

**OFFICIAL
DOCUMENTS**

CREDIT NUMBER 5510-NG

Financing Agreement

(Ibadan Urban Flood Management Project)

between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *November 7*, 2014

CREDIT NUMBER 5510 -NG

FINANCING AGREEMENT

AGREEMENT dated November 7, 2014, entered into between FEDERAL REPUBLIC OF NIGERIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

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) constitute an integral 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, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to one hundred twenty nine million one hundred thousand Special Drawing Rights (SDR 129,100,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.
- 2.06. The Payment Dates are February 15 and August 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely, that the Project Implementing Entity's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.
- 4.02. The Additional Event of Acceleration consists of the following, namely, that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of 60 days after notice of the event has been given by the Association to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) The Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.
 - (b) The Project Implementing Entity has adopted the Project Implementation Manual, in form and substance satisfactory to the Association.
 - (c) The performance contracts between the Office of Oyo State Governor and the Participating MDAs have been executed in form and substance satisfactory to the Association.
 - (d) The memoranda of understanding between the Office of Oyo State Governor and NEMA and NIHSA have been executed in form and substance satisfactory to the Association.
 - (e) The Project Implementing Entity has established the Independent Advisory Group with composition, functions and resources satisfactory to the Association.

- (f) The Project Implementing Entity has established the Project Implementation Unit with functions, staffing (including a hydraulic engineer and a monitoring and evaluation specialist) and resources satisfactory to the Association.
 - (g) The Oyo State Governor has sent a letter to the Federal Minister responsible for finance communicating his approval of deduction at source - of agreed sum of Counterpart Funds required in the respective Fiscal Year and set forth in the corresponding Annual Work Plan and Budget - and transfer of the deducted sums to the Project Account.
- 5.02. The Additional Legal Matter consists of the following, namely, that the Subsidiary Agreement, referred to in Section 5.01 (a) of this Agreement, has been duly authorized or ratified by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.
- 5.03. The Effectiveness Deadline is the date one hundred and eighty (180) days after the date of this Agreement.
- 5.04. For purposes of Section 8.05 (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 years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. Except as provided in Section 2.02 of this Agreement, the Recipient's Representative is the Federal Minister at the time responsible for finance.

6.02. The Recipient's Address is:

The Honorable Minister
Federal Ministry of Finance
Ahmadu Bello Way
Abuja, Nigeria

Cable address:	Facsimile:
FEDMINFIN	234-9-2343609
Abuja	

6.03. The Association's Address is:

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

Cable:	Telex:	Facsimile:
INDEVAS	248423 (MCI)	1-202-477-6391
Washington, D.C.		

AGREED at Abuja, Nigeria, as of the day and year first above written.

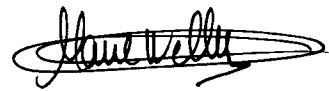
FEDERAL REPUBLIC OF NIGERIA

By


Authorized Representative
Name: Dr. Ngozi Okonjo-Iweala
Title: Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By


Authorized Representative
Name: Marie Françoise Marie-Nelly
Title: Country Director

SCHEDULE 1

Project Description

The objective of the Project is to improve the capacity of Oyo State to effectively manage flood risk in the city of Ibadan.

The Project consists of the following parts:

Part 1: Flood Risk Identification, Prevention and Preparedness Measures

Assisting Oyo State to assess flood risk in the city of Ibadan, plan risk reduction measures and finance preventive structural and non-structural measures to enhance flood preparedness through:

- 1.1. Preparation of flood risk management investment program including: (a) financing the formulation of three key master plans for the city of Ibadan namely integrated physical master plan, solid waste management master plan and integrated flood risk management master plan; (b) carrying out feasibility studies, detailed engineering designs and construction supervision services for works to be carried out under Part 2 of the Project; (c) preparation of emergency preparedness plan for the Eleyele dam as well as ESIA's and ESMP's.
- 1.2. Preparation of a long term flood resilience strategy for Oyo State.
- 1.3. (a) Designing of an integrated flood early warning and response system for the city of Ibadan including design of community contingency plans and flood awareness programs; (b) establishment of a flood forecasting and early warning weather forecast system; and (c) implementation of flood awareness programs at participating LGAs and CDAs (using CSDP community platforms).
- 1.4. Providing immediate response to an Eligible Emergency, as needed.

Part 2: Flood Risk Reduction

Carrying out a program of activities to mitigate flood risk through:

- 2.1. Implementation of critical urban drainage infrastructure improvements at Priority Sites as well as dam safety works at Eleyele dam.
- 2.2. Rehabilitation and construction of robust infrastructure for flood mitigation at Targeted Sites.

Part 3: Project Administration and Management Support

- 3.1. (a) Carrying out of Project administration, coordination, management, audits and monitoring and evaluation; and (b) Preparation and implementation of RAPs.
- 3.2. Financing of the procurement of services of a project management consultancy to provide technical support to Project Implementation Unit.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall take all measures required on its part to ensure that the Project Implementing Entity shall carry out its obligations provided for under the Schedule to the Project Agreement in an effective and timely manner, and to the satisfaction of the Association.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity, under terms and conditions approved by the Association (Subsidiary Agreement) which shall include the following terms: The principal amount of the Credit made available under the Subsidiary Agreement shall be: (a) denominated and repayable in Naira; (b) charged interest on the principal amount withdrawn and outstanding from time to time at the rate of 1.25% per annum, acceptable to the Association; and (c) repayable over a period not exceeding twenty five (25) years from the date of the Subsidiary Agreement, inclusive of a grace period not exceeding five (5) years.
2. The Recipient shall exercise its rights under the 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.

C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Recipient shall monitor and evaluate the progress of the Project and prepare, or cause the Project Implementing Entity to prepare, Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association and set out in the Project

Implementation Manual. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than forty five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain, or cause to be maintained, a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall cause the Project Implementing Entity to prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the Association.
3. The Recipient shall cause the Project Implementing Entity to have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.
4. The Recipient shall, not later than ninety (90) days after the Effective Date, cause the Project Implementing Entity to appoint the independent auditors referred to in Section 4.09 (b) of the General Conditions, in accordance with the provisions of Section III of this Schedule, with qualifications, experience and terms of reference satisfactory to the Association.
5. The Recipient shall, not later than ninety (90) days after the Effective Date, cause the Project Implementing Entity to ensure that the training on risk-based internal auditing is provided to Project internal auditor in form and substance satisfactory to the Association.
6. The Recipient shall, not later than ninety (90) days after the Effective Date, cause the Project Implementing Entity to ensure the updating of the existing computerized financial management system at the Project Financial Management Unit.

Section III. Procurement

A. General

1. **Goods, Works and Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Association; (e) Direct Contracting; (f) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; (g) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the Association; and (h) Community Participation procedures which have been found acceptable to the Association.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Single-source procedures for the Selection of Individual Consultants; (g) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; and (h) Selection under a Fixed Budget.

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

E. Procurement of Emergency Expenditures under Part 1.4 of the Project

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for Part 1.4 of the Project shall be procured in accordance with the procurement methods and procedures set forth in the Emergency Response Operations Manual.

F. Other Procurement Covenants

The Recipient shall, not later than three (3) months after the Effective Date cause the Project Implementing Entity to: (a) establish a procurement records management system and train the staff of Project Implementation Unit in records management; and (b) organize contract administration training for procurement staff of Project Implementation Unit, all with specifications and in a manner satisfactory to the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such

additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, Training, non-consulting services, and consultants' services for Parts 1.1, 1.2, 1.3 (c), 2.1, 2.2, 3.1(a) and 3.2 of the Project	114,300,000	100%
(2) Refund of Preparation Advance	3,100,000	Amount payable pursuant to Section 2.07 of the General Conditions
(3) Emergency Expenditures under Part 1.4 of the Project	8,400,000	100% of amounts disbursed
(4) Goods, Training, non-consulting services and consultants' services for Part 1.3(a) and 1.3(b) of the Project	3,300,000	100%
TOTAL AMOUNT	129,100,000	

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 date of this Agreement.
 - (b) under Category 3 for Emergency Expenditures under Part 1.4 of the Project, unless and until the Association is satisfied, and notified the

Recipient and Project Implementing Entity of its satisfaction, that all of the following conditions have been met in respect of said activities:

(i) the Recipient has determined that an Eligible Emergency has occurred, has furnished to the Association a request to include said activities in Part 1.4 of the Project in order to respond to said Eligible Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

(ii) the Recipient has caused the Project Implementing Entity to prepare and disclose all safeguards instruments required for said activities, and the Project Implementing Entity has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section I.D.3(b) of the Schedule to the Project Agreement;

(iii) the Coordinating Agency has adequate staff and resources, in accordance with the provisions of Section I.D.2 of the Schedule to the Project Agreement, for the purposes of said activities; and

(iv) the Recipient has caused the Project Implementing Entity to adopt an Emergency Response Operations Manual in form, substance and manner acceptable to the Association and the provisions of the Emergency Response Operations Manual remain - or have been updated in accordance with the provisions of Section I.D.1 of the Schedule to the Project Agreement so as to be - appropriate for the inclusion and implementation of said activities under the Emergency Response.

(c) for payments under Category (4) unless the Project Implementing Entity, through the Office of Oyo State Governor, has entered into a memorandum of understanding with NIMET in form and substance satisfactory to the Association.

2. The Closing Date is June 30, 2022.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 15 and August 15:	
commencing August 15, 2019 to and including February 15, 2029	1.65%
commencing August 15, 2029 to and including February 15, 2039	3.35%

* 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 3.03 (b) of the General Conditions.

APPENDIX

Section I. Definitions

1. **“Affected Persons”** means any person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction or access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.
2. **“Annual Work Plan and Budget”** means each work plan together with the related budget prepared annually by the Project Implementing Entity and approved by the Association in accordance with Section I.A.3(b) of the Schedule to the Project Agreement; and **“Annual Work Plans and Budgets”** means more than one Annual Work Plan and Budget.
3. **“Anti-Corruption Guidelines”** means 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.
4. **“Category”** means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. **“CDA”** means a community-based organization in Oyo State established for the purpose of finding solutions to common problems through self-help schemes; and the term **“CDAs”** means, collectively, all such organizations.
6. **“CSDP”** means the Recipient’s community and social development project which is supported by the Association through the financing agreement between the Recipient and the Association, dated November 24, 2008 as amended.
7. **“Consultant Guidelines”** means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011.
8. **“Coordinating Agency”** means the entity designated by the Project Implementing Entity in the Emergency Response Operations Manual and approved by the Association pursuant to Section I.D.1 of the Schedule 2 to the Project Agreement, to be responsible for coordinating and implementing Part 1.4 of the Project.
9. **“Counterpart Funds”** means an amount equivalent to twenty (20) million Dollars that the Project Implementing Entity will contribute to finance the Project.
10. **“Eligible Emergency”** means an event associated with flooding disaster that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Oyo State.

11. **“Emergency Expenditure”** means any of the Eligible Expenditures set forth in the Emergency Response Operations Manual in accordance with the provisions of Section I.D.1(a)ii of the Schedule to the Project Agreement and required for the activities included Part 1.4 of the Project.
12. **“Emergency Response Operations Manual”** means the operations manual referred to in Section I.D.1(c) of the Schedule to the Project Agreement.
13. **“ESIA”** or **“Environmental and Social Impact Assessment”** means an environmental and social impact assessment prepared by the Recipient in accordance with the ESMF pursuant to Section I.C.2 of the Schedule to the Project Agreement; and **“ESIAs”** means, collectively, all such assessments.
14. **“ESMF”** means the Recipient’s environmental and social management framework document - dated January 2014 and disclosed on infoshop on January 29, 2014 - setting forth the modalities for environmental screening and procedures/actions for the preparation and implementation of environmental and social assessments and management plans under the Project and such term includes any schedule and/or annex to said framework.
15. **“ESMP”** means, for a given Project activity, an environmental and social management plan prepared by the Recipient in accordance with the ESMF pursuant to Section I.C.2 of the Schedule to the Project Agreement; and **“ESMPs”** means, collectively, all such plans.
16. **“Federal Ministry of Finance”** means the Recipient’s ministry responsible for finance and any successor thereto.
17. **“Fiscal Year”** means the Recipient’s fiscal year commencing January 1 and ending December 31 in each year.
18. **“General Conditions”** means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
19. **“Governor”** means the governor of Oyo State, the highest executive office at the state level in Oyo State.
20. **“Independent Advisory Group”** means the group referred to in Section I.A.1(c) of the Schedule to the Project Agreement.
21. **“LGA”** means a local government authority established and operating in Oyo State pursuant to the laws of the Recipient; and **“LGAs”** means, collectively, all such local government authorities.
22. **“Naira”** and **“NGN”** mean the lawful currency of the Recipient.

23. **“Nigeria Emergency Management Agency”** or **“NEMA”** means the agency established under the National Emergency Management Agency (Establishment, Etc.) Act of 1999.
24. **“Nigeria Hydrological Services Agency”** or **“NIHSA”** means the agency established under Nigeria Hydrological Services Agency (Establishment) Act of 2010, and charged with the responsibility for, among other things, providing hydrological services in Nigeria.
25. **“Nigeria Meteorological Agency”** or **“NIMET”** means the agency established under Nigerian Meteorological Agency (Establishment, etc.) Act of 2003.
26. **“Participating MDAs”** means the Project Implementing Entity’s ministries responsible for environment and habitat, water resources, works, transport, physical planning and urban development, and lands, housing and survey; as well as the Entity’s authority responsible for solid waste management and the Entity’s agencies responsible for emergency management and environmental protection.
27. **“Preparation Advance”** means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on September 9, 2013 and on behalf of the Recipient on November 5, 2013.
28. **“Priority Sites”** means the following 14 sites affected by year 2011 floods and therefore requiring urgent infrastructure repairs and reconstruction to reconnect communities in high risk - and majority poor neighborhoods of the city - namely: Alaia-Isebo, Alora, Cele Rainbow, Elere, Fworogi, Maje, Oda Ona, Ogbere, Ola Adua, Omiran, Osajin, Pegba, Poat and Poly Ijokodo.
29. **“Procurement Guidelines”** means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011.
30. **“Procurement Plan”** means the Recipient’s procurement plan for the Project, dated May 6, 2014 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
31. **“Project Financial Management Unit”** means the unit referred to in Section I.A.1(e) of the Schedule to the Project Agreement.
32. **“Project Implementing Entity”** means the Recipient’s state of Oyo with which the Association will enter into a Project Agreement.
33. **“Project Implementation Manual”** or **“PIM”** means the manual referred to in Section I.A.2(b) of the Schedule to the Project Agreement.

34. **“Project Implementation Unit”** means the unit referred to in Section I.A.1(d) of the Schedule to the Project Agreement.
35. **“Project Steering Committee”** means the committee referred to in Section I.A.1(a) of the Schedule to the Project Agreement.
36. **“Project Technical Committee”** means the committee referred to in Section I.A.1(b) of the Schedule to the Project Agreement.
37. **“RAP”** means the resettlement action plan, in form and substance satisfactory to the Association, prepared or to be prepared by the Recipient on the basis of the RPF, and giving details of the specific actions, measures and policies designed to facilitate the achievement of the objectives of the RPF, along with procedural and institutional measures needed to implement such actions, measures and policies; and **“RAPs”** means, collectively, all such plans.
38. **“Resettlement Policy Framework”** or **“RPF”** means the Recipient’s resettlement policy framework document - dated December 2013 and disclosed on infoshop on January 29, 2014 - setting forth the modalities for the compensation, resettlement and rehabilitation of Affected Persons, acceptable to the Association, and such term includes any schedules and/or annexes to said framework.
39. **“Safeguard Document”** means any of the ESMPs, ESIA, and the RAPs prepared in connection with the Project; and **“Safeguard Documents”** means, collectively, all such documents.
40. **“Subsidiary Agreement”** means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity.
41. **“Targeted Sites”** means sites identified under Ibadan integrated flood risk management masterplan and selected in accordance with the criteria provided for in the Project Implementation Manual as the loci for Project activities under Part 2.2 of the Project, all in form and substance satisfactory to the Association.
42. **“Training”** means the reasonable costs of goods and services required for the participation of personnel involved in training activities, workshops and study tours under the Project, including travel and subsistence costs, costs associated with securing the services of trainers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course, workshop or study tour preparation and implementation, but excluding salaries of consultants.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. Section 3.02 is modified to read as follows:

“Section 3.02. *Service Charge and Interest Charge*

(a) *Service Charge.* The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.

(b) *Interest Charge.* The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.”

2. Paragraph 28 of the Appendix (“Financing Payment”) is modified by inserting the words “the Interest Charge” between the words “the Service Charge” and “the Commitment Charge”.
3. The Appendix is modified by inserting a new paragraph 32 with the following definition of “Interest Charge”, and renumbering the remaining paragraphs accordingly:

“32. “Interest Charge” means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b).”
4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix (“Payment Date”) is modified by inserting the words “Interest Charges” between the words “Service Charges” and “Commitment Charges”.
5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix (“Service Charge”) is modified by replacing the reference to Section 3.02 with Section 3.02 (a).