

the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

3. The Recipient shall cause the BRD to exercise their rights under each Sub-financing Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall ensure that BRD shall not assign, amend, abrogate, or waive any Sub-financing Agreement or any of its provisions.

E. Line of Credit under Part 3.4 of the Project

1. BRD Line of Credit Manual (BRD LOC Manual)

The Recipient shall cause the BRD to prepare, and submit to the Recipient and the Association, an LOC manual (“BRD LOC Manual”), satisfactory to the Association, and thereafter administer the Sub-financing to MSMEs, and the eligible PFIs in accordance with BRD LOC Manual. Said manual, consisting of: (a) corruption and fraud prevention measures; (b) detailed PFI assessment, and selection/eligibility criteria for such PFI; (c) detailed procedures, eligibility, selection/eligibility criteria and flow of funds for the Line of Credit Facility and associated grants Under Part 3.4 of the Project; (d) detailed MSME assessment, and selection/eligibility criteria for such MSME; (e) personal data collection and processing requirements in accordance with good international practice; (e) environmental and social framework aspects; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for management of the Line of Credit.

2. LOC Manager and PFIs and MSME Sub-financing

The Recipient shall ensure that the BRD:

- (a) maintains a fund manager (LOC Manager) for the purpose of efficient delivery of the required assessments, activities, and management of the Line of Credit under Part 3.4 of the Project;
- (b) (acting directly or through the LOC Manager), shall enter into agreements with each PFI, under terms and conditions which shall have been approved by the Association including, *inter alia*, the terms and conditions set forth in Section I.F of this Schedule (PFI Funding Agreement);
- (c) (acting directly or through the LOC Manager), shall enter into agreements with each MSME, under terms and conditions which shall have been approved by the Association (MSME Sub-financing Agreement);
- (d) (acting through the LOC Manager) shall exercise its rights and carry out its obligations under each PFI Funding Agreement, or MSME Sub-

financing Agreement in such manner as to protect its interests, those of the Recipient, and the Association, and to accomplish the purposes of the Financing; and

- (e) Except as the Association shall otherwise agree, the Recipient, and BRD shall not assign, amend, abrogate, terminate, waive, or fail to enforce any MSME Sub-financing Agreement, or PFI Funding Agreement or any of provision thereof.

F. Terms and Conditions of each PFI Funding Agreement

The Recipient shall cause BRD (acting through the LOC Manager):

1. (a) To make the Sub-financing to competitively selected eligible PFIs for on-lending to eligible MSMEs in accordance with detailed criteria set forth in the BRD LOC Manual, satisfactory to the Association, including the PFIs': (i) experience in financing MSMEs; (ii) an appropriate license and at least two years of operation, (iii) good standing with BRD; (iv) a track record of lending to MSMEs; (v) capital adequacy; (vi) possession of risk management systems, (vii) a recent clean external audit report and a robust internal audit system; (viii) an indicative pipeline of potential loans to MSMEs that fulfills project goal; (ix) compliance with environmental and social requirements and satisfactory internal environmental and social management systems; (x) acceptable sub-loan conditions; (xi) acceptable eligibility criteria for MSMEs; and (xii) adequate information management systems to manage the loan portfolio; and (b) to enter into an agreement (PFI Funding Agreement) with eligible PFIs on terms and conditions approved by the Association, which shall include obtaining rights adequate to protect its interests and those of the Association, including the right for the PFIs to use the Financing to make Sub-loans to eligible MSMEs to implement Subprojects and in accordance with eligibility criteria and procedures, acceptable to the Association, which shall be detailed in the LOC Manual.
2. To comply with the following obligations: (a) to maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (b) at the request of the Association, the Recipient, and/or BRD (acting through the LOC Manager), have such financial statements audited by independent auditors acceptable to the Association, the Recipient, and/or the BRD, and promptly furnish the statements so audited to the BRD (either acting directly or through an agent in that behalf);
3. To comply with the provisions of the Anti-Corruption Guidelines in connection with the Project.
4. Not to assign, amend, terminate, abrogate, repeal, waive or fail to enforce the PFI Funding Agreement or any provision of the Sub-loan Agreement, unless

previously agreed by the BRD (acting through the LOC Manager), and the Association.

5. To take or permit to be taken all actions to enable the BRD and the Recipient to comply with their respective obligations referred to in this Agreement.

G. Eligibility Criteria, Terms and Conditions of the PFI Sub-financing

1. The Recipient shall cause BRD, (acting through the LOC Manager), to ensure that each eligible PFI shall appraise, approve, monitor, and evaluate respective MSME proposals under Part 3.4 of the Project, and administer Sub-financing to the respective MSMEs, in accordance with the terms and conditions of the PFI Funding Agreement, the guidelines and procedures set forth in the LOC Manual, and the Anti-Corruption Guidelines.
2. The Recipient undertakes to ensure that BRD shall follow the eligibility criteria for eligible PFIs, of the following On-lending Terms and Conditions:
 - (a) BRD shall solicit expressions of interest from financial institutions operating in the Recipient's territory to participate in the LOC established under Part 3.4 of the Project, in accordance with criteria and approval procedures set forth in the LOC Manual.
 - (b) No PFI shall be eligible for a Sub-financing unless the BRD shall have determined on the basis of an appraisal carried out in accordance with guidelines acceptable to the Association and elaborated in the LOC Manual, that the proposed PFI: (i) is a financial institution established and operating pursuant to the laws of the Recipient; (ii) has the legal, organizational, management, and technical capacity and financial resources necessary to appraise, approve, monitor and evaluate Sub-projects and to make and monitor Sub-loans made to MSMEs; and (iii) is credit-worthy and operating in accordance with sound prudential and other fiduciary standards and practices.
3. BRD shall make each Sub-financing available to an eligible PFI under a Sub-financing Agreement with the pertinent PFI, on terms and conditions satisfactory to the Association, including interest at a rate reflecting, as the base rate, the terms under the Sub-financing Agreement, together with an appropriate on-lending margin to be established in the LOC Manual, and in accordance with the terms and conditions detailed in the LOC Manual.
4. BRD shall obtain rights adequate to protect its interests and those of the Recipient, and the Association, including the right to:
 - (a) require a PFI to undertake a time-bound institutional development program acceptable to the Association, designed to enhance its institutional capacity and in particular, its capacity to manage Sub-loans;

- (b) suspend or terminate the right of the PFI to use the proceeds, Sub-financing, or obtain a refund of all or any part of the amount of the same then withdrawn, upon such PFI's failure to perform any of its obligations, under the pertinent PFI Funding Agreement;
 - (c) require the PFI to make Sub-loans available to MSME, and to monitor and evaluate the Sub-projects financed under said Sub-loans with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to borrowers of loan proceeds other than the Recipient, and the Environmental and Social Standards; and to provide, promptly as needed, the resources required for the purposes;
 - (d) require the PFI to maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-projects financed, and other activities undertaken, under their PFI Funding Agreement in a manner which contributes to the achievement of the objective of the Project;
 - (e) require the pertinent PFI to: (i) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect its operations and resources and expenditures related to the Project; (ii) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;
 - (f) require the pertinent PFI to enable the Recipient and the Association to inspect any Subproject or other activity financed, PFI Funding Agreement, its operation and any relevant records and documents;
 - (g) require the pertinent PFI to comply with prudential standards set by the National Bank of Rwanda and such additional standards as may be set forth or referred to in the LOC Manual; and
 - (h) require the pertinent PFI to permit the Association to make all financial statements audited pursuant to sub-paragraph (e) of this Section I.G.4 available to the public in accordance with policies as defined in the LOC Manual.
3. Except, as the Recipient, the BRD, and the Association shall otherwise agree, the pertinent PFI shall not assign, amend, abrogate, or waive any Sub-loan Agreement or any of its provisions.

H. Environmental and Social Standards

1. The Recipient shall, and shall cause EDCL and BRD, respectively to, ensure that the Respective Part of 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, and shall cause EDCL and BRD to, 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, and shall cause EDCL and BRD to, 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, and shall cause the BRD and EDCL to, 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, including, in accordance with the ESCP, the

environmental and social instruments referenced therein and the Environmental and Social Standards.

5. The Recipient shall, and shall cause the BRD and EDCL to, 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, and shall cause the BRD and EDCL to, ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and 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.

I. Regional Level Coordination Arrangements

The Recipient shall during implementation of the Project, collaborate and coordinate with COMESA to outline arrangements that will facilitate the Recipient's participation in the regional energy access acceleration platform established under the MPA Program, and to draw on the technical assistance and other benefits available to the Recipient and other Participating Countries through said platform.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than 30 days after the end of each calendar semester, covering the calendar semester. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

Section III. Withdrawal of the Proceeds of the Financing

A. General

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

Category	Amount of Credit A Allocated (expressed in USD)	Amount of Credit B Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services for Part 1 and Part 2 of the Project	175,000,000	87,500,000	up to 100% of the amount disbursed based on the approved Annual Work Plans and Budgets
(2) Goods, works, non-consulting services, and consulting services, Operating Costs, and Training for Part 3.5 of the Project	2,500,000	1,250,000	up to 100% of the amount disbursed based on the approved Annual Work Plans and Budgets
(3) Goods, non-consulting services, and consulting services, Operating Costs, and Training for Part 4.1 of the Project	8,750,000	4,375,000	up to 100% of the amount disbursed based on the approved Annual Work Plans and Budgets
(4) Goods, non-consulting services, and consulting services, Operating Costs, and Training for Part 4.2 of the Project	1,250,000	625,000	up to 100% of the amount disbursed based on the approved Annual Work Plans and Budgets

(5) Grants and Operating Costs under BRD's Respective Parts			up to 100% of the amount disbursed based on the approved Annual Work Plans and Budgets
(a) OSC Grants under Part 3.1 of the Project	5,000,000	2,500,000	
(b) CCS Grants under Part 3.2 of the Project	2,500,000	1,250,000	
(c) Grants under Part 3.3 of the Project	2,500,000	1,250,000	
(6) Line of Credit under Part 3.4 of the Project	2,500,000	1,250,000	up to 100% of the amount disbursed based on the approved Annual Work Plans and Budgets
TOTAL AMOUNT	200,000,000	100,000,000	

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 (1) unless and until the Recipient has caused EDCL to appoint to the EDCL Project Coordination Unit, an environmental risk management specialist, a social risk management specialist, and a Project health and safety specialist, all with experience, qualifications and under terms of reference satisfactory to the Association; or
 - (c) under Category (5) unless the Recipient has caused the BRD to:
 - (i) prepare and adopt the BRD Project Operations Manual, in form and substance satisfactory to the Association, and
 - (ii) appoint or recruit to the BRD Single PIU, an environment risk management specialist, and a social risk management specialist,

all with experience, qualifications and under terms of reference satisfactory to the Association; or

- (d) under Category (6) unless the Recipient has caused the BRD to:
 - (i) prepare and adopt the BRD LOC Manual, in form and substance satisfactory to the Association, and
 - (ii) designate a senior management representative with the responsibility for overall accountability for environmental and social performance of BRD consistent with ESS9, in accordance with the ESCP.

2. The Closing Date is December 31, 2029.

SCHEDULE 3**Repayment Schedule****CREDIT A**

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each March 1 and September 1, commencing March 1, 2034 to and including September 1, 2073	1.25%

* 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.

CREDIT B

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each March 1 and September 1:	
Commencing March 1, 2030, to and including March 1, 2035	8.33334%
on September 1, 2035	8.33326%

* 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.

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. “Annual Work Plan and Budget” means annual work plans and budget prepared annually by the Project Implementing Entities in accordance with the provisions of Section I.C of Schedule 2 to this Agreement.
3. “Beneficiary” means Off-grid Solar companies, a private enterprise in the energy sector, or an eligible household, that are eligible to receive an OSC Grant, a CCS Grant or a PUE Grant to finance a Subproject under Parts 3.1, 3.2, or 3.3 of the Project.
4. “BRD” means the Development Bank of Rwanda, established and operating pursuant to Memorandum and Articles of Association approved by Resolution No. 8 of the meeting of shareholders of the Development Bank of Rwanda, dated March 23, 2012, as amended on March 29, 2018.
5. “BRD Legislation” means Memorandum and Articles of Association approved by Resolution No. 8 of the meeting of shareholders of the Development Bank of Rwanda, dated March 23, 2012, as amended on March 29, 2018.
6. “BRD LOC Manual” means the manual for the line of credit under Part 3.4 of the Project, to be prepared in accordance with Section I.E(1) of Schedule 2 to this Agreement.
7. “BRD Project Operations Manual” or “BRD POM” means the manual to be prepared in accordance with Section I.B. of Schedule 2 to this Agreement, for BRD Respective Parts of the Project, as may be amended from time to time.
8. “BRD Respective Parts” means Parts 3.1, 3.2, 3.3, 3.4, and 4.2 of the Project, to be implemented by BRD.
9. “BRD Single Project Implementation Unit” or “BRD SPIU” means the unit referred to under Section I.A.4(a) of Schedule 2 to this Agreement.
10. “BRD Subsidiary Agreement” means the agreement to be entered into between the Recipient and BRD and referred to in Section I.A.3(a) of Schedule 2 to this Agreement.

11. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
12. “CCS Grants” mean the grants to be made available to eligible enterprises under Part 3 of the Project.
13. “Co-financier” means Asian Infrastructure Investment Bank (AIIB).
14. “Co-financing” means, for purposes of paragraph 14 of the Appendix to the General Conditions, approximately the amount of \$100,000,000, to be provided by the Co-financier to assist in financing the Project.
15. “Co-financing Agreement” means the agreement to be entered into between the Recipient and the Co-financier providing for the Co-financing.
16. “COMESA” means the regional organization established and operating pursuant to the Treaty Establishing the Common Market for Eastern and Southern Africa, signed on November 5, 1993.
17. “Credit A” means the credit to be extended to the Recipient on 50-year Credit Terms.
18. “Credit B” means the credit to be extended to the Recipient on Shorter Maturity Loan terms.
19. “EDCL” or “Energy Development Corporation Limited” means the Recipient's limited liability company incorporated under the Companies Act Law No. 07/2009 of 27/04/2009 and operating under the Recipient’s Law No. 17/2018 of April 13, 2018, governing companies, or any successor thereto.
20. “EDCL Legislation” means the Companies Act Law No. 07/2009 of 27/04/2009 and operating under the Recipient’s Law No. 17/2018 of April 13, 2018, governing companies, or any legal successor thereto.
21. “EDCL Program Coordination Unit” or “EDCL PCU” means the unit referred to under Section I.A.2(a) of Schedule 2 to this Agreement.
22. “EDCL Project Operations Manual” or “EDCL POM” means the manual to be prepared in accordance with Section I.B. of Schedule 2 to this Agreement, for EDCL Respective Parts of the Project, as may be amended from time to time.
23. “EDCL Respective Parts” means Parts 1, 2, 3.5, and 4.1 of the Project, to be implemented by EDCL.
24. “EDCL Subsidiary Agreement” means the agreement to be entered into between the Recipient and EDCL and referred to in Section I.A.1(a) of Schedule 2 to this Agreement.

25. “Eastern and Southern Africa” means the region of Sub-Saharan Africa consisting of the member states of the Recipient, and Participating Countries, and members of Regional Bodies, including those that will participate in future operations under the MPA Program.
26. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated November 1, 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.
27. “Environmental and Social Management Framework” means the framework to be adopted by the Recipient and disclosed, in form and substance satisfactory to the Association, pursuant to the ESCP, and disclosed, in form and substance satisfactory to the Association, said framework setting out the principles, rules, guidelines and procedures to screen and assess the potential adverse environmental and social risks and impacts (including health and safety issues) of the Project, including the risks of gender-based violence and sexual exploitation and abuse, adopt measures to avoid, reduce, mitigate or offset environmental and social adverse risks and impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse, procedural, budget and institutional arrangements and actions needed to implement these measures, and information on the agency or agencies responsible for addressing the Projects’ risks and impacts; as well as for the preparation of environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.
28. “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.

29. “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.
30. “Labor Management Procedures” means the labor management procedures to be adopted by the Recipient, in form and substance satisfactory to the Association, pursuant to the ESCP, setting out the Project’s approach and requirements to labor in meeting national requirements as well as the objectives of ESS #2 (on labor and working conditions and ESS #4 (on community health and safety), including procedures on incident investigation and reporting, recording and reporting of non-compliance, emergency preparedness and response procedures, protection of project workers from discrimination, forced labor and child labor, occupational health and safety, codes of conducts and continuous training and awareness for workers, as said instrument may be updated from time to time with the prior written agreement of the Association.
31. “LOC” means line of credit.
32. “MPA Program” means the multiphase programmatic approach program designed to increase access to sustainable and clean energy in Eastern and Southern Africa.
33. “OSC Grants” mean the grants to be made available to Off-grid Solar Companies under Part 3 of the Project.
34. “Operating Costs” means the reasonable incremental operating expenses, approved by the Association, incurred by the Project Implementing Entities on account of the Project implementation, management and monitoring, including salaries of the EDCL PCU and the BRD Single PIU staff, but excluding the salaries of officials and public servants of the Recipient’s civil service.
35. “MSMEs’ means micro, small and medium enterprises.
36. “MSME Sub-financing Agreement” means any agreement to be executed between the BRD (acting through the LOC Manager) and an eligible MSME, pursuant to which such MSME shall obtain a Sub-financing on terms a revolving line of credit, as such MSME Sub-financing Agreement may be amended from time to time, with the agreement of the Association, and such terms include all appendices, schedules and agreements supplemental to the MSME Sub-financing Agreement.
37. “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online

identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.

38. “PFI Funding Agreement” means any of the agreement to be executed between the BRD (acting through the LOC Manager) and an eligible PFI, pursuant to which such PFI shall obtain a Sub-financing in terms of a revolving line of credit, as such PFI funding agreement may be amended from time to time, with the agreement of the Association, and such term include all appendices, schedules and agreements supplemental to the PFI Funding Agreement.
39. “Participating Countries” means the Recipient and all the countries referred to in the preamble to this Agreement, and those that will participate in the future operations under the MPA Program.
40. “Participating Financial Institutions” or “PFIs” means eligible commercial banks, or microfinance banks, or savings and credit cooperatives, to be selected by the BRD to receive a Sub-financing under Part 3.4 of the Project, on the basis of the criteria and approval procedures set forth in the LOC Manual, and under Section I.G of Schedule 2 to this Agreement.
41. “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.
42. “Project Implementing Entity” means either the EDCL or BRD (together, “Project Implementing Entities”).
43. “Project Operations Manuals” or “POMs” mean the EDCL POM and the BRD POM.
44. “RBF Facilities” means the Results Based Financing Facility to eligible Off-grid Solar Companies, the Results Based Financing Facility for Clean Cooking Solutions, all described under Part 3 of the Project.
45. “Regional Bodies” means the regional organizations participating in the MPA Program, namely, COMESA, and TDB, and other regional organizations that may participate in future projects under the MPA Program.
46. “Resettlement Policy Framework” means the resettlement policy framework to be adopted by the Recipient and disclosed, in form and substance satisfactory to the Association, pursuant to the ESCP, said framework consistent with ESS #4 (on land acquisition, restrictions, on land use and involuntary Resettlement), and setting the requirements for preparation of resettlement action plans, and modalities for resettlement and compensation of Project affected persons, as such framework may be amended with the prior written agreement of the Association.

47. “Sector Working Group” means the Recipient’s energy sector working group referred in under Part 4.1 of the Project.
48. “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.
49. “Subsidiary Agreements” means the EDCL Subsidiary Agreement and the BRD Subsidiary Agreement.
50. “Sub-financing” means a sub-loan to be made under Part 3.4 of the Project by the BRD (acting through the LOC Manager) to an MSME, or to a PFI pursuant to the MSME Sub-financing Agreement, or to the PFI Funding Agreement.
51. “Sub-loan” means a sub-financing to be made by a pertinent PFI to an MSME pursuant to a Sub-loan Agreement.
52. “Sub-project” means (i) for the purpose of Grants under Parts 3.1, 3.2, and 3.3 of the Project means a sub-project that is vetted and appraised by BRD in accordance with the guidelines and procedures established in the BRD Operations Manual Operations Manual; and (ii) for the purpose of Part 3.4 of the Project, a qualifying off-grid electrification, clean cooking technology and productive uses of energy activity to be financed under a Sub-loan from an eligible PFI to a qualifying MSME.
53. “Training” means the reasonable cost of training under approved Annual Work Plans and Budgets, including costs associated with seminars, workshops, conference and study tours, travel and subsistence costs for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials and other activities directly related to course preparation and implementation.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

In respect of Credit A.

1. Section 3.04 (Interest Charge) is deleted in its 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 3.08

In respect of Credit B.

3. Section 3.03 (Service Charge) and Section 3.04 (Interest Charge) are 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.

4. 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.

In respect of both Credit A and Credit B.

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.