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GRANT NUMBER D744-MV

# **Financing Agreement**

**(Accelerating Renewable Energy Integration and Sustainable Energy Project)**

**between**

**REPUBLIC OF MALDIVES**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**GRANT NUMBER D744--MV**

**FINANCING AGREEMENT**

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

WHEREAS (A) the Recipient is seeking to unlock investments in renewable energy by improving the investment climate and thereby facilitating investment by independent power producers, development of battery energy storage systems, upgrade and reinforcement of select grid systems and procurement of technical assistance.

(B) To facilitate investments by independent power producers, the Recipient wishes to offer a robust package of risk mitigation options at each bidding round. Based on market sounding, a combination of risk mitigation products would be offered to independent power producers during bid preparation. The Recipient has requested the following types of support for risk mitigation:

(a) from the Association, financial support in the form of a grant to offer concessional resources to selected independent power producers, in each case for the purpose of reducing the overall cost of the investment and its ultimate impact on the tariff; and

(b) from the Association, acting as administrator of the Clean Technology Fund (“CTF”), a CTF grant to finance the Recipient’s contribution to the establishment of payment security mechanisms in accordance with its contractual obligations to selected independent power producers which, in each case, is one of the conditions of the independent power producer’s investment.

(c) Additionally, independent power producers will have the option to request a guarantee from Multilateral Investment Guarantee Agency (MIGA), to mitigate their risk.

(C) For the development of its battery energy storage systems, the Recipient has requested from the Association, acting as an implementing entity of the CTF, a CTF loan.

(D) For the modernization and expansion of its grid for variable renewable energy integration and other related activities, the Recipient:

- (a) intends to use part of the proceeds of the grant from the Association;
- (b) has requested from the Asian Infrastructure Investment Bank (“AIIB”) an AIIB financing; and
- (c) continues to explore other possible sources of financing.

(E) Finally, to procure related technical assistance, the Recipient intends to use part of the funds of the CTF grant and other potential sources of financing.

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 a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to eight million and eight hundred thousand Special Drawing Rights (SDR 8,800,000) (“Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Payment Dates are May15 and November 15 in each year.
- 2.05. The Payment Currency is Dollar.

### **ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through its Ministry of Environment in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Co-financing Deadline for the effectiveness of the AIIB Co-financing Agreement is May 31, 2021, except as the Recipient and the Association shall otherwise agree.

### **ARTICLE V — EFFECTIVENESS; TERMINATION**

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

### **ARTICLE VI — REPRESENTATIVE; ADDRESSES**

- 6.01. The Recipient's Representative is its Minister of Finance.

6.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient's address is:

Ministry of Finance  
Ameenee Magu  
Male 20379  
Republic of Maldives; and

(b) the Recipient's Electronic Address is:

Telex:	Facsimile:	E-mail:
+9603349200	+9603338034	<a href="mailto:dmd@finance.gov.mv">dmd@finance.gov.mv</a>

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

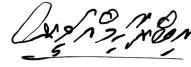
(b) the Association's Electronic Address is:

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

AGREED as of the Signature Date.

**REPUBLIC OF MALDIVES**

By



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

Ibrahim Ameer

**Name:** \_\_\_\_\_

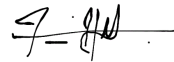
Minister of Finance

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

**Date:** 02-Mar-2021 \_\_\_\_\_

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

By



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

Faris H. Hadad-Zervos

**Name:** \_\_\_\_\_

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

**Date:** 02-Mar-2021 \_\_\_\_\_

## **SCHEDULE 1**

### **Project Description**

The objectives of the Project are to increase renewable energy generation capacity and enhance the financial and environmental sustainability of the power sector in the Maldives.

The Project consists of the following parts:

#### **Part 1: Solar Photovoltaic Risk Mitigation**

Provision of financial instruments to be offered to in the bidding packages for the selection of independent power producers selected for deploying solar photovoltaic subprojects, in the form of: (a) tariff buydown grants, reducing the impact of the financial cost of independent power production on the tariff; and (b) contributions into secured payment mechanisms, mitigating the risk of payment default of the offtaker in connection with power purchase agreements and associated agreements.

#### **Part 2: Battery Energy Storage Systems**

Deployment (procurement and operation) of battery energy storage systems and related equipments in selected grid systems.

#### **Part 3: Grid Modernization for Variable Renewable Energy Integration**

Upgrade and reinforcement of selected grid systems, including through: the strengthening of network capacity; the deployment of supervisory control and data acquisition; the optimization of interactions among renewable energy generation, battery energy storage systems and existing conventional power plants; interconnection among islands; and associated infrastructure for electric mobility development.

#### **Part 4: Technical Assistance**

Provision of technical assistance to support: (a) institutional capacity building of the stakeholders relevant for renewable energy integration; (b) independent power producer subprojects identification and preparation including tendering process; (c) other sustainable energy development activities; (d) Project management and implementation; and (e) energy sector gender gap mitigation actions.

## **SCHEDULE 2**

### **Project Execution**

#### **Section I. Implementation Arrangements**

##### **A. Institutional Arrangements.**

1. The Recipient shall vest the overall responsibility for Project implementation in its Ministry of Environment (“ME”). To this end, the Recipient shall establish and maintain the following arrangements for the period of implementation of the Project.
  - (a) The Recipient shall establish, by no later than one (1) month after the Effective Date and thereafter maintain, a steering committee for the Project (“Steering Committee”), with membership and terms of reference satisfactory to the Association. Without limitation to the foregoing provision, the Steering Committee shall: (i) be comprised of a chair appointed by the Ministry of Environment, and officials representing respectively ME, STELCO, FENAKA, Maldives Energy Authority, Ministry of National Planning, Housing and Infrastructure, Ministry of Finance and other relevant stakeholders invited on an as needed basis; and (ii) provide guidance on the investment pipeline, review Project implementation progress and make key decisions on Project implementation.
  - (b) The Recipient shall establish, by no later than one (1) month after the Effective Date and thereafter maintain, a technical committee for the Project (“Technical Committee”), with membership, functions and terms of reference satisfactory to the Association, for the purpose of, among other things, providing technical advices to the Steering Committee and the PMU.
  - (c) The Recipient shall update no later than one (1) month after the Effective Date the terms of reference and composition of the Project Management Unit (“PMU”) within the ME, to reflect its added responsibilities and needs for the implementation of the Project, and maintain it with functions and resources satisfactory to the Association, and with staff in adequate numbers and with qualifications, experience and terms of reference satisfactory to the Association. Without limitation on the foregoing, the PMU shall: (i) be headed by the Project Director; and (ii) shall be responsible for the management of Project activities including fiduciary,



environmental and social related activities, planning, supervision, monitoring and reporting.

**B. Subprojects.**

1. For the implementation of Part 1 of the Project, the Recipient shall prepare solar photovoltaic subprojects (each a “Subproject”) and select investors (each an “Investor”) for the implementation of the Subprojects through a competitive bidding process. Under each Subproject, the selected Investor shall design, build, finance, own, operate and transfer a Subproject and sell the power generated to the Recipient-owned utility in the location of the Subproject (“Offtaker”), pursuant to a power purchase agreement entered into between the Investor and the Offtaker (“Power Purchase Agreement” or “PPA”).
2. Each bidding package prepared by the PMU for the selection of an Investor shall include and standardized project documents. In addition to the PPA to be entered into between the Offtaker and the Investor, an agreement between the Recipient and the Investor (the “Implementation Agreement”) and/or another agreement accessory to the Implementation Agreement, pursuant to which, among other obligations, the Recipient shall extend a grant (“Tariff Buy Down Grant”) to the Investor, whose availability to the Investor shall depend on the performance of the Subproject, shall be entered into for the purpose of reducing the financial cost of the Subproject and its impact on the ultimate tariff paid by customers.
3.
  - (a) Each Implementation Agreement (or other agreement accessory to the Implementation Agreement for the extension of the Tariff Buy Down Grant) shall be entered into on the basis of terms and conditions and a model agreement acceptable to the Association, such terms and conditions being further described in, and such model agreement being attached as an annex to, the Project Operations Manual.
  - (b) Without limitation to the generality of the provisions of Section I.B.3(a) of this Schedule, each Implementation Agreement (or other agreement accessory to the Implementation Agreement for the extension of the Tariff Buy Down Grant) with the respective Investor shall include the obligations of the Investor to:
    - (i) carry out its Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption

Guidelines applicable to recipients of grant proceeds other than the Recipient;

- (ii) carry out its Subproject in compliance with the environmental and social obligations described in Section I.C of this Schedule;
- (iii) provide, promptly as needed, the resources required for its Subproject;
- (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 Subproject and the achievement of its objectives;
- (v)
  - (A) 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 Subproject; and
  - (B) 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;
- (vi) enable the Recipient and the Association to inspect the Subproject, its operation and any relevant records and documents; and
- (vii) 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.

4. The Recipient shall exercise its rights under each Implementation Agreement (or other agreement accessory to the Implementation Agreement for the extension of the Tariff Buy Down Grant) in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Grant. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Implementation Agreement (or other agreement accessory

to the Implementation Agreement for the extension of the Tariff Buy Down Grant), or any of its provisions.

**C. Environmental and Social Standards and Performance Standards.**

1. The Recipient shall:
  - (a) ensure that the Project is implemented in accordance with the Environmental and Social Standards, in a manner acceptable to the Association; and
  - (b) cause each of the Investors to ensure, among other things through the inclusion of appropriate provisions in the Implementation Agreement, that its Subproject is carried out with due regard to appropriate health, safety, social, and environmental practices and standards, in accordance with the Performance Standards and the EHS Guidelines, in a manner acceptable to the Association.
  
2. Without limitation to paragraph 1(a) above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure, and cause each of the Investors to ensure with respect to its Subproject under Part 1 of the Project, that:
  - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as provided in the ESCP including, without limitation, the Recipient’s obligation to: (i) screen Investors to ensure that they have an Environment and Social Management System (“ESMS”) in place which meets the requirements of the Performance Standard for the implementation of its Subproject; (ii) cause each Investor to maintain and comply with its ESMS throughout the period of implementation of its Subproject; and (iii) provide capacity building support to each Investors, as needed, with respect to its environmental and social obligations under the ESMS;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP, and each Investor has sufficient funds available to cover the costs of implementing its ESMS;

- (c) policies, procedures are maintained and qualified and experienced staff in adequate numbers are retained by the Recipient and each of the Investors to implement the ESCP and the ESMSs as provided in the ESCP; and
  - (d) the ESCP, and any of the ESMSs or any of their provision, are not amended, revised or waived, except as the Association shall otherwise agree in writing as specified in the ESCP, and the revised ESCP and any of the ESMSs so amended are disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall ensure that:
  - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association or whenever the circumstances warrant, 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: (A) the status of implementation of the ESCP; (B) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (C) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein, the Environmental and Social Standards and the Performance Standards.
- 5. The Recipient shall establish (if not already done), and cause each Investor to establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project, or Subproject-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 6. The Recipient shall ensure, and cause each of the Investors to ensure, that all bidding documents and contracts for civil works under the Project and each of the

Subprojects include the obligation of contractors, subcontractors and supervising entities, to: (i) comply with the relevant aspects of the ESCP and its Investor's ESMS and the environmental and social instruments referred to therein; and (ii) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

**D. Project Operations Manual.**

1. No later than one (1) month after the Effective Date, the Recipient shall adopt the Project Operations Manual, in form and substance satisfactory to the Association. The Project Operations Manual shall set forth:
  - (a) the requirement for the preparation of Subprojects and bidding documents for the selection of Investors, including model legal agreements;
  - (b) environmental and social requirements applicable for each Part of the Project, in accordance with ESCP;
  - (c) required staff, minimum qualifications and allocation of responsibilities; and
  - (d) the administrative, accounting, auditing, internal control, asset management, reporting, financial, procurement and disbursement (flow of funds) procedures for the Project; which procedures shall be consistent with those included or referred to in this Agreement.
2.
  - (a) Throughout the implementation of the Project, the Recipient shall ensure that the Project is carried out in accordance with the Project Operations Manual.
  - (b) The Recipient shall obtain the Association's written agreement prior to assigning, amending, abrogating, or waiving its Project Operations Manual, or any of its provisions, or permitting any other entity participating in the implementation of the Project to do so.
3. In the event of any conflict between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

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

### **A. Reports.**

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

### **B. Annual Work Plans and Budgets.**

1. (a) Except for the Recipient's fiscal year during which this Agreement shall become effective, each year, the Recipient shall: (i) prepare and furnish to the Association by October 1 in each year, beginning in 2021, a draft Annual Work Plan and Budget for review and comment, summarizing the implementation progress of the Project for the said year and the Project activities to be undertaken in the following fiscal year (including Subprojects and risk mitigation tools, together with documentary evidence that the environmental and social obligations related to such upcoming Project activities shall be fully complied with in a timely fashion in accordance with the Recipient's environmental and social obligations with respect to the Project), as well as the proposed annual budget and sources of financing for the Project (Grant, counterpart financing if any, and any other source of financing which are or may become available for the Project); (ii) taking into account the Association's comments, finalize and furnish to the Association no later than December 1 in each year, beginning in 2021, the Annual Work Plan and Budget, acceptable to the Association; and (iii) thereafter, ensure that the Project is implemented during the following fiscal year in accordance with the Annual Work Plan and Budget agreed with the Association and in a manner acceptable to the Association (and update such Annual Work Plans and Budgets on a quarterly basis). The Recipient shall not amend, suspend, abrogate, or waive said Annual Work Plans and Budgets or any provision thereof without the prior written agreement of the Association.
- (b) For the Recipient's fiscal year during which this Agreement shall become effective, the date referred to in Section II.B.1(a)(i) of this Schedule shall be one (1) month after the Effective Date and the date referred to in Section II.B.1(a)(ii) of this Schedule shall be two (2) months after the Effective Date. Such Annual Work Plan and Budget shall not include any reporting related to activities implemented during the fiscal year during which it is prepared.

**C. Project Midterm Review**

The Recipient shall:

1. not later than thirty-six (36) months after the Effective Date, or such other date as may be agreed with the Association, carry out jointly with the Association, a midterm review of the Project (the “Midterm Review”), to assess the status of Project implementation, as measured against the indicators referred to in Section II.A.1 of this Schedule and the legal covenants included in this Agreement. Such review shall include an assessment of the following: (a) overall progress in implementation; (b) results of monitoring and evaluation activities; (c) progress on procurement and disbursement; (d) progress on implementation of environmental and social measures; (e) implementation arrangements and Project staffing; and (f) the need to make any adjustments to the Project and reallocate funds to improve performance, if any;
2. to this end, prepare and furnish to the Association, at least one (1) month before the Midterm Review, a report (or reports), in scope and detail satisfactory to the Association and integrating the results of the monitoring and evaluation activities performed pursuant to Section II.A.1 of this Schedule, on the progress achieved in the carrying out the Project during the period preceding the date of such report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of its objectives during the period following such date; and
3. review jointly with the Association the report or reports referred to in the preceding paragraph, and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of its objectives, based on the conclusions and recommendations of such report or reports and the Association’s views on the matter.

**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:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Tariff Buy Down Grants for Subprojects under Part 1(a) of the Project	4,400,000	100%
(2) Goods, works, non-consulting services, consulting services, for Part 3 of the Project	4,400,000	24%
<b>TOTAL AMOUNT</b>	<b>8,800,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date; or
  - (b) under Category (1) until the Association has received evidence satisfactory to it that the Project Operations Manual has been adopted by the Recipient in accordance with the provisions of Section I.D.1 of this Schedule; and a first Implementation Agreement (or other agreement accessory to the Implementation Agreement for the extension of the Tariff Buy Down Grant) has been entered into in accordance with the provisions of Section I.B.2; and



- (c) under Category (2) until the Association has received evidence satisfactory to it that the AIIB Co-financing Agreement has been signed by all parties thereto, declared effective and that AIIB has confirmed to the Association that all conditions precedent to a disbursement of the funds allocated to Part 3 of the Project under the AIIB Co-financing Agreement, if any, have been satisfied.

2. The Closing Date is January 31, 2026.

## **APPENDIX**

### **Definitions**

1. “AIIB” means the Asian Infrastructure Investment Bank.
2. “AIIB Co-financing” means the amount of \$20,000,000 contributing to finance Part 3 of the Project.
3. “AIIB Co-financing Agreement” means the agreement entered or to be entered into between the Recipient and AIIB for the provision of the AIIB Co-financing. “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.
4. “Applicable Environmental and Social Laws” means, collectively, any applicable law of the Recipient relating to the environment, human health or safety, or laws and regulations relating to social issues, including those related to land acquisition and labor.
5. “Category” means a category set forth in the Disbursement Table.
6. “CTF” means the Clean Technology Fund.
7. “Disbursement Table” means the table included in Section III.A of Schedule 2 to this Agreement.
8. “EHS Guidelines” means the World Bank Group Environmental, Health and Safety Guidelines published on [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines), as said guidelines are updated from time to time.
9. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the environmental and social commitment plan for the Project, dated March 11, 2020, 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.

10. “Environment and Social Management System” or “ESMS” means the integrated environmental, social, health and safety management system implemented or to be implemented by the Recipient to manage (and to cause each Investor to manage) the environmental and social performance of Part 1 of the Project on an ongoing basis in compliance with the Applicable Environmental and Social Laws, environmental and social instruments referred to therein and the Performance Standards.
11. “Environmental and Social Standards” or “ESSs” means, collectively:
  - (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”;
  - (ii) “Environmental and Social Standard 2: Labor and Working Conditions”;
  - (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”;
  - (iv) “Environmental and Social Standard 4: Community Health and Safety”;
  - (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”;
  - (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”;
  - (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”;
  - (viii) “Environmental and Social Standard 8: Cultural Heritage”;
  - (ix) “Environmental and Social Standard 9: Financial Intermediaries”;
  - (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”;effective on October 1, 2018, as published by the Association.
12. “FENAKA” means FENAKA Corporation Limited, the company responsible for the supply of electricity, water and sewerage services to the outer islands of the Recipient, wholly owned by the Recipient, established by Presidential Decree under the Companies Act of 10/96 on June 18, 2012, and registered on August 1, 2012; or any successor thereto.
13. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020).
14. “Implementation Agreement” means each agreement entered or to be entered into between the Recipient and an Investor, pursuant to which, among other things, the Recipient has committed to provide a Security and/or a Tariff Buy Down Grant, in accordance with the provisions of Section I.B.2(a) of Schedule 2 to this Agreement.

15. “Investor” means an investor competitively selected (or to be competitively selected) by the Recipient for the implementation of a Subproject, in accordance with Section I.B.1 of Schedule 2 to this Agreement and the seller of the power under a PPA.
16. “Maldives” means the territory of the Recipient.
17. “Maldives Energy Authority” means the Recipient’s independent regulatory body affiliated to the ME, mandated to regulate the energy sector activities, or any successor thereto.
18. “Midterm Review” has the meaning ascribed to it in Section II.C.1 of Schedule 2 to this Agreement.
19. “Ministry of Environment” or “ME” means the Recipient’s ministry responsible for environment.
20. “Ministry of Finance” means the Recipient’s ministry responsible for finance.
21. “Ministry of National Planning, Housing and Infrastructure” means the Recipient’s ministry of planning, housing and infrastructure, or any successor thereto.
22. “Offtaker” means the purchaser of the power under a PPA.
23. “Performance Standards” means, collectively, the eight Performance Standards developed by the International Finance Corporation (IFC) that have been adopted by the Bank and the Association as the World Bank Performance Standards for Projects supported by the private sector for application to the Bank and the Association support for projects (or Parts thereof) that are designed, owned, constructed and/or operated by a private entity, in lieu of the World Bank’s safeguard policies, each as of the date of this Agreement. The Performance Standards can be found in the Association’s Operational Manual under OP/BP 4.03 (Performance Standards), at [www.worldbank.org](http://www.worldbank.org), and [www.ifc.org/ehsguidelines](http://www.ifc.org/ehsguidelines).
24. “Power Purchase Agreement” or “PPA” means each power purchase agreement entered or to be entered into between an independent power producer such as an Investor, as seller, and a power utility company operating on the Recipient’s territory, such as FENAKA or STELCO, as purchaser of the power produced by the seller.

25. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.
26. “Project Management Unit” or “PMU” means the unit initially established for the management of the Recipient’s Accelerating Sustainable Private Investments in Renewable Energy Project, reorganized/strengthened for the purpose of the Project in accordance with the provisions of Section I.A.1(c) of the Schedule to this Agreement.
27. “Project Operations Manual” or “POM” means the manual to be prepared or updated and adopted for the Project in accordance with the provisions of Section I.D.1 of Schedule 2 to this Agreement.
28. “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.
29. “Steering Committee” means the committee to be established for the Project in accordance with Section I.A.1(a) of Schedule 2 to this Agreement.
34. “STELCO” means State Electric Company Ltd, the company responsible for power generation, distribution and retail, wholly owned by the Recipient, and established by the Presidential decree of #1997/83 of June 1997; or any successor thereto.
35. “Subproject” means a solar photovoltaic subproject prepared by the Recipient as an independent power production to be implemented by an Investor; and “Subprojects” means more than one such subproject.
30. “Tariff Buy Down Grant” means, with respect to a Subproject, a grant extended or to be extended by the Recipient to the Investor to reduce the overall cost of the Subproject pursuant to an Implementation Agreement, in accordance with the provisions of Section I.B.2(a)(ii) of Schedule 2 to this Agreement.
31. “Technical Committee” means the committee to be established in accordance with Section I.A.1(b) of Schedule 2 to this Agreement.