



CREDIT NUMBER 5661-GW

Financing Agreement

(OMVG Interconnection Project)

between

Republic of Guinea-Bissau

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *June 23*, 2015

FINANCING AGREEMENT

AGREEMENT dated June 23, 2015, entered into between Republic of Guinea-Bissau ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to fifty-five million five hundred thousand Special Drawing Rights (SDR 55,500,000) (variously, "Credit" and "Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement. The Recipient's Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is the authorized representative of the relevant Project Implementing Entity.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%).
- 2.05. The Payment Dates are June 15 and December 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

- 2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall cause: (i) Part 1 and, initially, Part 2.1 of the Project to be carried out by OMVG; and (ii) after the conditions set forth in Section IV.B.1(c) of schedule 2 to this Agreement have been met, the balance of Part 2.1 and all of Part 2.2 of the Project to be carried out by the Asset Management Agency in accordance with the provisions of Article IV of the General Conditions and the Project Agreements.
- 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 OMVG Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of OMVG to perform any of its obligations under the OMVG Project Agreement.
 - (b) The AMA Legislation or the Special Establishment Convention has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Asset Management Agency to perform any of its obligations under the AMA Project Agreement.
 - (c) The Recipient or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of OMVG or the Asset Management Agency, or for the suspension of either entity's operations.
 - (d) A Participating Country shall have failed to carry out its ESMP or RAP, as the case may be, or to perform any of the measures or obligations contained therein in a form or manner acceptable to the Association.
 - (e) Any of the Participating Country Co-Financing Agreements shall have failed to become effective, or the right of the Recipient or any of the Participating Countries to make withdrawals under the relevant Participating Country Co-Financing Agreements (other than the effectiveness of this Agreement) shall not have vested, within 3 months of the Effective Date.

- (f) The Special Establishment Convention has not been ratified by all Participating Countries within 12 months of the Effective Date.

4.02. The Additional Events of Acceleration consist of the following:

- (a) Any event specified in paragraphs (d), (e) and (f) of Section 4.01 of this Agreement occurs and is continuing for a period of 30 days after notice of the event has been given by the Association to the Recipient.
- (b) Any event specified in paragraphs (a), (b), and (c) of Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consist of the following:

- (a) The Subsidiary Agreements have been executed on behalf of the Participating Countries and OMVG.
- (b) The Participating Countries have adopted the Operations Manual related to the implementation of the Project in form and substance satisfactory to the Association.
- (c) The Special Establishment Convention has been adopted by the Heads of State of each of the Participating Countries.

5.02. The Additional Legal Matters consist of the following:

- (a) The OMVG Subsidiary Agreement has been duly authorized or ratified by the Recipient and OMVG and is legally binding upon the Recipient and OMVG in accordance with its terms.
- (b) The OMVG Legislation has been duly ratified by, and executed and delivered on behalf of, each Participating Country and is legally binding upon each Participating Country and in full force and effect in its territory, in accordance with its terms.

5.03. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.

5.04. For purposes of Section 8.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

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

6.02. The Recipient's Address is:

Ministry of Economy and Finance
Avenida Amilcar Cabral
Caixa Postal no. 67
Bissau
Republic of Guinea-Bissau

Telephone

(245) 6752983

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 Washington D.C., United States as of the
day and year first above written. of America

THE REPUBLIC OF GUINEA-BISSAU

By

Authorized Representative

Name: Jaou S. da Silva
Jaou S. da Silva
Title: Permanent Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Colin Bruce
Authorized Representative

Name: Colin Bruce
Title: Director for Regional
Integration

SCHEDULE 1

Project Description

The objective of the Project is to enable electricity trade between The Gambia, Guinea, Guinea-Bissau and Senegal.

Part 1: Extension of WAPP Transmission Network – OMVG Interconnection

1. **Transmission lines.** Provision of works, technical assistance, equipment and goods for the construction of: (i) approximately 566 km of Lots 5, 7 and 6 between Soma and Tanaff of 225 kV transmission network and a corresponding fiber optic cable; (ii) approximately 1,111 km of Lots 1, 2, 3, 4 and 6, of 225 kV transmission network and a corresponding fiber optic cable, interconnecting the electrical networks of the four Participating Countries.
2. **Substations.** Provision of works, technical assistance, equipment and goods for the construction of: (i) the 225/30 kV Substations of Bambadinca and Salthino in Guinea Bissau; and (ii) eleven 225/30 kV Substations, one 225/33kV Substation and one 225/110/30kV Substation on the interconnection.

Part 2: Technical Assistance to OMVG

1. **Implementation Support.** (i) Provision of technical assistance, training, capacity building, equipment and supporting operating costs related to the coordination and implementation of Project activities, monitoring and evaluation, implementation of safeguard requirements and assessment of the impacts of the Project activities; and (ii) provision of technical assistance to the PMU through the Project Management Firm, financing of internal audits and the implementation of the ESMP, and provision of technical assistance related to the fiber optic cables and for the increased collaboration between OMVG and OMVS.
2. **Operations and Maintenance Support.** Financing, for the first five years of Project implementation, of part of the costs of operation and maintenance of the OMVG Transmission Network.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

At the Regional Level

Monitoring and Advisory Committee

1. By no later than 2 months after the Effective Date, the Participating Countries and OMVG shall establish and thereafter maintain throughout Project implementation, the Monitoring and Advisory Committee, with composition and mandate acceptable to the Association.
2. Without limitation to the generality of the foregoing provisions of paragraph (1) immediately above, the Monitoring and Advisory Committee shall be chaired by the OMVG Executive Secretariat and include at a minimum eighteen members representing various project stakeholders as follows: the heads of the national OMVG units of each of the Participating Countries, representatives of the national energy directorates of each of the Participating Countries, representatives of the Ministry of Finance of each Participating Country, national electricity companies, one representative of the WAPP, and a representative of NGOs engaged in the environmental and social sectors. The secretariat of this committee will be assumed by the coordinator of the PMU (or his successor).
3. Without limitation to the generality of the foregoing provisions of paragraph (1) immediately above, the Monitoring and Advisory Committee shall be responsible for the provision of strategic guidance and overall oversight of the Project and support for its effective implementation and shall meet at least twice a year during the construction period of the OMVG Transmission Network to review Project progress reports provided by OMVG, and thereafter, as necessary.

PMU

4. OMVG shall carry out its Part of the Project implementation through the OMVG Executive Secretariat which will include a Project Management Unit, with the support of an experienced project management firm acceptable to the Association (the "Project Management Firm").
5. The PMU, once established, located within OMVG shall be staffed with qualified and experienced personnel in adequate numbers, including, *inter alia*: (i) a coordinator, a financial management specialist, an accountant, two procurement

specialists, an environmental and social specialist, a monitoring and evaluation specialist, an electrical engineer, a civil engineer; and (ii) an internal auditor for the OMVG Executive Secretariat to be recruited no later than 3 months after the Effective Date, all with qualifications and experience satisfactory to the Association.

6. The OMVG Executive Secretariat, initially through the PMU, shall be responsible for the day to day management of the Project and the coordination of its activities including, *inter alia*: (i) coordination and planning of works; (ii) supervision, monitoring and control of the Project activities; (iii) administrative and financial management; (iv) procurement activities; (v) implementation of safeguards measures; (vi) performing secretariat duties of the Monitoring and Advisory Committee; and (vii) reporting on progress to donors, Monitoring and Advisory Committee and other relevant stakeholders at least twice a year.
7. OMVG shall be supported on technical aspects by an owner's engineer to be recruited no later than 4 months after the Effective Date, and by the national and local monitoring committees for the purposes of facilitating, monitoring and supervising implementation activities on the ground.

Asset Management Agency

8. The Recipient shall take all measures required on its part, in cooperation with the other Participating Countries, to ensure that the Asset Management Agency be established no later than 24 months after the Effective Date, and thereafter maintained throughout Project implementation in form and substance satisfactory to the Association.
9. Without limitation to the generality of the foregoing provisions of paragraph (8) immediately above, the Asset Management Agency shall be responsible, *inter alia*, for the operation and maintenance of the OMVG Transmission Network, such operation and maintenance to be carried out by a Qualified Operator competitively selected in accordance with guidelines acceptable to the Association.

At the National Level

National Monitoring Committee

10. By no later than 2 months after the Effective Date, the Recipient shall establish and thereafter maintain throughout Project implementation, a National Monitoring Committee with composition, functions and resources satisfactory to the Association.
11. Without limitation to the generality of the foregoing provisions of paragraph (10) immediately above, the National Monitoring Committee shall be chaired by the

head of the OMVG national unit and shall comprise representatives of: the Ministries of the Recipient in charge of Energy, Agriculture, Local Government, Finance and the Environment as well as the national electricity company.

12. Without limitation to the generality of the foregoing provisions of paragraph (10) immediately above, the National Monitoring Committee shall be responsible for monitoring and supervising activities on the ground, including environmental and social monitoring, and administrative, technical and financial facilitation. The National Monitoring Committee shall be supervised and coordinated by the Monitoring and Advisory Committee and provide progress reports to the OMVG, as Secretariat of the Monitoring and Advisory Committee every six months.

Local Monitoring and Advisory Committees

13. By no later than 2 months after the Effective Date, the Recipient shall establish within applicable local government units and thereafter maintain throughout Project implementation, 2 Local Monitoring and Advisory Committees with composition and responsibilities in form and substance satisfactory to the Association, as further described in the ESMP and the Operations Manual.
14. Without limitation to the foregoing provisions of paragraph (13) above, the Local Monitoring and Advisory Committees will be placed under the supervision of the National Monitoring Committee. The Local Monitoring and Advisory Committees will be responsible for monitoring the implementation of field activities including the implementation of the ESMP, the RPF and the RAPs, and information, education and communication activities.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to OMVG under a subsidiary agreement between the Recipient and OMVG, under terms and conditions approved by the Association ("OMVG Subsidiary Agreement").
2. The OMVG Subsidiary Agreement shall include provisions whereby the Recipient shall:
 - (a) require OMVG: (A) to carry out the Project with due diligence and efficiency and in accordance with sound technical, economic, energy, financial, managerial, environmental, and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Safeguard Documents and pursuant to the Operations Manual and the Anti-Corruption Guidelines applicable to recipients of

loan proceeds other than the Recipient; and (B) to provide, promptly as needed, the resources required for the purpose; and

- (b) obtain rights and specify obligations adequate to protect the interests of the Recipient and those of the Association, including:
 - (i) the right to suspend or terminate the right of OMVG to use the proceeds of the Credit or to obtain a refund of all or any part of the amount of the Credit then withdrawn, upon OMVG's failure to perform any of its obligations under the Subsidiary Agreement;
 - (ii) OMVG's obligation to maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with the Monitoring and Evaluation Indicators, the progress of the Project and the achievement of its objectives;
 - (iii) OMVG's obligation: (A) to maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (B) at the Association's or the Recipient's request, to 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;
 - (iv) OMVG's obligation to enable the Recipient and the Association to inspect the Project, its operation and any relevant records and documents; and
 - (v) OMVG's obligation to prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

- 3. The Recipient shall exercise its rights and carry out its obligations under the OMVG Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Credit. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions. Notwithstanding the foregoing, if any of the provisions of the OMVG Subsidiary Agreement is inconsistent with the provisions of this Agreement or the Operations Manual, as the case may be, the provisions of this Agreement or the Operations Manual shall prevail and govern.

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

1. The Recipient shall take all action required on its part and provide the necessary financial and technical resources to ensure that the Project is implemented in accordance with the provisions of the Environmental and Social Impact Assessment (ESIA), the Environmental and Social Management Plan (ESMP), the Resettlement Policy Framework (RPF) and the Resettlement Action Plans (RAPs) applicable in its territory, all in a manner satisfactory to the Association.
2. Without limitation to the generality of the foregoing provisions of paragraph (1) immediately above, the Recipient shall provide all financial and technical resources for the preparation and implementation of RAP or RAPs in its territory.
3. The Recipient shall, through OMVG:
 - (a) prior to commencing civil works for any activity under the Project and when required under the ESIA and the ESMP, carry out specific public consultation in form and in substance satisfactory to the Association; and
 - (b) ensure the lay-out, construction and management of the relevant transmission line or substation are consistent with the recommendations of the ESIA and thereafter carry out the applicable ESMP.
4. Prior to commencement of civil works for any activity of the Project involving Resettlement, the Recipient shall, through OMVG, prepare appropriate RAP or RAPs, as the case may be, for compensation, or resettlement, in accordance with the RPF, such RAP or RAPs to be in form and substance satisfactory to the Association.
5. Prior to commencement of civil works for any activity of the Project involving Resettlement, the Recipient shall fully implement the relevant RAP or RAPs, as the case may be, in coordination with OMVG, including payment in full of compensation, resettlement assistance or any other measures required under the RAP, all in a manner satisfactory to the Association.
6. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall cause the Project Implementing Entity to collect, compile and furnish to the Association on a quarterly basis reports on the status of compliance with the Environmental and Social Impact Assessment (ESIA), the Environmental

and Social Management Plan (ESMP), the Resettlement Policy Framework (RPF) and the Resettlement Action Plans (RAPs), as the case may be, giving details of:

- (a) measures taken in furtherance of the ESIA, the ESMP and the RAPs;
 - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the ESIA, the ESMP, and the RAPs; and
 - (c) remedial measures taken or required to be taken to address such conditions.
7. The Recipient shall promptly take all remedial measures referred to in paragraph 2 of this Section D as shall have been agreed by the Association.

E. Manual and Safeguard Documents

1. Except as the Association shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the Association, the Recipient shall not abrogate, amend, repeal, suspend or waive any provisions of any of the Safeguard Documents or the Operations Manual, nor shall it permit any other entity participating in the implementation of the Project to do so.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall cause the Project Implementing Entity to 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 indicators acceptable to the Association. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the Association not later than 45 days after the end of the period covered by such report.
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 June 30, 2023.

B. Mid-Term Review

1. The Recipient shall cause the Project Implementing Entity:
 - (a) to prepare, under terms of reference satisfactory to the Association, and furnish to the Association, on or about October 30, 2019, a report integrating the results of the monitoring and evaluation activities referred to in Section II.A.1 of this Schedule and an assessment of OMVG's capacity to manage the fiduciary, administrative, safeguards, reporting and other Project implementation support requirements under the Project, and setting out the measures recommended to ensure the efficient carrying out of the Project and achievement of the objectives thereof during the period following such date; and
 - (b) to review with the Association, on or about January 31, 2020, or such later date as the Association shall request, the report and assessment referred to in the preceding paragraph (a), and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Association's views on the matter.

C. Financial Management, Financial Reports and Audits

1. The Recipient shall cause the Project Implementing Entity to maintain a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall cause the Project Implementing Entity to prepare and furnish to the Association as part of the Project Report, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall cause the Project Implementing Entity to have its Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Project Implementing Entity. 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, Works and Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

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

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding; (b) Shopping; and (c) Direct Contracting.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Selection based on Consultants' Qualifications; (b) Single-

source Selection of consulting firms; (c) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (d) Single-source procedures for the Selection of Individual Consultants.

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 Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consultants' services for (a) Part 1.1(i) of the Project for part of Lot 5: Mansoa – Tanaf, Mansoa-Bissau, Bambadinca-Mansoa, Saltinho-Bambadinca and Boké – Saltinho; and (b) Part 1.2(i) of the Project	51,900,000	100%
(2) Goods, works, non-consulting services, and consultants' services for Part 2.1(ii) of the Project	1,500,000	100%
(3) Goods, works, non-consulting services, and consultants' services for Part 2.2 of the Project		100%
(a) for the first disbursement for Part 2.2 of the Project	700,000	
(b) for the second disbursement for Part 2.2 of the Project	500,000	
(c) for the third disbursement for Part 2.2 of the Project	400,000	
(d) for the fourth disbursement for Part 2.2 of the Project	300,000	
(e) for the fifth disbursement for Part 2.2 of the Project	200,000	
TOTAL AMOUNT	55,500,000	

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, except that withdrawals up to an aggregate amount not to exceed SDR11,100,000 may be made for payments made prior to this date but on or after June 30, 2014, for Eligible Expenditures under Categories (1) and (2); or

- (b) under Category (1) until: (i) the contract for the Project Management Firm has been signed in form and substance satisfactory to the Association; and (ii) the Western Branch Financing has become effective, and the right of the Participating Countries to make withdrawals under the relevant financing agreement (other than the effectiveness of this Agreement) shall have vested;.
- (c) under Category (3) until: (i) the Asset Management Agency has been legally established and made operational in the territory of one of the Participating Countries in accordance with the AMA Legislation, all in form and substance satisfactory to the Association, and AMA has assumed full control of the management and operation of the OMVG Transmission Network; (ii) the AMA Project Agreement have been signed in form and substance satisfactory to the Association; (iii) OMVG has entered, under terms and conditions acceptable to the Association, into an assignment and assumption agreement with the Asset Management Agency pursuant to which OMVG shall, among other things, assign all of its rights under the Subsidiary Agreements to AMA and the Asset Management Agency shall assume all of OMVG's obligations (financial and otherwise) under the Subsidiary Agreements; and (iv) AMA has appointed OMVG to continue to perform until the Closing Date, all fiduciary, administrative, disbursements, safeguards, reporting and other Project implementation support responsibilities under the Project, under terms and conditions acceptable to the Association;
- (d) under Category (3)(b) until the Asset Management Agency has made payments into the O&M Dedicated Account, on a pari passu basis with the Financing provided for Part 2.2 of the Project for the previous year;
- (e) under Category (3)(c) until the Asset Management Agency has made payments into the O&M Dedicated Account, on a pari passu basis with the Financing provided for Part 2.2 of the Project for the previous year;
- (f) under Category (3)(d) until the Asset Management Agency has made payments into the O&M Dedicated Account, on a pari passu basis with the Financing provided for Part 2.2 of the Project for the previous year;
- (g) under Category (3)(e) until the Asset Management Agency has made payments into the O&M Dedicated Account, on a pari passu basis with the Financing provided for Part 2.2 of the Project for the previous year.

2. The Closing Date is June 30, 2022.

Section V. Other Undertakings

1. The Recipient shall take all measures required on its part to ensure that each of the Kaleta Power Purchase Agreements and the Transmission Service Agreements shall:
 - (a) have become effective by the date which is 12 months after the Effective Date; and
 - (b) not be amended, abrogated or waived by any party, except with the prior written agreement of the Association.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each June 15 and December 15, commencing June 15, 2021 to and including December 15, 2052	1.5625%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03(b) of the General Conditions.

APPENDIX

Section I. Definitions

1. “AMA Legislation” means the legislation, licenses, and other corporate regulations necessary in the territory of the relevant Participating Country to make effective, in terms of its own law, the principles sets forth in the Special Establishment Convention (as hereinafter defined) and provide AMA with suitable governance, full juridical personality, and appropriate international status, authorities, privileges and immunities and the conditions necessary to enable it to operate effectively toward the attainment of its objectives.
2. “AMA Project Agreement” means the Project Agreement to be signed between the Asset Management Agency and the Association
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. “Asset Management Agency” and “AMA” means the *Agence de Gestion des Ouvrages Communs de l'OMVG*, a supranational entity with commercial character to be created by its shareholders pursuant to the OMVG Treaty (as hereinafter defined) and the Special Establishment Convention for the purpose of operating, maintaining, and developing the transmission line under Part 2.2 of the Project.
5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
6. “Co-financier” means each of African Development Bank, *Kreditanstalt für Wiederaufbau*, the European Investment Bank, the Islamic Development Bank, the French Development Agency, the Kuwait Fund, and the West African Development Bank, or as otherwise agreed with the Association.
7. “Co-financing” means, for purposes of paragraph 11 of the Appendix to the General Conditions: an amount equivalent to five hundred and eleven million Dollars (USD 511,000,000) to be provided by the Co-financiers to assist in the financing of the Project.
8. “Co-financing Agreements” means the agreement to be entered into between the Recipient and each of the Co-financier providing for the Co-financing.

9. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers”, dated January 2011 (revised July 2014).
10. “Dollar” or “USD” means the US Dollar currency of the United States of America.
11. “Environmental and Social Impact Assessment” or “ESIA” means, individually and indistinctively, the report, which includes the Environmental and Social Management Plan (as hereinafter defined), prepared, consulted upon and disclosed in each one of the Participating Countries (as hereinafter defined) and in the Association’s *Infoshop* on November 11, 2014, identifying and assessing the potential environmental and social impacts of the activities to be undertaken under the Project overall as well as specifically in the territory of the Recipient, evaluating the alternatives therefor, and designing appropriate mitigation, management, and monitoring measures.
12. “Environmental and Social Management Plan” or “ESMP” means, individually and indistinctively, the site-specific environmental and social management plan included in the ESIA, setting forth a set of mitigation, monitoring, and institutional measures to be taken under the Project overall as well as specifically in the territory of the Recipient, during the implementation and operation of the Project activities to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.
13. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
14. “Heads of State” means the representative of the executive branch of each of the Participating Countries that is empowered under the Constitution of such Participating Country to approve international treaties and conventions.
15. “Kaleta” means the 240 MW Kaleta hydropower station under construction by Guinea located in Dubreka district, 150 km north-west of Guinean capital Conakry.
16. “Kaleta Power Purchase Agreements and Transmission Service Agreements” means the agreements to be entered into between the entity designated by Guinea to be in charge of Kaleta power Station and each of the Utilities for purchase and transmission of electric power from Kaleta.
17. “Local Monitoring and Advisory Committee” has the meaning set forth in Section I.A of Schedule 2 to this Agreement.

18. “Lot” means a subsection of the transmission line to be built under Part 1 of the Project.
19. “Monitoring and Advisory Committee” means the committee to be established under Section I.A.1 of Schedule 2 to this Agreement.
20. “Monitoring and Evaluation Indicators” means the indicators agreed between the Recipient and the Association.
21. “National Monitoring Committee” has the meaning set forth in Section I.A of Schedule 2 to this Agreement.
22. “NGO” means non-governmental organization.
23. “O&M Dedicated Account” means the account set up by AMA to receive payments received from the Utilities to be used solely for the payment of operation and maintenance costs of the OMVG Transmission Network in the case of non-payment by the Utilities.
24. “OMVG” means The Gambia River Basin Development Organization (*Organisation pour la Mise en Valeur du Fleuve Gambie*).
25. “OMVG Council of Ministers” means the administrative body of OMVG composed of a single Minister representing each Member State who may be accompanied by members of their respective Governments and which: (i) defines the general policies for the development of the river basin, the utilisation of its resources and the co-operation between contracting states and shall exercise overall control of OMVG; (ii) creates any new organs which it deems necessary for the proper functioning of the OMVG; (iii) decides the work programme of OMVG and approves its operating budget; (iv) decides the financial contributions of each Member State to the budget; and (v) approves the internal regulations of the OMVG Executive Secretariat.
26. “OMVG Executive Secretariat” means the executive organ of OMVG which applies the decisions of the Council of Ministers of the OMVG and reports regularly as regards the execution of these decisions and of all the initiatives that it has been called upon to take in conformity with the directives given by the Council of Ministers.
27. “OMVG Legislation” means, collectively, the OMVG Treaty, the Convention of the Status of the River Gambia dated June 30, 1978, the Agreement Relating to the Immunities and Privileges of OMVG dated July 2, 1979, and the Convention on the Legal Status of Common Structures, Fiscal and Customs Regulations Governing Contracts for Studies and Works or Common Structures dated January 29, 1985.

28. “OMVG Project Agreement” means the Project Agreement signed between OMVG and the Association.
29. “OMVG Subsidiary Agreement” means the agreements referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Financing available to OMVG.
30. “OMVG Transmission Network” means, collectively, the transmission lines and substations to be built under Part 1 of the Project.
31. “OMVG Treaty” means the Convention for the Creation of the Gambia River Basin Development Organisation signed among the Participating Countries in 1978, as modified by Resolutions No. 2/CEG/CG dated June 7, 1981 *portant adhésion de la République de Guinée* and the Resolution No. 9/CEG/DS dated July 28, 1983 *portant adhésion de a République de Guinée Bissau à l’OMVG*.
32. “OMVS” means the Organisation pour la mise en valeur du Fleuve Sénégal.
33. “Operations Manual” means the set of guidelines and procedures to be adopted OMVG and the Asset Management Agency 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), environment and social safeguards, and other provisions related to the institutional organization of the Project, as such guidelines and procedures may be amended from time to time with the prior written agreement of the Association.
34. “Participating Country” means each of the Republic of The Gambia, the Republic of Guinea, the Republic of Guinea-Bissau, and the Republic of Senegal.
35. “Participating Country Co-financing Agreements” means the financing agreements entered into between the Association and each of the Participating Countries and the financing agreements entered into between each of the Co-financiers and each of the Participating Countries, for the financing of the Project.
36. “PMU” or “Project Management Unit” has the meaning set forth in Section I.A of Schedule 2 to this Agreement.
37. “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 (revised July 2014).
38. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated March 10, 2015 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.

39. "Project Agreements" means, collectively, the OMVG Project Agreement and the AMA Project Agreement.
40. "Project Implementing Entity" means OMVG, and subsequently to the satisfaction of the conditions set forth in Section IV.B.1(c) of Schedule 2 to this Agreement, AMA.
41. "Project Management Firm" means the management firm referenced in Section I.A.4 of Schedule 2 to this Agreement and contracted pursuant to Section IV.B.1(b) of Schedule 2 to this Agreement.
42. "Qualified Operator" A company independent of the four OMVG member states able to demonstrate adequate experience and capacity required to operate the OMVG Transmission Network
43. "Resettlement" means: (i) the involuntary (i.e., an action that may be taken without a person's informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected persons, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.
44. "Resettlement Action Plan" or "RAP" means, individually and indistinctively, the resettlement action plan prepared and disclosed pursuant to the terms of the RPF, and setting forth the measures necessary to ensure that the displaced persons under the Project are: (i) informed about their options and rights pertaining to Resettlement; (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; (iii) provided: (A) prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (B) assistance (such as moving allowances) during relocation; and (C) with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; (iv) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and (v) provided with development assistance in addition

to the aforementioned compensation measures, such as land preparation, credit facilities, training, or job opportunities.

45. “Resettlement Policy Framework” or “RPF” means the resettlement policy framework prepared, consulted upon and disclosed in each one of the Participating Countries and in the Association’s *Infoshop* on December 11, 2014, identifying and assessing the potential social impacts of the activities to be undertaken under the Project overall as well as specifically in the territory of the Recipient, outlining the modalities for Resettlement and rehabilitation in respect of the activities under the Project, as well as details for the preparation of the RAPs.
46. “Safeguard Documents” means, collectively, the ESIA, ESMP, RPF and RAPs.
47. “Special Establishment Convention” means the special convention creating the AMA to be adopted by the Heads of State of each Participating Country pursuant to Section 5.01(c) of this Agreement.
48. “Subsidiary Agreements” means collectively, the four subsidiary agreements signed between OMVG and each of the Participating Countries.
49. “Utilities” means, collectively and indistinctively, the national utilities of the Participating Countries, or any successor thereto satisfactory to the Association, designated by the Participating Countries; and “Utility” means each and any of the Utilities.
50. “WAPP” means the West African Power Pool.
51. “Western Branch Co-financiers” means the *Kreditanstalt für Wiederaufbau*, the Kuwaiti Fund, the European Investment Bank and BOAD, or as otherwise agreed with the Association.
52. “Western Branch Financing” means an aggregate amount equivalent to one hundred and eighty seven million Dollars (USD 187,000,000) to be provided by the Western Branch Co-financiers to assist in financing Part 1 of the Project.