

LOAN NUMBER 8411-EG

Project Agreement

(Egypt Household Natural Gas Connection Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

EGYPTIAN NATURAL GAS HOLDING COMPANY

Dated September 11,2014

LOAN NUMBER 8411-EG

PROJECT AGREEMENT

AGREEMENT dated September 11, 2014, entered into between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") and EGYPTIAN NATURAL GAS HOLDING COMPANY ("Project Implementing Entity") ("Project Agreement") in connection with the Loan Agreement ("Loan Agreement") of same date between ARAB REPUBLIC OF EGYPT ("Borrower") and the Bank. The Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Loan 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 or the Loan Agreement.

ARTICLE II — PROJECT

- 2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of Article V of the General Conditions, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the Schedule to this Agreement.

ARTICLE III — REPRESENTATIVE; ADDRESSES

- 3.01. The Project Implementing Entity's Representative is its Chairman.
- 3.02. The Bank's Address is:

International Bank for Reconstruction and Development 1818 H Street, NW Washington, DC 20433 United States of America

Cable: Telex: Facsimile:

INTBAFRAD 248423(MCI) or 1-202-477-6391

Washington, D.C. 64145(MCI)

3.03. The Project Implementing Entity's Address is:

Egyptian Natural Gas Holding Company 85 Nasr Road Tower C Cairo, 11371 Egypt

Facsimile: +20224055874

AGREED at Cairo, Arab Republic of Egypt, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Ву

Authorized Representative

Name:

Title: Regional Vice President

EGYPTIAN NATURAL GAS HOLDING COMPANY

Ву

Authorized Representative

Name: Khabo A.badie

Title: Chairman

SCHEDULE

Execution of the Project

Section I. <u>Implementation Arrangements</u>

A. Subsidiary Loan Agreement

- 1. To facilitate the carrying out of the Project, the Project Implementing Entity shall enter into a subsidiary loan agreement with the Borrower ("Subsidiary Loan Agreement") pursuant to which the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity under terms and conditions acceptable to the Bank, which shall include provisions to the effect that: (a) repayment of principal, and payment of interest, charges and premium shall be made in accordance with Article II of the Loan Agreement and Article III of the General Conditions; (b) payment of any other charges may be required by the Borrower; and (c) foreign exchange risk shall be borne by the Project Implementing Entity.
- 2. The Project Implementing Entity shall exercise its rights under the Subsidiary Loan Agreement in such manner as to protect the interests of the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree after consultation, the Project Implementing Entity shall not assign, amend, abrogate or waive the Subsidiary Loan Agreement or any of its provisions.

B. Institutional and Implementation Arrangements

- 1. The Project Implementing Entity shall maintain, throughout the implementation of the Project, the Project Management Unit (PMU) with adequate staffing (including Project manager, procurement and financial specialists, and technical, environmental, social, and planning managers/specialists), resources and terms of reference satisfactory to the Bank, to be responsible for the overall implementation and coordination of Project activities and such other functions as set forth in the Project Implementation Manual.
- 2. The Project Implementing Entity shall carry out Part A of the Project through Egypt Gas Company, Town Gas Company and such other LDCs that may be selected during Project implementation to carry out activities under Part A of the Project in Selected Areas. For this purpose, the Project Implementing Entity shall enter into an agreement with:

 (a) Egypt Gas Company and ReGas; (b) Town Gas Company, ReGas, Sianco and SinaiGas; and (c) such other LDCs that may be selected during Project implementation to carry out activities under Part A of the Project in Selected Areas ("EGAS Implementation Agreement") on terms and conditions acceptable to the Bank, including, *inter alia*, that:
 - (i) (A) in the case of 2 (a), ReGas authorizes Egypt Gas Company to carry out Project activities on its behalf in Sohag over which ReGas has been granted concession to carry out such activities; (B) in the case of 2 (b), ReGas authorizes Town Gas Company to carry out Project activities on its behalf in Marsa Matrouh over which ReGas has been granted concession to carry out such activities, and Sianco and SinaiGas each authorize Town Gas Company to carry

out Project activities on their behalf in Alexandria and Ismailia, over which Sianco and SinaiGas have, respectively, also been granted concession to carry out such activities; and (C) in the case of 2 (c), such LDC has been granted appropriate concession and/or authorization to carry out such activities; and

- (ii) Egypt Gas Company, Town Gas Company or any other such LDC as the case may be shall:
 - (A) maintain a financial management system and prepare financial statements in accordance with the provisions set out in Section 5.09 of the General Conditions and Section II.B.1 of this Schedule, and implement, with the assistance of the Project Implementing Entity, its respective part of the Project in accordance with the Financial Management Manual and inform the Project Implementing Entity promptly of any event or circumstance which interferes or threatens to interfere with the smooth implementation of the Project; and except as the Bank and the Project Implementing Entity may otherwise agree, the pertinent LDC shall not amend, waive or abrogate any of the provisions of the Financial Management Manual;
 - (B) prepare and submit to the Project Implementing Entity not later than thirty-five (35) days after the end of each calendar quarter for subsequent forwarding to the Bank, quarterly interim unaudited financial reports in accordance with the provisions set out in Section 5.09 of the General Conditions and Section II.B.2 of the Schedule to this Project Agreement;
 - (C) prepare annual financial statements and ensure that said financial statements are audited on an annual basis in accordance with the provisions set out in Section 5.09 of the General Conditions and Section II.B.3 of this Schedule;
 - (D) submit annual audit reports to the Project Implementing Entity not later than four (4) months from the end of each Fiscal Year until completion of the Project for subsequent forwarding to the Bank, and make said reports publicly available in a timely fashion and in a manner acceptable to the Bank;
 - (E) employ contractors as may be needed to carry out its obligations under the respective EGAS Implementation Agreement;
 - (F) prepare and submit to the Project Implementing Entity, quarterly progress reports, including progress in the implementation of the ESIAF, together with quarterly Financial Reports, for subsequent forwarding to the Bank;
 - (G) carry out its activities in accordance with sound administrative, engineering, accounting, utilities services and environmental standards and in accordance with the Anti-Corruption Guidelines;

- (H) for the duration of the Project, make available to the Project Implementing Entity, the Bank and the auditors referred to in Section II.B of this Schedule, all documents, books, and records pertaining to its activities financed under the Project;
- (I) respond to queries, and report to the Project Implementing Entity, findings and comments by the auditors referred to in Section II.B of this Schedule;
- (J) implement its respective part of the Project in accordance with the provisions of the Safeguard Instruments and except as the Bank and the Project Implementing Entity may otherwise agree in writing, the pertinent LDC shall not amend, suspend, waive or abrogate the Safeguard Instruments of any of the provisions contained therein; and
- (K) maintain, throughout the implementation of the Project, a Project management coordinator under terms of reference acceptable to the Bank, for the purpose of carrying out the detailed engineering design, procurement, construction, supervision and monitoring of Part A of the Project.
- 3. Throughout the duration of the Project, the Project Implementing Entity shall:
 (a) maintain and enforce each EGAS Implementation Agreement, including any amendments thereto, and shall promptly notify the Bank and the Borrower of any event or circumstance that arises or may arise, which interferes with or may interfere with the EGAS Implementation Agreement or its implementation/enforcement; and (b) not amend any EGAS Implementation Agreement except as otherwise agreed upon with the Borrower and the Bank.
- 4. To ensure the timely and efficient implementation of the Project, the Project Implementing Entity shall establish and thereafter maintain implementation arrangements for carrying out activities under Part B of the Project, including the mechanisms for the provision of financial support for connection fees for households in disadvantaged and poor areas residing in the Selected Areas in accordance with methodology and targeting criteria as elaborated in the Project Implementation Manual.
- 5. The Project Implementing Entity shall carry out the Project in accordance with the provisions of the Project Implementation Manual referred to in Section 5.02 (c) and Section I.D of Schedule 2 to the Loan Agreement.
- 6. The Project Implementing Entity shall provide, for every Fiscal Year, adequate funding necessary for the timely and efficient implementation of the Project.

C. Anti-Corruption

The Project Implementing Entity shall carry out the Project in accordance with the provisions of the Anti-Corruption Guidelines.

D. Safeguards

- 1. The Project Implementing Entity shall carry out the Project in accordance with the provisions of the Safeguard Instruments.
- 2. To ensure compliance with the applicable Safeguard Instruments, the Project Implementing Entity shall take the following measures:
 - (a) If any Project activity would, pursuant to the ESIAF, require the carrying out of an ESIA, the Project Implementing Entity shall, prior to the implementation of such activity, ensure that:
 - (i) an ESIA for such activity has been: (A) prepared in accordance with the ESIAF and furnished to the Bank; (B) disclosed locally as required by the ESIAF; (C) approved by the Bank and publicly disclosed; and (D) the ESIA is thereafter implemented in a manner satisfactory to the Bank; and
 - (ii) if said ESIA would require the preparation of an ESMP, such ESMP has been: (A) prepared in accordance with such ESIA and furnished to the Bank; (B) disclosed locally as required by the ESIAF; (C) approved by the Bank and publicly disclosed; and (D) the ESMP is thereafter implemented in a manner satisfactory to the Bank.
 - (b) If any Project activity would, pursuant to the ESIAF, require the carrying out of a QRA, the Project Implementing Entity shall, prior to the implementation of such activity, ensure that a QRA for such activity has been: (i) prepared in accordance with the ESIAF and furnished to the Bank; (ii) disclosed locally as required by the ESIAF; (iii) approved by the Bank and publicly disclosed; and (iv) the QRA is thereafter implemented in a manner satisfactory to the Bank.
 - (c) If any Project activity would, pursuant to the RPF, require the preparation of a RAP, the Project Implementing Entity shall, prior to the implementation of such activity, ensure that:
 - (i) a RAP for such activity has been: (A) prepared in accordance with the requirements of the RPF and furnished to the Bank; (B) disclosed locally as required by the RPF; and (C) approved by the Bank and publicly disclosed; and
 - (ii) (A) all measures required to be taken under said RAP prior to the initiation of said activity have been taken, including, without limitation to the above, ensuring that no displacement shall occur before necessary resettlement measures, consistent with the RAPs applicable to such activities, have been executed, and paying full compensation to all affected people when and if required under a RAP; (B) a report, in form agreed with the Bank and substance acceptable to the Bank on the status of compliance with the requirements of said RAP has been prepared and furnished to the Bank; (C) the Bank has confirmed that said activity can

be commenced; and (D) said RAP is thereafter implemented in a manner satisfactory to the Bank.

- (d) Prior to the commencement of any activities under Part A of the Project, establish and make operational a grievance redressal mechanism pursuant to the provisions of the RPF, and maintain it throughout the duration of the Project with terms of reference, staff, functions and resources satisfactory to the Bank in order to address any issues that may arise in connection with the implementation of the RPF and the RAPs.
- 3. (a) Without limitation upon its other reporting obligations under this Project Agreement, the Project Implementing Entity shall regularly collect, compile and submit to the Bank, in form and substance satisfactory to the Bank, quarterly reports on the status of compliance with the Safeguard Instruments, giving details of: (i) measures taken in furtherance of such Safeguard Instruments; (ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and (iii) remedial measures taken or required to be taken to address such conditions.
 - (b) The Project Implementing Entity shall afford the Bank a reasonable opportunity to review and exchange views with the Project Implementing Entity on the reports prepared under paragraph (a) immediately above, and thereafter, shall carry out, with due diligence and in a timely manner, all remedial measures agreed with the Bank so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.
- 4. The Project Implementing Entity shall ensure that:
 - (a) no activities involving the use of land shall be carried out prior to the review of the legal status of the land by the Project Implementing Entity in a manner acceptable to the Bank;
 - (b) no activities shall be carried out involving land, for which there is legal uncertainty over ownership and use rights;
 - (c) in the event that any land required for the Project is proposed to be acquired by purchasing said land from land owners who are willing to sell on a voluntary basis under certain terms and conditions, the Project Implementing Entity shall:

 (a) carry out adequate consultations with the land owners related to the sale transactions and make a detailed assessment of the price based on appropriate methodology taking into account all relevant considerations; (b) enter into appropriate contracts with the land owners containing terms and conditions agreed to voluntarily by them; (c) provide to the Bank copies of said contracts as may be requested by the Bank to demonstrate the voluntary nature of the sales transactions; and (d) address direct impacts, if any, on people who may be adversely affected by said transactions from the loss of land use, income or livelihood in accordance with the provisions of the RPF.

- 5. Except as the Bank may otherwise agree in writing, the Project Implementing Entity shall not amend, abrogate or waive, or permit any other relevant entity to amend, abrogate or waive any of the Safeguard Instruments, or any provision thereof.
- 6. In the event of a conflict between the provisions of any of the Safeguards Instruments and the provisions of this Project Agreement, the provisions of this Project Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation.

A. Project Reports

- 1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of indicators acceptable to the Bank. Each such Project Report shall cover the period of one calendar quarter, and shall be furnished to the Bank and the Borrower not later than forty-five (45) days after the end of the period covered by such report.
- 2. The Project Implementing Entity shall provide to the Borrower not later than six (6) months, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions, all such information as the Borrower or the Bank shall reasonably request for the purposes of that Section.

B. Financial Management, Financial Reports and Audits

- 1. The Project Implementing Entity shall maintain a financial management system and prepare its financial statements and the Project's financial statements in accordance with consistently applied accounting standards acceptable to the Bank, all in a manner adequate to reflect the operations and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to the Project.
- 2. The Project Implementing Entity shall prepare and furnish to the Borrower and the Bank not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form agreed to with the Bank and in substance satisfactory to the Bank.
- 3. The Project Implementing Entity shall have its Financial Statements and the Financial Statements of the Project, both audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of these financial statements shall cover the period of one Fiscal Year of the Project Implementing Entity. The Project Implementing Entity shall ensure that the audited financial statements for each period shall be: (a) furnished to the Borrower and the Bank not later than six (6) months after the end of the period; and (b) made publicly available in a timely fashion and in a manner acceptable to the Bank.

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 Loan 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. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank 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) Shopping; (b) Direct Contracting; and (c) National Competitive Bidding, subject to the following additional provisions, namely, that the draft bidding documents for goods to be procured through National Competitive Bidding shall incorporate the principles established in Section I of the Procurement Guidelines and shall be furnished to the Bank for its prior review and approval.

C. Review by the Bank of Procurement Decisions

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

Appendix

Definitions

- 1. "AFD Co-financing" means an amount of seventy million Euros (€70,000,000) to be provided as a loan by the *Agence Française de Développement* (AFD), to assist in financing Part A of the Project.
- 2. "AFD Co-financing Agreement" means an agreement to be entered into between the Borrower and AFD providing for the co-financing of Part A of the Project by AFD.
- 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. "EGAS" means the Egyptian Natural Gas Holding Company established in 2001 pursuant to the Public Business Sector Law No. 203 of 1991, laws of the Borrower, or any successor thereto.
- 6. "EGAS Implementation Agreement" means, individually, the agreement to be entered into as set forth in Section 5.02 (b) of this Agreement between:
 - (a) EGAS and Egypt Gas Company and ReGas for carrying out activities under Part A of the Project in Selected Areas in the following governorates: Qalubia, Menufia, Daqahlia, Qena, Gharbia, and Aswan, over which Egypt Gas Company has been granted concession to carry out such activities, and in Selected Areas in Sohag over which ReGas has been granted concession to carry out such activities and in respect of which ReGas has authorized Egypt Gas Company to carry out said activities on its behalf;
 - (b) EGAS and Town Gas Company, ReGas, Sianco and SinaiGas for carrying out activities under Part A of the Project in Selected Areas in the following governorates: Alexandria, Giza, and Ismailia, over which Town Gas Company has been granted concession to carry out such activities, in Selected Areas in Marsa Matrouh over which ReGas has been granted concession to carry out such activities and in respect of which ReGas has authorized Town Gas Company to carry out said activities on its behalf, and in Selected Areas in Alexandria and Ismailia, over which Sianco and SinaiGas have, respectively, also been granted concession to carry out such activities, and in respect of which Sianco and SinaiGas have each authorized Town Gas Company to carry out said activities on their behalf; and
 - (c) any other LDC for carrying out activities under Part A of the Project in Selected Areas in any other governorates selected during Project implementation for carrying out said activities over which it has been granted concession to carry out

such activities, or in respect of which it has been authorized by another LDC that has been granted concession to carry out such activities; and collectively called "EGAS Implementation Agreements."

- 7. "Egypt Gas Company" means the company established in 1983 pursuant to the Investment Law No. 43 of 1974 and which has been granted concession by EGAS to carry out, among others, design, construction, management, operation and maintenance of natural gas activities related to domestic, commercial and industrial consumers in specified governorates in the Borrower's territory, including Qalubia, Menufia, Daqahlia, Qena, Gharbia, and Aswan governorates, and any successor thereto.
- 8. "ENI" means the European Neighborhood Instrument.
- 9. "ENI Co-financing" means an amount of fifty-eight million Euros (€58,000,000) to be provided as a grant by the European Neighborhood Instrument (ENI) to assist in financing Parts B and C of the Project.
- 10. "ENI Co-financing Agreement" means an agreement to be entered into between the Borrower and ENI providing for the co-financing of Parts B and C of the Project by ENI.
- 11. "ESIA" means for a given activity under Part A of the Project, the site-specific environmental and social impact assessment for said activity to be carried out in accordance with the provisions of the ESIAF.
- 12. "ESIAF" means the Borrower's environmental and social impact assessment framework, including the environmental and social management and monitoring framework and all schedules and annexes thereto, prepared and disclosed in the Borrower's territory on March 23, 2014 and at the Bank's *Infoshop* on March 24, 2014, detailing, *inter alia*: (a) the criteria and mechanisms for carrying out ESIA and QRA; (b) the measures 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 (c) the actions needed to implement these measures, including monitoring and institutional strengthening.
- 13. "ESMP" means a site-specific environmental and social management plan for the Project to be prepared and implemented in accordance with the provisions of the ESIAF and the applicable ESIA.
- 14. "Financial Management Manual" means the manual containing the guidelines and procedures for the financial management of the Project to be prepared and adopted by the Project Implementing Entity in form and substance satisfactory to the Bank.
- 15. "Fiscal Year" means the fiscal year of the Borrower and the Project Implementing Entity starting July 1 and ending June 30 of each year.
- 16. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for Loans," dated March 12, 2012, with the modifications set forth in Section II of this Appendix.

- 17. "LDCs" means collectively, Town Gas Company, Egypt Gas Company, ReGas, Sianco, SinaiGas, and any other local distribution company with concession over governorates that are part of the Selected Areas; and individually called "LDC."
- 18. "Ministry of Finance" means the Borrower's ministry responsible for finance, and any successor thereto.
- 19. "PMU" means the Project Management Unit established on June 19, 2014 within EGAS by Administrative Order No. 242 of 2014, and referred to in Section I.A of the Schedule to this Agreement.
- 20. "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.
- 21. "Procurement Plan" means the Borrower's procurement plan for the Project, dated June 9, 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.
- 22. "Project Agreement" means the agreement between the Bank and EGAS, of even date herewith, as the same may be amended from time to time; and such term includes all schedules and agreements supplemental to such Project Agreement.
- 23. "Project Implementation Manual" means the manual for the Project to be prepared and adopted in form and substance satisfactory to the Bank, and referred to in Section 5.02 (c) of the Loan Agreement and Section I.B.4 of the Schedule to this Agreement, which shall contain detailed implementation arrangements as well as responsibilities and procedures to ensure proper coordination of Project activities, including the following provisions: (a) procedures and criteria for selecting target areas and households; (b) disbursement, financial management, and procurement procedures; (c) institutional administration, coordination and day-to-day execution of Project activities; (d) monitoring and evaluation, reporting, and communications; (e) detailed procedures for coordination and collaboration among the agencies involved in the implementation of the Project, including LDCs; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project, as the same may be amended from time to time with prior written agreement of the Bank.
- 24. "Project Implementing Entity" means EGAS, and any successor thereto.
- 25. "Project Implementing Entity's Legislation" means the Borrower's Public Business Sector Law No. 203 of 1991.
- 26. "QRA" means for a given activity under Part A of the Project, the site-specific Quantitative Risk Assessment for said activity to be carried out in accordance with the provisions of the ESIAF.

- 27. "RAP" means a site-specific resettlement action plan for Part A of the Project, satisfactory to the Borrower and the Bank, to be prepared and adopted by the Project Implementing Entity pursuant to the RPF, containing, *inter alia*, a program of actions, measures and policies for the compensation, resettlement and rehabilitation of persons affected by the implementation of the Project, including as a result of the acquisition of land and other assets, and loss of access to land, other assets or income, whether permanent or temporary, together with adequate institutional, monitoring, reporting and grievance redressal arrangements capable of ensuring proper implementation of, and regular compliance with, its terms for each site, as such plan may be updated from time to time with the prior approval of the Borrower and the Bank; and "RAPs" means more than one RAP.
- 28. "ReGas" means Regional Gas Company established in 2007 pursuant to the Borrower's Law No. 8 of 1997, and which has been granted concession by EGAS to carry out, among others, design, construction, management, operation and maintenance of natural gas activities related to domestic, commercial and industrial consumers in specified governorates in the Borrower's territory, including Sohag and Marsa Matrouh governorates, and any successor thereto.
- 29. "RPF" means the Borrower's resettlement policy framework for Part A of the Project, including all schedules and annexes thereto, prepared and disclosed in the Borrower's territory on March 23, 2014 and at the Bank's *Infoshop* on March 24, 2014, setting forth, *inter alia*: (a) the rules, procedures and guidelines for the resettlement, rehabilitation, livelihood improvement and payment of compensation to people affected by the implementation of the Project, including as a result of the acquisition of land and other assets, and loss of access to land, other assets or income, whether permanent or temporary, as well as monitoring, reporting, institutional and grievance redressal measures to be taken; and (b) the procedures and arrangements for the preparation of RAPs as may be required pursuant to said framework, as such framework may be updated from time to time with the prior written approval of the Borrower and the Bank.
- 30. "Safeguard Instruments" means, collectively, the ESIAF, ESIA, ESMP, RPF, RAP and ORA.
- 31. "Selected Areas" means the areas in the following governorates within the Borrower's territory where the Project will be implemented: Giza, over which Town Gas Company has concession to carry out its activities; Qalubia, Menufia, Daqahlia, Qena, Gharbia and Aswan, over which Egypt Gas Company has concession to carry out its activities; Sohag, and Marsa Matrouh, over which ReGas has concession to carry out its activities; Alexandria, over which both Town Gas Company and Sianco have concession to carry out their respective activities; and Ismailia, over which both Town Gas Company and SinaiGas have concession to carry out their respective activities, all of which have been selected in accordance with methodology and targeting criteria agreed with the Bank and detailed in the Project Implementation Manual, and such other areas in these or other governorates under the concession of these or other LDCs as may be selected during Project implementation with the prior written approval of the Bank.

- 32. "Sianco" means the company established in the year 2000 pursuant to the Borrower's Law No. 3 of 1998, and which has been granted concession by EGAS to carry out, among others, design, construction, management, operation and maintenance of natural gas activities related to domestic, commercial and industrial consumers in specified governorates in the Borrower's territory, including Alexandria governorate, and any successor thereto.
- 33. "SinaiGas" means the company established in 2010 pursuant to the Borrower's Law No. 8 of 1997, and which has been granted concession by EGAS to carry out, among others, design, construction, management, operation and maintenance of natural gas activities related to domestic, commercial and industrial consumers in specified governorates in the Borrower's territory, including Ismailia governorate, and any successor thereto.
- 34. "Subsidiary Loan Agreement" means the agreement referred to in Section I.A of the Schedule to this Agreement pursuant to which the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity.
- 35. "Town Gas Company" means company established in the year 2000 pursuant to the Borrower's Law No. 8 of 1997 and which has been granted concession by EGAS to carry out, among others, design, construction, management, operation and maintenance of natural gas activities related to domestic, commercial and industrial consumers in specified governorates in the Borrower's territory, including Giza, Ismailia, and Alexandria governorates, and any successor thereto.