

CONFORMED COPY

GRANT NUMBER H522-CF

Financing Agreement

(Additional Financing for CEMAC - Transport and Transit Facilitation Project)

between

CENTRAL AFRICAN REPUBLIC

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated December 11, 2009



GRANT NUMBER H522-CF

FINANCING AGREEMENT

AGREEMENT dated December 11, 2009, entered into between CENTRAL AFRICAN REPUBLIC (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). The Recipient and the Association hereby agree as follows:

WHEREAS (A) Other activities for the facilitation of regional trade within CEMAC and improvement of the Recipient’s, the Republic of Cameroon’s and the Republic of Chad’s access to world markets are intended to be funded by other donors, including, *inter alia*, the following:

(i) The European Commission (EC) has entered into an agreement with the Recipient dated March 8, 2007 for the provision of a financing in an amount of 55,000,000 Euros (the “EC CAR-9th EDF Grant Agreement”); and

(ii) The African Development Fund (ADF) has entered into an agreement with the Recipient dated February 29, 2008 for the provision of a financing in an amount of 27,800,000 Units of Account.

NOW, THEREFORE, the parties hereto 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 grant in an amount equivalent to forty two million eight hundred thousand Special Drawing Rights (SDR 42,800,000) (“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 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 Payment Dates are June 15 and December 15 in each year.
- 2.05. The Payment Currency is the Euro.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall implement the Project in accordance with the provisions of Article IV of the General Conditions.
- 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 Events of Suspension consist of the following:
 - (a) The Road Maintenance Fund Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Road Maintenance Fund to perform any of its obligations in the implementation of the Project.

(b) (i) Subject to sub-paragraph (ii) of this paragraph: (A) the right to withdraw the proceeds of the financing be provided by the EC and the ADF, respectively, as described in paragraph (A) (i) to (ii) of the Preamble (collectively referred to in this paragraph as the “Parallel Financing”), has been suspended, cancelled, or terminated in whole or in part; or (B) the Parallel Financing has become due and payable prior to its agreed maturity.

(ii) Sub-paragraph (i) of this paragraph shall not apply if the Recipient establishes to the satisfaction of the Association that adequate funds for the financing of the activities intended to be financed from the proceeds of the Parallel Financing are available from other sources on terms and conditions consistent with the Recipient’s obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

- 5.02. 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. The Recipient's Representative is the Minister of the Recipient at the time responsible for international cooperation.

6.02. The Recipient's Address is:

Minister of State for Planning, Economy and International Cooperation
Ministry of Planning, Economy and International Cooperation
Rue Martin Luther King
BP 696, Bangui
Central African Republic

Facsimile:

236-21-61-96-89

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
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at Bangui, Central African Republic, as of the day and year first above written.

CENTRAL AFRICAN REPUBLIC

By /s/ Sylvain Maliko

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Obiageli Ezekwesili

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to facilitate regional trade among the Member States and improve the Recipient's, the Republic of Cameroon's and the Republic of Chad's access to world markets.

The Project, which is part of the Program, consists of the following parts:

Part 1: Roads Infrastructure Improvement in the Corridors, including through support to:

- (i) periodic maintenance, rehabilitation and upgrading works on selected sections of the Corridors, including: (A) the rehabilitation of the most dilapidated parts of the Bossembélé-Yaloké section of the Corridors, (B) the equipment of a crushing plant, (C) the maintenance of the Bangui-Baoro corridor and its main accesses, and (D) the rehabilitation of the Bangui by-pass; and
- (ii) paving of gravel road sections, including fractions of the Baboua-Garoua-Boulai section and of the Bouar-Fambélé section.

Part 2: Transport Facilitation Investments, through support to:

- (i) improvement of intermodal interfaces, including the construction of a truck parking facility in Bouar.

Part 3: Customs and Transport Sector Institutional Strengthening and Capacity Building, through support to:

- (i) strengthening CEMAC custom union, including computerization of, and institutional support to, the National Customs;
- (ii) institutional support for transport facilitation institutions, including the Ministry of Environment, the Ministry of Forests, the Ministry of Transport, the Ministry of Public Works and the Road Maintenance Fund; and
- (iii) management and coordination of the Project's activities.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall, throughout the implementation of the Project, maintain the following implementation and coordination arrangements:

- (a) The Ministry of Planning shall be responsible for the oversight of the Project, and in particular: (i) such activities undertaken to secure compliance of the Project with good governance principles, and (ii) the control of fiduciary activities (financial management and procurement for the Project).
- (b) The Technical Committee shall be responsible for the national coordination and overall management of the Project. It shall be headed by a Project coordinator.
- (c) The Ministry of Public Works shall be responsible for the technical implementation of Part 1 of the Project. The Ministry of Transport shall be responsible for the technical implementation of Part 2 and Part 3(ii) of the Project. The National Customs shall be responsible for the technical implementation of Part 3(i) of the Project. Each of the Road Maintenance Fund, the Ministry of Planning, the Ministry of Public Works and the National Customs shall be responsible for its respective part of the technical implementation of Part 3(iii) of the Project.
- (d) The Recipient shall cause the Road Maintenance Fund to provide support to the Recipient, including the Ministry of Public Works, the Ministry of Transport and the National Customs respectively, on the basis of terms and conditions satisfactory to the Association, including the following:
 - (i) the Road Maintenance Fund shall be responsible for all financial management (financial reports and payments) of the Project;
 - (ii) the Road Maintenance Fund shall maintain resources and expertise satisfactory to the Association, including in the disbursement and financial management areas; and

(iii) the Road Maintenance Fund shall prepare and submit to the Technical Committee annual work programs and budgets acceptable to the Association.

(e) The Ministry of Public Works shall be responsible for the procurement for the Project, either directly or in the form of support to the Ministry of Transport, the Road Maintenance Fund and the National Customs respectively, under terms and conditions acceptable to the Association.

B. Project Staff and Manual

(a) The Recipient shall, throughout the implementation of the Project, maintain appropriate staff in adequate number, with terms of reference, qualification and experience satisfactory to the Association.

(b) The Recipient shall carry out the Project in accordance with the provisions of the Project Implementation Manual, and shall not, unless the Association shall otherwise agree, amend or waive any provision thereof which in the opinion of the Association may adversely and materially affect the implementation of the Project or the achievement of its objective.

(c) Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the Project Implementation Manual and this Agreement, the provisions of this Agreement shall prevail.

C. Anti-Corruption

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

D. Safeguards

(a) The Recipient shall ensure that throughout the implementation of the Project, (i) the Project (except Part 1(i)(D)) shall be implemented in accordance with the guidelines, procedures, timetables and other specifications set forth in the Environment and Social Management Plan (2007) and the Resettlement Action Plan (2007), and that (ii) Part 1(i)(D) of the Project shall be implemented in accordance with the guidelines, procedures, timetables and other specifications set forth in the Environment and Social Management Framework and the Resettlement Policy Framework.

(b) In particular, the Recipient shall ensure that:

(A) before the implementation of Part 1(i)(D) of the Project, a New Environmental and Social Management Plan, in form and substance satisfactory to the Association, is prepared and locally disclosed, in accordance with the provisions of the Environmental and Social Management Framework, and Part 1(i)(D) of the Project is implemented in accordance with the New Environmental and Social Management Plan; and

(B) before the implementation of Part 1(i)(D) of the Project, a New Resettlement Action Plan, in form and substance satisfactory to the Association, is effectively prepared and locally disclosed, in accordance with the provisions of the Resettlement Policy Framework, and Part 1(i)(D) of the Project is implemented in accordance with the New Resettlement Action Plan.

(c) Except as the Association shall agree in writing, the Recipient shall not abrogate, amend, repeal, suspend, waive or otherwise fail to enforce the provisions of the Safeguard Documents.

(d) Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the Association, on a semi-annual basis, reports on the status of compliance with the Safeguard Documents, giving details of:

(A) measures taken in furtherance of such Safeguard Documents;

(B) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Documents; and

(C) remedial measures taken or required to be taken to address such conditions.

E. Road maintenance

The Recipient shall adequately maintain the portion of the Corridor running through its territory. The Recipient finances the maintenance of the said sections of the Corridor through the Road Maintenance Fund. To that effect, the Recipient:

- (i) ensures that the Road Maintenance Fund Legislation and the mechanism for the financing of the Road Maintenance Fund are not modified so as to materially affect the ability of the Road Maintenance Fund to finance the maintenance of said sections of the Corridor running through the Recipient's territory, or to reduce the Road Maintenance Fund's resources;
- (ii) causes to be included each year in its budget the necessary additional resources, if any, to enable the Road Maintenance Fund to fully finance all routine maintenance of such portion of the Corridor; and
- (iii) takes all necessary measures to ensure that the Road Maintenance Fund's resources are affected to the financing of routine maintenance of such portion of the Corridor.

F. Security

The Recipient shall ensure that each contract entered into for the implementation of the Project contains appropriate safeguards for the management of the insecurity risk resulting from conflicts in the areas where the activities under such contract are carried out.

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

1. (a) The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than forty-five days after the end of the period covered by such report.

- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
 - (i) At the end of the Project, no manual customs procedure for goods in transit is reported at Garoua Boulai on the Douala-Bangui corridor; and
 - (ii) At the end of the Project, the average transit time for imports from the exit at the Port of Douala to Bangui has been reduced to eight days.
- 2. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than July 31, 2015.
- 3. Eighteen (18) months after the Effective Date, or such later date as may be agreed upon by the Recipient and the Association, the Recipient shall, in conjunction with the Association, carry out a mid-term review of the Project (the "Mid-term Review"), covering the progress achieved in the implementation of the Project. The Recipient shall prepare, under terms of reference satisfactory to the Association, and furnish to the Association not less than three (3) months prior to the beginning of the Mid-term Review, or on such later date agreed upon with the Association in writing, a report integrating the results of the monitoring and evaluation activities performed pursuant to this Agreement, on the progress achieved in the carrying out of 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 the objective of the Project during the period following such date. Following the Mid-term Review, the Recipient shall act promptly and diligently in order to take, or cause to be taken, any corrective action deemed necessary by the Association to remedy any shortcoming noted in the carrying out of the Project in furtherance of the objectives of the Project.

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 prepare and furnish to the Association not later than forty-five days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall 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. 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.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works 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 the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Methods
<i>(a) Limited International Bidding</i>
<i>(b) National Competitive Bidding(*)</i>
<i>(c) Shopping</i>
<i>(d) Force Account</i>
<i>(e) Direct Contracting</i>

(*) subject to complementing the rules applicable to National Competitive Bidding to ensure that: (i) bids are advertised in national newspapers with wide circulation; (ii) bid evaluation, bidder qualification and award criteria are specified clearly in the bidding documents; (iii) bidders are given adequate response time (minimum four weeks) to prepare and submit bids; (iv) bids are awarded to the lowest evaluated bidder proven this bidder is qualified; (v) eligible bidders, including foreign bidders, are not precluded from participating; and (vi) no preference margin is granted to domestic contractors.

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 table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Methods
<i>(a) Quality Based Selection</i>
<i>(b) Selection Under a Fixed Budget</i>
<i>(c) Least Cost Selection</i>
<i>(d) Single Source Selection</i>
<i>(e) Selection of Individual Consultants</i>

3. **Training.** Training shall be carried out on the basis of annual programs and budgets, which shall have been approved by the Association, and which shall, *inter alia*, identify: (a) particulars of the training envisaged; (b) the personnel to be trained; (c) the selection method of the institution or individuals conducting such training; (d) the institution conducting such training if identified; (e) the purpose and justification for such training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such training.

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.

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
(1) Goods, works and consultants' services for Part 1 of the Project, except works for Part 1(i) (D) of the Project	31,500,000	100%, value added tax and custom duties not included
(2) Works for Part 1(i) (D) of the Project	2,700,000	100%, value added tax and custom duties not included
(3) Works and consultants' services for Part 2 of the Project	400,000	100%, value added tax and custom duties not included
(4) Goods, works and consultants' services for Part 3 of the Project, including Training and audits, with the exception of Operating Costs	2,700,000	100%, value added tax and custom duties not included
(5) Operating Costs for Part 3 of the Project	500,000	100% all taxes included
(6) Unallocated	5,000,000	
TOTAL AMOUNT	42,800,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made
 - (a) for payments made prior to the date of this Agreement; or
 - (b) under Category (2) until the New Environmental and Social Management Plan and the New Resettlement Action Plan, each in form and substance satisfactory to the Association, have been prepared and locally disclosed, in accordance with the provisions of the Environmental and Social Management Framework and the Resettlement Policy Framework, respectively.

2. The Closing Date is January 31, 2015.

APPENDIX**Section I. Definitions**

1. “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.
2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. “CEMAC” means the Central African Economic and Monetary Community.
4. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.
5. “Corridors” means collectively the Douala-N’Djamena and Douala-Bangui corridors.
6. “Displaced Persons” means a 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 of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.
7. “Environmental and Social Management Framework” means the Recipient’s document entitled “*Projet d’Urgence de Rehabilitation d’Infrastructures et de Services Urbains (PURISU) - Cadre de Gestion Environnementale et Sociale*” and dated December 2007, detailing: (a) the measures, applicable to various activities including those carried out under Part 1(i)(D) of the Project, to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels, and (b) the actions needed to implement these measures, including monitoring and institution strengthening.

8. “Environment and Social Management Plan (2007)” means the document entitled “*Etude d’Impact Environnemental et Social du Projet d’Aménagement de la Route Bouar-Garoua Boulai – Plan de Gestion Environnementale et Sociale*” dated January 2007.
9. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006) , with the modifications set forth in Section II of this Appendix.
10. “Member States” means the members of CEMAC including, as of the date of this Agreement, the Central African Republic, the Republic of Cameroon, the Republic of Chad, the Republic of Congo, the Republic of Equatorial Guinea and the Gabonese Republic
11. “Ministry of Environment” means the *Ministère de l’Environnement et de l’Ecologie*, the Recipient’s ministry in charge, *inter alia*, of environment.
12. “Ministry of Forests” means the *Ministère des Eaux, Forêts, Chasse et Pêche*, the Recipient’s ministry in charge, *inter alia*, of forests.
13. “Ministry of Planning” means the *Ministère du Plan, de l’Economie et de la Coopération Internationale*, the Recipient’s ministry in charge, *inter alia*, of planning.
14. “Ministry of Public Works” means the *Ministère de l’Équipement et du Désenclavement*, the Recipient’s ministry in charge, *inter alia*, of public works.
15. “Ministry of Transport” means the *Ministère des Transports et de l’Aviation Civile*, the Recipient’s ministry in charge, *inter alia*, of transport.
16. “National Customs” means the Recipient’s customs administration (*Administration des Douanes et des Droits Indirects*) established in the Recipient’s Ministry of Finance and Budget by decree No. 07.046 dated February 25, 2007.

17. “New Environmental and Social Management Plan” means the Recipient’s document prepared in accordance with the Environmental and Social Management Framework with respect to an activity carried out under Part 1(i)(D) of the Project, that details: (i) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental or social impacts, or to reduce them to acceptable levels, and (ii) the actions needed to implement these measures.
18. “New Resettlement Action Plan” means the Recipient’s document prepared in accordance with the Resettlement Policy Framework with respect to an activity carried out under Part 1(i)(D) of the Project, which, *inter alia*, (i) contains a census survey of displaced persons and valuation of assets, (ii) describes compensation and other resettlement assistance to be provided, consultation to be conducted with displaced people about acceptable alternatives, institutional responsibilities for the implementation and procedures for grievance redress, and arrangements for monitoring and evaluation, and (iii) contains a timetable and budget for the implementation of such measures.
19. “Original Financing Agreement” means the financing agreement for a CEMAC - Transport and Transit Facilitation Project between the Recipient and the Association, dated September 14, 2007, as amended to the date of this Agreement (Grant No. H314-CA).
20. “Original Project” means the CAR Project Activities described in the Original Financing Agreement.
21. “Operating Costs” means the incremental operating expenses incurred by the Road Maintenance Fund, the Ministry of Transport, the Ministry of Public Works, the Ministry of Plan, and National Customs, on account of the Project implementation, management and monitoring including rent for buildings; office, vehicles, office equipment and other operation and maintenance costs; water and electricity utilities, telephone, office supplies, bank charges, additional staff costs, travel and supervision costs, per diem, but excluding the salaries of officials and public servants of the Recipient’s civil service.
22. “Port of Douala” means the *Port Autonome de Douala*, established by the Republic of Cameroon by decree No. 99-130 dated June 15, 1999 and complemented by decree No. 2002-163 dated June 24, 2002 approving the governing document of the *Port Autonome de Douala*.

23. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006.
24. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated September 14, 2009 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
25. “Program” means the CEMAC Trade and Transport Facilitation Program designed to (i) implement a regional institutional framework; (ii) harmonize national regulations; (iii) improve interconnectivity of customs information technology systems within the region; and (iv) implement a pilot trade and transport facilitation project on the Douala-N’Djamena (about 1,850 km) and Douala-Bangui (about 1,450 km) corridors, adopted by CEMAC pursuant *Règlement* No. 14/06-UEAC-160-CM-14 dated March 11, 2006.
26. “Project Implementation Manual” means collectively the Recipient’s documents entitled “*Manuel de Procédures Administratives*” and “*Manuel de Gestion Administrative, Budgétaire, Comptable et Financière du Fonds d’Entretien Routier*” approved by the Recipient by decision No. 379/08 dated June 19, 2008, and containing procedures applicable to the Project and used for the purpose of implementing the Project, including in the areas of monitoring and evaluation, coordination, financial management (including financial, administrative and accounting procedures, procurement, internal controls and audits), and other provisions related to the institutional organization, as such guidelines and procedures may be amended from time to time with the prior written agreement of the Association, and such term includes any schedule to the Project Implementation Manual.
27. “Resettlement Action Plan (2007)” means the document entitled “*Etude d’Impact Environnemental et Social du Projet d’Aménagement de la Route Bouar-Garoua Boulaï – Plan de Délocalisation*” dated January 2007.
28. “Resettlement Policy Framework” means the Recipient’s document entitled “*Projet d’Urgence de Rehabilitation d’Infrastructures et de Services Urbains (PURISU) - Cadre de Politique de Réinstallation*” and dated December 2007, containing guidelines, procedures, timetables and other specifications, applicable to various activities including those carried out under Part 1(i)(D) of the Project, for compensation, rehabilitation and resettlement assistance to Displaced Persons, as amended from time to time with the prior written consent of the Association.

29. “Road Maintenance Fund” means *Fonds d’Entretien Routier*, a non profit agency with legal and financial autonomy established by ordinance No. 81-002 dated January 5, 1981, as amended by law No. 05-001 dated November 15, 2005, operating in accordance with the Road Maintenance Fund Legislation.
30. “Road Maintenance Fund Legislation” means the constitutive documents of the Road Maintenance Fund (*Statuts du Fonds d’Entretien Routier*) approved by Presidential decree No. 06.206 dated June 26, 2006.
31. “Safeguard Documents” means collectively the Environment and Social Management Plan (2007), the Resettlement Action Plan (2007), the Environmental and Social Management Framework, the Resettlement Policy Framework, the New Environmental and Social Management Plan, or the New Resettlement Action Plan .
32. “Technical Committee” means the committee established by the Recipient by decision No. 505/08 dated July 25, 2008.
33. “Training” means the cost of training under the Project, based on annual budgets approved by the Association pursuant to Section III.C.3 of Schedule 2 to this Agreement, 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.
34. “Unit of Account” means the Unit of Account of the African Development Fund specified in the Agreement Establishing the African Development Fund adopted on the 29th day of November, 1972, as amended from time to time.

Section II. Modifications to the General Conditions

The modifications to the General Conditions for Credits and Grants of the Association, dated July 1, 2005 (as amended through October 15, 2006) are as follows:

1. Section 2.07 is modified to read as follows:

“Section 2.07. Refinancing Preparation Advance

If the Financing Agreement provides for the repayment out of the proceeds of the Financing of an advance made by the Association or the Bank (“Preparation Advance”), the Association shall, on behalf of the Recipient, withdraw from the Financing Account on or after the Effective Date the amount required to repay the withdrawn and outstanding balance of the advance as at the date of such withdrawal from the Financing Account and to pay all accrued and unpaid charges, if any, on the advance as at such date. The Association shall pay the amount so withdrawn to itself or the Bank, as the case may be, and shall cancel the remaining unwithdrawn amount of the advance.”

2. The following terms and definitions set forth in the Appendix are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:

- (a) The term “Project Preparation Advance” is modified to read “Preparation Advance” and its definition is modified to read as follows:

“‘Preparation Advance’ means the advance referred to in the Financing Agreement and repayable in accordance with Section 2.07.”