



LOAN NUMBER 8581-JM

Loan Agreement

(Jamaica Disaster Vulnerability Reduction Project)

between

JAMAICA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated *July 1*, 2016

LOAN NUMBER 8581-JM

LOAN AGREEMENT

Agreement dated *July 1*, 2016, between JAMAICA (“Borrower”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). The Borrower and the Bank 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 — LOAN

- 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of thirty million Dollars (\$30,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Article 2.08 of this Agreement (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02(e) of the General Conditions.

- 2.06. The Payment Dates are January 15 and July 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.
- 2.08. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management:
- (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency;
 - (ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and
 - (iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.
- (b) Any conversion requested pursuant to paragraph (a) of this Article that is accepted by the Bank shall be considered a "Conversion", as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
- (c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05(c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section IV of Schedule 2 to this Agreement.

ARTICLE III — PROJECT

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

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Events of Suspension consist of the following:
- (a) The Project Implementing Entity's Charter has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement and a substitute entity has not been agreed by the Borrower and the Bank.
 - (b) The Project Implementing Entity shall have failed to comply with any of its obligations under the Subsidiary Agreement.
- 4.02. The Additional Events of Acceleration consist of the following:
- (a) Any event specified in paragraphs (a) of Article 4.01 of this Agreement occurs.
 - (b) The event specified in paragraph (b) of Article 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following: namely, that the Subsidiary Agreement has been executed on behalf of the Borrower and the Project Implementing Entity.
- 5.02. The Additional Legal Matter consists of the following: namely, that the Subsidiary Agreement has been duly authorized or ratified by the Borrower and the Project Implementing Entity and is legally binding upon the Borrower and the Project Implementing Entity in accordance with its terms.

- 5.03. Without prejudice to the provisions of the General Conditions, the Effectiveness Deadline is the date ninety (90) days after the date of this Agreement, but in no case later than eighteen (18) months after the Bank's approval of the Loan, which expires on August 10, 2017.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower's Representative is the Minister of Finance and the Public Service.

- 6.02. The Borrower's Address is:

Ministry of Finance and the Public Service
30 National Heroes Circle
Kingston 4
Jamaica

Facsimile:

876-924-9291

- 6.03. The Bank's Address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address:

Telex:

Facsimile:

INTBAFRAD
Washington, D.C.

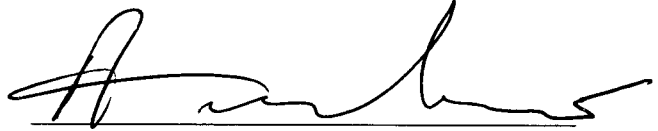
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AGREED at Kingston, Jamaica, as of the day and year first above written.

JAMAICA

By



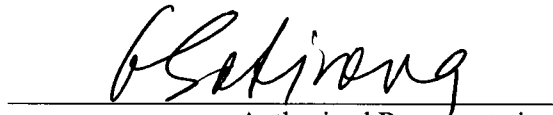
Authorized Representative

Name: Audley Shaw

Title: Minister of Finance
and the Public Service

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By



Authorized Representative

Name: Catalina Sotirva

Title: Country Manager

SCHEDULE 1

Project Description

The objective of the Project is to enhance the Borrower's resilience to disaster and climate risk.

The Project consists of the following components:

Component 1: Technical Assistance for Improved Disaster and Climate Resilience

Provision of goods, consultants' services and Training for:

- (a) strengthening the seismic monitoring network;
- (b) establishing a National Risk Information Platform to include the Coastal Risk Atlas;
- (c) preparing multi-hazard risk assessments for coastal areas, including ecosystems-based analyses and micro zonation studies;
- (d) supporting implementation of the National Building Code; and
- (e) promoting public awareness related to climate change and disaster risk management.

Component 2: Risk Reduction

Retrofitting, constructing or rehabilitating priority infrastructure (bridges and urban drainage); retrofitting or constructing and equipping critical public facilities (schools and fire stations); and establishing or improving coastal protection measures, all identified in agreement with the Bank, through the provision of goods, works, and consultants' services.

Component 3: Contingent Emergency Response

Improving the Borrower's response and recovery capacity in the event of an Eligible Crisis or Emergency, as needed.

Component 4: Project Administration

Program management costs, including Project audits, monitoring and evaluation, equipment, Training, and Operating Costs.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Borrower shall ensure that the Project Implementing Entity is responsible for implementation of the Project in accordance with the Project Operational Manual.
2. The Borrower shall ensure that the Project Operational Manual is not amended, suspended, abrogated, repealed or waived, in whole or in part, without the approval of the Bank.
3. Within ninety (90) days of the effectiveness date of the Project, the Borrower shall establish and maintain, throughout Project implementation, an Inter-Ministerial Steering Committee, with composition, functions and responsibilities acceptable to the Bank and set forth in the Project Operational Manual, including, *inter alia*, responsibility to ensure that the Project achieves the Project development objectives. The Borrower shall ensure that the Inter-Ministerial Steering Committee is co-chaired by representatives from the Project Implementing Entity and PIOJ.
4. The Borrower shall ensure that MLGCD and ODPEM contributes to the Project risk identification and risk reduction activities, including the development and implementation of training on the application of the National Building Code and the enhancement of the seismic risk reduction capacity.
5. The Borrower shall ensure that MTM, MOEYI and MLGCD contribute to the Project through the retrofitting, construction and/or rehabilitation and equipping of national infrastructure, including, but not limited to, fire stations, bridges, urban drainage, coastal protection, and schools.
6. The Borrower shall ensure that MEGJC contributes to the coordination of the National Risk Information Platform to increase the Borrower's data sharing capabilities and to integrate the hazard risk information into planning and development.
7. The Borrower shall cause the Project Implementing Entity to ensure that the terms of reference for any consultancy in respect of the Project shall be satisfactory to the Bank, as reflected in the Procurement Plan.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity under a subsidiary agreement (the Subsidiary Agreement) between the Borrower and the Project Implementing Entity, under terms and conditions satisfactory to the Bank, which shall include, *inter alia*: (a) the amount of the Loan proceeds allocated for Components 1, 2 and 4 of the Project; (b) the terms and conditions for the Project Implementing Entity's receipt of the Loan proceeds on a grant basis; (c) the obligations of the Project Implementing Entity to take all actions to enable the Borrower to comply with the pertinent obligations under this Agreement as applicable to the Project; and (d) the pertinent provisions of this Agreement.
2. The Borrower shall exercise its rights and carry out its obligations under the Subsidiary Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, terminate, abrogate or waive the Subsidiary Agreement or any of its provisions.

C. Contingent Emergency Response

1. In the event that an Eligible Crisis or Emergency arises and in order to ensure the proper implementation of Component 3 of the Project, the Borrower, through the Project Implementing Entity, shall:
 - (a) prepare an emergency financing plan ("Emergency Financing Plan") which shall set forth detailed implementation arrangements for Component 3, including: (i) designation of resources to be allocated to the Project Implementing Entity for coordinating and implementing Component 3; (ii) specific activities which may be included in Component 3, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for Component 3; (iv) procurement methods and procedures for Emergency Expenditures to be financed under Component 3; (v) documentation required for withdrawals of Emergency Expenditures; and (vi) any other arrangements necessary to ensure proper coordination and implementation of Component 3;
 - (b) afford the Bank a reasonable opportunity to review said Emergency Financing Plan and respond within a five (5) calendar day period;
 - (c) promptly adopt such Emergency Financing Plan for Component 3 as shall have been approved by the Bank;

- (d) ensure that Component 3 is carried out in accordance with the Emergency Financing Plan and the CERC Action Plan, including through MLSS, in the event that cash grants or transfers will be financed; provided, however, that in the event of any inconsistency between the provisions of the Emergency Financing Plan, the CERC Action Plan, and this Agreement, the provisions of this Agreement shall prevail;
 - (e) not amend, suspend, abrogate, repeal or waive any provision of the Emergency Financing Plan without prior approval by the Bank; and
 - (f) not undertake activities under Component 3 unless and until the Borrower has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Bank a request to include said activities in Component 3 in order to respond to said Eligible Crisis or Emergency, and the Bank has agreed with such determination, accepted said request and notified the Borrower thereof.
2. In the event that an Eligible Crisis or Emergency arises and in order to ensure the proper implementation of Component 3 of the Project, the Bank shall review the Emergency Financing Plan and provide comments to the Borrower within five (5) calendar days of receipt.

D. Anti-Corruption

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

E. Safeguards

- 1. The Borrower shall ensure that the Project is carried out in accordance with the Environmental Management Framework (“EMF”) and the Resettlement Policy Framework (“RPF”).
- 2. The Borrower shall ensure that the EMF and the RPF are not amended, suspended, abrogated, repealed or waived, in whole or in part, without the approval of the Bank.
- 3. The Borrower shall cause the Project Implementing Entity to ensure that the terms of reference for any consultancy shall duly incorporate the requirements of the Bank Safeguards Policies then in force, as applied to the advice conveyed through such technical assistance.
- 4. Prior to the carrying out of any activities under Component 2 of the Project, the Borrower shall cause the Project Implementing Entity to prepare Environmental Management Plans (“EMPs”) in accordance with the EMF and to implement said

activities in accordance with the relevant EMP. Prior review by the Bank shall only be required in connection with those activities that require an environmental impact assessment, as determined by JSIF or NEPA in accordance with the EMF.

5. Prior to the carrying out of any activities under Component 2 of the Project that require Resettlement, the Borrower shall cause the Project Implementing Entity to prepare RAPs in accordance with the RPF, in form and substance satisfactory to the Bank, and to carry out the Resettlement in accordance with the relevant RAP.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

1. The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of indicators acceptable to the Bank. Each Project Report shall cover the period of six (6) months, and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report.
2. For purposes of Section 5.08(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 Bank not later than four (4) months after the Closing Date.

B. Financial Management, Financial Reports and Audits

1. The Borrower shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Borrower shall prepare and furnish to the Bank no later than forty-five (45) days after the end of each quarter, interim unaudited financial reports for the Project covering each quarter, in form and substance satisfactory to the Bank.
3. The Borrower shall have its Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) 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 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. **Consultants' Services.** All consultants' 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 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 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) National Competitive Bidding;
 - (b) Shopping;
 - (c) Direct Contracting; and
 - (d) Community Participation procedures which have been found acceptable to the Bank.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan:
- (a) Quality-based Selection;
 - (b) Selection under a Fixed Budget;
 - (c) Least Cost Selection;
 - (d) Selection based on Consultants' Qualifications;
 - (e) Single-source Selection of consulting firms;
 - (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and
 - (g) Single-source procedures for the Selection of Individual Consultants.

D. Procurement of Emergency Expenditures under Component 3 of the Project

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for Component 3 of the Project shall be procured in accordance with the procurement methods and procedures set forth in the Emergency Financing Plan.

E. 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.

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Bank 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 Loan ("Category"), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods, non-consulting services, consultants' services for Component 1 of the Project and Training for Component 1(a), (b), (c), and (e) of the Project	3,465,000	100%
(2) Training for Component 1(d) of the Project	350,000	100%
(3) Goods, works, non-consulting services, and consultants' services for Component 2 of the Project	23,610,000	100%
(4) Emergency Expenditures under Component 3 of the Project	0	
(5) Goods, non-consulting services, consultants' services, Training and Operating Costs for Component 4 of the Project	2,500,000	100%
(6) Front-end Fee	75,000	Amount payable pursuant to Article 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions
(7) Interest Rate Cap or Interest Rate Collar premium		Amount due pursuant to Section 2.08(c) of this Agreement
TOTAL AMOUNT	<u>30,000,000</u>	

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 one hundred thousand Dollars (\$100,000) may be made for payments made prior to this date but on or after September 1, 2015, for Eligible Expenditures for Training under Category (2);
 - (b) for payments made for Eligible Expenditures for Training under Category (2), unless the Building Act has been enacted to enforce the National Building Code; and
 - (c) for payments under Category (4) for Emergency Expenditures under Component 3 of the Project, unless and until the Bank is satisfied, and has notified the Borrower of its satisfaction, that all of the following conditions have been met in respect of said activities:
 - (i) the Borrower has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Bank a request to include said activities in Component 3 in order to respond to said Eligible Crisis or Emergency, and the Bank has agreed with such determination, accepted said request and notified the Borrower thereof;
 - (ii) the Borrower has adopted an Emergency Financing Plan in form, substance and manner acceptable to the Bank and the provisions of the Emergency Financing Plan remain - or have been updated in accordance with the provisions of Section I of this Schedule 2 so as to be - appropriate for the inclusion and implementation of said activities under Component 3; and
 - (iii) the Borrower has ensured that no expenditures in the Emergency Financing Plan finances salaries or any activities that are not in compliance with the EMF or any of the Bank Safeguard Policies.
2. The Closing Date is June 30, 2022.

SCHEDULE 3

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

Principal Payment Date	Installment Share (Expressed as a Percentage)
On each January 15 and July 15 Beginning January 15, 2023 through July 15, 2044	2.22%
On January 15, 2045	2.32%

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:
- (a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.
- (b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (“Original Installment Share”) and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.
 - (b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.
4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.
5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.

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 and revised in January 2011.
2. “Bank Safeguards Policies” means the World Bank’s operational policies and procedures set forth in the World Bank’s Operational Manual under OP/BPs 4.01, 4.04, 4.10, 4.11, 4.12, 4.36, 4.37, 7.50 and 7.60, as said manual is published under the following website: www.worldbank.org/opmanual.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “CERC Action Plan” means the Contingent Emergency Response Component Action Plan, approved by the Bank as part of the Project Operational Manual, setting forth the policies and procedures required for the Borrower to utilize Loan proceeds for Component 3 of the Project.
5. “Coastal Risk Atlas” means a visualization toolbox to be used for the broad-based visualization, identification, analysis and dissemination of information on coastal hazards and risks primarily at the national and, where available, local level.
6. “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).
7. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Borrower, associated with a natural crisis or disaster, as determined pursuant to Section I, Part C, paragraph 1(f) of Schedule 2.
8. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the Emergency Financing Plan in accordance with the provisions of Section I, Part C, paragraph 1(a) of Schedule 2 to this Agreement and required for the activities included in Part 3 of the Project, including cash grants and cash transfers provided through MLSS.
9. “Emergency Financing Plan” means the plan referred to in Section I, Part C, paragraph 1(a) of Schedule 2 to this Agreement.
10. “Environmental Management Framework” or “EMF” means the Project Implementing Entity’s framework dated November 18, 2015, approved by the

Board and duly published and available to the public on November 23, 2015, which contains the guidelines for the carrying out of environmental assessments and for the preparation and implementation of site-specific Environmental Management Plans, as well as the environmental protection measures in respect of the Project, including chance finding of cultural property, screening for natural habitats, and potential direct and indirect environmental impacts from the carrying out of the Project, recommendation of mitigation measures for each negative impact identified, as well as measures for enhancing each identified positive impact, as said framework may be amended from time to time with the prior agreement of the Bank.

11. “Environmental Management Plan” or “EMP” means a site-specific environmental management plan, prepared under the Project in accordance with the EMF, describing the environmental mitigation measures anticipated for activities under the Project and the parties responsible for monitoring of construction and operational impacts.
12. “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.
13. “Inter-Ministerial Steering Committee” means the steering committee established pursuant to Schedule 2, Section I, Part A, paragraph 3 of this Agreement.
14. “MIND” means the Borrower's Management Institute for National Development, or any legal successor thereto.
15. “MLGCD” means the Borrower’s Ministry of Local Government and Community Development or any legal successor thereto.
16. “MLSS” means the Borrower’s Ministry of Labour and Social Security, or any legal successor thereto.
17. “MOEYI” means the Borrower’s Ministry of Education, Youth and Information, or any legal successor thereto.
18. “MTM” means the Borrower’s Ministry of Transport and Mining or any legal successor thereto.
19. “MEGJC” means the Borrower’s Ministry of Economic Growth and Job Creation or any legal successor thereto.
20. “National Building Code” means the Borrower’s National Building Code made pursuant to the proposed Building Act, to be enacted.

21. “NEPA” means the National Environment and Planning Agency, or any legal successor thereto.
22. “National Risk Information Platform” means a system where all risk data can be located and updated in a centralized platform accessible to government agencies and the public.
23. “ODPEM” means the Office of Disaster Preparedness and Emergency Management, established pursuant to Section 3 of the Disaster Risk Management Act, or any legal successor thereto.
24. “Operating Costs” means the following reasonable operational expenses, which would not have been incurred absent the Project, related to Project implementation, management, and supervision and incurred by the Borrower: (i) costs for utilities, maintenance and consumable office supplies, printing services, communication services, commercial banking charges and fees, insurance, vehicle operation and maintenance, and salaries of core professional and technical staff for Project management, including a Program Manager, Supervision Engineers and specialists in the areas of climate and disaster resilience, safeguards compliance, finance, procurement and related project management areas; and (ii) transportation costs, travel and per diem costs for Project staff who will carry out supervisory activities under the Project.
25. “PIOJ” means the Planning Institute of Jamaica or any legal successor thereto.
26. “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).
27. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated December 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.
28. “Project Implementing Entity” or “JSIF” means the Jamaica Social Investment Fund, established pursuant to the Project Implementing Entity’s Charter, for purposes of assisting in building the Borrower’s capacity to effectively implement community-based programs aimed at social development, or any legal successor thereto.
29. “Project Implementing Entity’s Charter” means the Memorandum and Articles of Association of JSIF, both dated February 26, 1996, by which JSIF was incorporated under the Borrower’s Companies Act, as said charter has been amended to the date of this agreement.

30. "PIU" means the Project Implementing Unit within the Project Implementing Entity, referred to in section I.A of the Schedule to the Project Agreement, and created on November 25, 2013.
31. "Project Operational Manual" means the manual satisfactory to the Bank, referred to in Section I, Part A of Schedule 2 to this Agreement, as such manual may be amended from time to time with the Bank's prior approval, and including the CERC Action Plan.
32. "Resettlement" means the impact of an involuntary taking of land under the Project, which taking causes affected persons to have their: (i) standard of living adversely affected; or (ii) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (iii) access to productive assets adversely affected, temporarily or permanently; or (iv) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently.
33. "Resettlement Action Plan" or "RAP" means a site-specific resettlement action plan, acceptable to the Bank, prepared under the Project in accordance with the "RPF" describing a program of actions, measures and policies for compensation of persons, including compensation arrangements, budget and cost estimates, and sources of funding, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with its terms for each site.
34. "Resettlement Policy Framework" or "RPF" means the Project Implementing Entity's policy framework for Resettlement, dated March 26, 2015, approved by the Bank and duly published on JSIF's website on March 26, 2015 and on the Bank's website on March 27, 2015, which contains: (i) a comprehensive overview of the legal framework for land acquisition and resettlement in Jamaica, differences between this framework and the requirements of Bank Safeguards Policies, and measures necessary to bridge the gap between the legal framework and the Bank Safeguards Policies; (ii) measures to screen out sub-projects that may result in significant resettlement impacts (more than ten families); (iii) procedures for the preparation and approval of abbreviated resettlement plans; (iv) details on the overall institutional arrangements for resettlement action plan preparation, implementation, monitoring and community consultation; (v) an entitlement matrix highlighting the types of compensation and assistance that will be provided to different categories of affected people, along with details on what valuation techniques will be used to calculate the value of assets affected; and (vi) a description of grievance redress arrangements, including the use of community based conflict resolution mechanisms, as said framework may be amended from time to time with the prior agreement of the Bank.

35. "Subsidiary Agreement" means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity.
36. "Training" means the reasonable costs, as shall have been approved by the Bank, for training and workshops conducted under the Project, including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation (but excluding goods and consultants' services).

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. In the **Table of Contents**, the references to Sections, Section names and Section numbers are modified to reflect the modifications set forth in the paragraphs below.
2. Section 3.01. (*Front-end Fee*) is modified to read as follows:

"Section 3.01. *Front-end Fee; Commitment Charge*

(a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the "Front-end Fee").

(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the "Commitment Charge"). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date."

3. In the Appendix, **Definitions**, all relevant references to Section numbers and paragraphs are modified, as necessary, to reflect the modification set forth in paragraph 2 above.
4. The Appendix is modified by inserting a new paragraph 19 with the following definition of "Commitment Charge", and renumbering the subsequent paragraphs accordingly:

"19. "Commitment Charge" means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b)."