

---

---

CREDIT NUMBER 7259-DJ

# **Financing Agreement**

**(Djibouti Affordable Housing Finance Project)**

**between**

**REPUBLIC OF DJIBOUTI**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

---

---

**CREDIT NUMBER 7259-DJ**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF DJIBOUTI (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of assisting in financing the project described in Schedule 1 to this Agreement (“Project”). The Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

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

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to eleven million seven hundred thousand Special Drawing Rights (SDR 11,700,000) (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 III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.
- 2.05. The Payment Dates are April 1 and October 1 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 the Project to be carried out by ARULoS and FGPCD in accordance with the provisions of Article V of the General Conditions, the Subsidiary Agreement and Schedule 2 to this Agreement.

### **ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The ARULoS PIM has been adopted in form and substance satisfactory to the Association.
  - (b) The FGPCD PIM has been adopted in form and substance satisfactory to the Association.
  - (c) The Subsidiary Agreement has been executed in form and substance satisfactory to the Association.
  - (d) The FGPCD Decree has been updated to introduce the housing guarantee in a manner satisfactory to the Association.
- 4.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.
- 4.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is fifteen (15) years after the Signature Date.

### **ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Recipient's Representative is its Minister of Economy and Finance in charge of Industry.
- 5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient's address is:
- Ministry of Economy and Finance in charge of Industry  
BP 13  
Djibouti City  
Republic of Djibouti; and
- (b) the Recipient's Electronic Address is:
- Email: [cabinet@economie.gouv.dj](mailto:cabinet@economie.gouv.dj)

- 5.03. For purposes of Section 11.01 of the General Conditions: (a) The Association's address is:

International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America; and

- (b) the Association's Electronic Address is:

Telex:	Facsimile:	Email:
248423 (MCI)	1-202-477-6391	<a href="mailto:mwes@worldbank.org">mwes@worldbank.org</a>

AGREED as of the Signature Date.

**REPUBLIC OF DJIBOUTI**

By



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

**Name:** \_\_\_\_\_  
Ilyas Moussa Dawaleh

**Title:** \_\_\_\_\_  
Ministre de l'économie et des Finances

**Date:** \_\_\_\_\_  
22-déc.-2022

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

By



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

**Name:** \_\_\_\_\_  
Janette Uhlmann

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

**Date:** \_\_\_\_\_  
22-Dec-2022

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to expand access to affordable housing finance for underserved populations in the Recipient's territory.

The Project consists of the following parts:

#### **Part 1: Mortgage Guarantee Mechanism**

Establishing of a mortgage guarantee mechanism aimed at supporting LMIH, by capitalizing a partial credit guarantee fund for affordable housing loans within FGPCD (the Affordable Housing Fund)

#### **Part 2: Innovative Financing of Affordable Housing**

Mobilizing the financial markets through ARULoS to provide innovative financial solutions in activities for LMIH, by:

- (a) developing financial solutions for LMIH for self-construction, in two phases: (i) by providing financing to LMIH for them to build their homes and regularize their property titles (Vouchers); and (ii) providing a line of credit to Selected Financial Institutions to in turn extend a self-construction loan to LMIH (Lines of Credit); and
- (b) Transforming, on a voluntary basis, ARULoS and SIAF rent contracts, for eligible LMIH, into mortgage loans (Small Grants).

#### **Part 3: Technical Assistance and Project Management**

Providing technical assistance to support:

- (a) policy reforms to lower construction costs, keep housing units affordable and support low-carbon construction;
- (b) FGPCD, MEFI, the Selected Financial Institutions and BCD to implement a partial credit guarantee for mortgage loans;
- (c) capacity building and Training on the structural soundness and resilience of self-construction;
- (d) conversion of rent-to-own contracts into mortgage loans; and
- (e) effective and efficient Project management.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

1. The Recipient shall cause the Project to be carried out by ARULoS and FGPCD for their Respective Parts of the Project and shall take all actions including the provision of funding, personnel and other resources necessary to enable ARULoS and FGPCD to perform its functions.
2. The Recipient shall create no later than one (1) month after the Effective Date and thereafter maintain, the Project Steering Committee, to be co-chaired by MEFI and MVUH and in charge of overseeing Project implementation, and with composition, mandate, staffing and other resources satisfactory to the Association, all in accordance with the provisions of the ARULoS PIM and the FGPCD PIM.

##### B. Subsidiary Agreement.

1. To facilitate the carrying out of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Categories (1), (2) and (3) of the table set forth in Section III.1 of this Schedule available to ARULoS and FGPCD under a tripartite subsidiary agreement among the Recipient on one hand, ARULoS and FGPCD, on the other hand, under terms and conditions approved by the Association, which shall include, *inter alia*: (a) the principal amount of the Credit made available under the Subsidiary Agreement; and (b) the obligations of ARULoS and FGPCD (“Subsidiary Agreement”).
2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.
3. The Recipient shall cause ARULoS to establish not later than one (1) month after the Effective Date and thereafter maintain, the ARULoS Project Management Team (“ARULoS Team”) within ARULoS to be in charge of ARULoS Respective Parts of the Project, with composition, mandate, staffing (including a social and environmental safeguard specialist, a procurement specialist, a monitoring and evaluation specialist and a financial management specialist) and other resources satisfactory to the Association, all in accordance with the provisions of the ARULoS PIM.

4. The Recipient shall cause FGPCD to maintain, throughout Project implementation, key staff within its administrative structure to implement its Respective Part of the Project; all with experience and terms of reference, acceptable to the Association, as further detailed in the FGPCD PIM.

**C. Memoranda of Understanding**

1. The Recipient shall cause ARULoS to sign memoranda of understanding and thereafter maintain said memoranda with: (a) FGPCD to facilitate the carrying out of Part 1 of the Project, not later than three (3) months after the Effective Date; (b) with the Chamber of Commerce to facilitate the carrying out of Part 3 of the Project, not later than three (3) months after the effective date; and (c) with BCD to facilitate the carrying out of Part 2(a)(ii) of the Project, not later than twelve (12) months after the Effective Date; all under terms and conditions acceptable to the Association (“Memoranda of Understanding”).
2. The Recipient shall cause ARULoS, FGPCD, BCD and the Chamber of Commerce to exercise their rights and obligations under the Memoranda of Understanding in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall cause ARULoS, FGPCD, BCD and the Chamber of Commerce not to assign, amend, abrogate or waive the Memoranda of Understanding or any of their provisions.

**D. SFI Partnership Agreements**

1. To facilitate the carrying out of Part 2(a)(ii) of the Project, the Recipient shall cause ARULoS to make part of the proceeds of the Financing allocated from time to time to Category (2) of the table set forth in Section III.1 of this Schedule, available to Selected Financial Institutions under partnership agreements between ARULoS and said Selected Financial Institutions, under terms and conditions approved by the Association and by BCD (“SFI Partnership Agreements”).
2. The Recipient shall cause ARULoS to exercise its rights under the SFI Partnership Agreements in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall cause ARULoS not to assign, amend, abrogate or waive the SFI Partnership Agreements or any of their provisions.

**E. SFI Participating Agreements**

1. To facilitate the carrying out of Part 1 of the Project, the Recipient shall cause FGPCD to make part of the proceeds of the Financing allocated from time to time to Category (1) of the table set forth in Section III.1 of this Schedule, available to



Selected Financial Institutions under participating agreements between FGPCD and said Selected Financial Institutions, under terms and conditions approved by the Association (“SFI Participating Agreements”).

2. The Recipient shall cause FGPCD to exercise its rights under the SFI Participating Agreements in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall cause FGPCD not to assign, amend, abrogate or waive the SFI Participating Agreements or any of their provisions.

**F. ARULoS PIM**

1. The Recipient shall cause ARULoS to prepare, adopt and thereafter maintain, an implementation manual, containing detailed arrangements and procedures for the implementation of its Respective Parts of the Project, including, *inter alia*: (a) the institutional coordination and day-to-day implementation of its Respective Parts of the Project; (b) the disbursement, procurement, financial management and accounting procedures for the Project; (c) the environmental and social safeguards, including codes of conduct and the operation of a grievance redress mechanism; (d) monitoring and evaluation, reporting and communication, including performance indicators; and (e) such other technical, administrative, ethical, fiduciary or coordination arrangements as may be necessary to ensure effective implementation of ARULoS’ Respective Parts of the Project, including the definition of Small Grants, Vouchers and Lines of Credit (“ARULoS PIM”).
2. The Recipient shall cause ARULoS to carry out its Respective Parts of the Project in accordance with the ARULoS PIM. Except as the Association shall otherwise agree in writing, the Recipient shall ensure that ARULoS does not amend, abrogate, waive or fail to enforce the ARULoS PIM or any provisions thereof.
3. In case of a conflict between the provisions of the ARULoS PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

**G. FGPCD PIM**

1. The Recipient shall cause FGPCD to prepare, adopt and thereafter maintain, an implementation manual, containing detailed arrangements and procedures for the implementation of its Respective Parts of the Project, including, *inter alia*: (a) the institutional coordination and day-to-day implementation of its Respective Parts of the Project; (b) the disbursement, procurement, financial management and accounting procedures for the Project; (c) the environmental and social safeguards, including codes of conduct and the operation of a grievance redress mechanism through Selected Financial Institutions; (d) monitoring and evaluation, reporting and communication, including performance indicators; and (e) such other

technical, administrative, ethical, fiduciary or coordination arrangements as may be necessary to ensure effective implementation of FGPCD' Respective Parts of the Project ("FGPCD PIM").

2. The Recipient shall cause FGPCD to carry out its Respective Parts of the Project in accordance with the FGPCD PIM. Except as the Association shall otherwise agree in writing, the Recipient shall ensure that FGPCD does not amend, abrogate, waive or fail to enforce the FGPCD PIM or any provisions thereof.
3. In case of a conflict between the provisions of the FGPCD PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

#### **H. Annual Work Plans and Budget**

1. The Recipient shall cause ARULoS and FGPCD to furnish to the Association for its approval, not later than November 30 of each year or such later date as the Association may agree in writing, an annual work plan and budget, containing all proposed activities for inclusion in the Project during the following calendar year, together with the financing plan for such activities and a timetable for their implementation.
2. The Recipient shall cause ARULoS and FGPCD to afford the Association a reasonable opportunity to review such proposed annual work plan and budget, and thereafter ensure that the Project is implemented in accordance with such annual work plan and budget as shall have been approved by the Association ("Annual Work Plan and Budget" or "AWPB").
3. The AWPB may be updated from time to time with the prior written approval of the Association and the Recipient shall ensure that the Project is implemented in accordance with the AWPB, provided, however, that in the event of any conflict between the AWPB and the provisions of this Agreement, the provisions of this Agreement shall prevail.

#### **I. Environmental and Social Standards**

1. The Recipient shall cause ARULoS and FGPCD to ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall cause ARULoS and FGPCD to ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, the Recipient shall cause ARULoS and FGPCD to ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Recipient shall cause ARULoS and FGPCD to: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
5. The Recipient shall cause ARULoS and FGPCD to ensure that:
- (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental

and social instruments referenced therein and the Environmental and Social Standards.

6. The Recipient shall cause ARULoS and FGPCD to establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
7. The Recipient shall cause ARULoS and FGPCD to ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

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

The Recipient shall furnish to the Association each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

**Section III. Withdrawal of the Proceeds of the Financing**

**A. General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Capitalization of the Affordable Housing Fund under Part 1 of the Project	5,460,000	100%

(2) Financial Solutions under Part 2 of the Project	4,290,000	100%
(3) Goods, works, non-consulting services, consulting services, Training and Operating Costs under Part 3 of the Project	1,950,000	100%
<b>TOTAL AMOUNT</b>	11,700,000	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the Signature Date; except that withdrawals up to an aggregate amount not to exceed SDR390,000 may be made for payments made up to twelve (12) months prior to this date, for Eligible Expenditures under Category (3); or
2. for payments under Category (1) unless and until the Association has received:  
(i) evidence that FGPCD has signed at least two SFI Participating Agreements;  
(ii) the Mortgage Loans Pipeline; and (iii) evidence of the opening of the Dedicated Account; all in form and substance satisfactory to the Association and in accordance with the FGPCD PIM.
3. The Closing Date is 31 December 2027.

**Section IV. Other Undertakings**

- A.** Not later than three (3) months after the Effective Date, the Recipient shall cause ARULoS to: (i) upgrade its accounting system to record the Project transactions and prepare the financial reports; and (ii) recruit an external auditor with experience, qualifications and terms of reference acceptable to the Association; all in form and substance satisfactory to the Association.
- B.** Not later than three (3) months after the Effective Date, the Recipient shall cause FGPCD to establish an automated accounting and core business system for guarantees; all in form and substance satisfactory to the Association.

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each April 1 and October 1	
Commencing April 1, 2033 to and including October 1, 2042	<b>1%</b>
Commencing April 1, 2043 to and including October 1, 2062	<b>2%</b>

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

## APPENDIX

### Definitions

1. “Affordable Housing Fund” means the partial credit guarantee fund for affordable housing loans established under Part 1 of the Project and as further detailed in the FGPCD PIM.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.
3. “ARULoS” means *Agence de Réhabilitation Urbaine et du Logement Social*, the Recipient’s Urban Rehabilitation and Social Housing Agency, as created and operating under the Recipient’s Law No. 09/AN/8eme L dated June 25, 2018, or any successor thereto acceptable to the Association.
4. “ARULoS PIM” means the manual to be adopted by ARULoS in form and substance satisfactory to the Association, as referred to in Section I F of Schedule 2 to this Agreement, as the same may be amended from time to time with the Association’s prior written approval.
5. “ARULoS Team” means the Project Management Team within ARULoS, in charge of the implementation of ARULoS’ Respective Part of the Project, as further detailed in the ARULoS PIM.
6. “AWPB” means the Annual Work Plan and Budget approved by the Association and adopted by the Recipient in accordance with the provisions of Section I.H of Schedule 2 to this Agreement, as said annual work plan and budget may be modified from time to time with the prior written agreement of the Association.
7. “BCD” means *Banque Centrale de Djibouti*, the Recipient’s Central Bank, as created and operating under the Recipient’s Decree No. 79.030 dated April 18, 1979, or any successor thereto acceptable to the Association.
8. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
9. “Chamber of Commerce” means *Chambre de Commerce de Djibouti*, the Recipient’s Chamber of Commerce, as established and operating since 1907 in accordance with its articles of incorporation as revised in 2002; or any successor thereto acceptable to the Association.

10. “DATUH” means *Direction de l’Aménagement du Territoire, de l’Urbanisme et de l’Habitat*, the Recipient’s directorate for territorial development, urbanism and housing, within the administrative structure of MVUH.
11. “Dedicated Account” means the account to be open at BCD to receive the proceeds of Category 1 and to be managed by FGPCD in accordance with the FGPCD PIM.
12. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated November 22, 2022, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
13. “Environmental and Social Standards” or “ESSs” means, collectively:  
(i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
14. “FGPCD” means *Fonds de Garantie Partielle des Credits de Djibouti*, the Recipient’s Partial Guarantee Fund for Credits, as created and operating under the FGPCD Decree, or any successor thereto acceptable to the Association.
15. “FGPCD Decree” means Recipient’s Decree No 2016-095/PR/MEFCI dated April 21, 2016.
16. “FGPCD PIM” means the manual to be adopted by FGPCD in form and substance satisfactory to the Association, as referred to in Section I G of Schedule 2 to this Agreement, as the same may be amended from time to time with the Association’s prior written approval.



17. “Financial Solutions” means collectively Small Grants, Vouchers and Lines of Credit as provided under Part 2 of the Project and as further detailed in the ARULoS PIM.
18. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020, April 1, 2021, and January 1, 2022.)
19. “Lines of Credit” are reimbursable credit facilities provided by ARULoS to Selected Financial Institutions for the purpose of on-lending to finance self-construction by LMIH, as further detailed in the ARULoS PIM.
20. “MEFI” means *Ministère de l’Economie et des Finances chargé de l’Industrie*, the Recipient’s Ministry in charge of economy, finance and industry, or any successor thereto acceptable to the Association
21. “LMIH” means low to medium income households, who are eligible to benefit from the Project activities and whose eligibility criteria and definition are further detailed in the ARULoS PIM.
22. “Memoranda of Understanding” means the memoranda to be signed between ARULoS on the one hand and FGPCD, BCD and Chamber of Commerce on the other hand for the implementation of Parts 1 Respective APrts, 2 (a) and 3 of the Project, respectively, as further detailed in the ARULoS PIM and the FGPCD PIM.
23. “Mortgage Loans Pipeline” means a list of prospective mortgage loans to LMIH that meet the eligibility criteria detailed in the FGPD C PIM, as prepared by FGPD C in form and substance satisfactory to the Association and as updated from time to time with the Association’s prior written agreement
24. “MVUH” means *Ministère de la Ville, de l’Urbanisme et de l’Habitat*, the Recipient’s Ministry for cities, urbanism and housing, or any successor thereto acceptable to the Association.
25. “Operating Costs” means reasonable and necessary incremental expenses incurred on account of Project implementation, including office supplies, vehicle rental, operation and maintenance, insurance costs, bank charges, rental of facilities, office administration and rental costs, utilities, travel, accommodation, *per diem* and supervision costs and salaries of locally contracted employees (excluding salaries of the Recipient’s civil service staff), all as approved by the Association.
26. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.

27. “Project Steering Committee” means the steering committee referred to in Section I.A.2 of Schedule 2 to this Agreement, or any successor thereof acceptable to the Association.
28. “Respective Parts of the Project” means with respect to ARULoS: Parts 2 and 3 of the Project; and with respect to FGPCD: Part 1 of the Project.
29. “Selected Financial Institutions” means any or all financial institutions regulated and supervised by BCD, which have been selected under the Project as further detailed in the ARULoS PIM and in the FGPCD PIM.
30. “SFI Partnership Agreement” or “SFI Partnership Agreements” means any or all partnership agreements to be signed between ARULoS and Selected Financial Institutions for the implementation of Part 2 of the Project, as further detailed in the ARULoS PIM.
31. “SFI Participation Agreement” or “SFI Participation Agreements” means any or all participation agreements to be signed between FGPCD and Selected Financial Institutions for the implementation of Part 1 of the Project, as further detailed in the FGPCD PIM.
32. “SIAF” means *Société Immobilière et d'Aménagement Foncier*, the Recipient’s Real Estate and Land Development Company, as established and operating under the Recipient’s Law No. 08/AN/8eme L dated June 25, 2018, or any successor thereto acceptable to the Association.
33. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.
34. “Small grants” are direct or indirect grants to LMIH for the purpose of converting their existing rent to own contracts with ARULoS or SIAF into mortgage loans with the Selected Financial Institutions, as further detailed in the ARULoS PIM.
35. “Subsidiary Agreement” means the tripartite agreement to be signed among the Recipient on the one hand, ARULoS and FGPCD on the other hand, for the implementation of the Project, as further detailed in the ARULoS PIM and the FGPCD PIM.
36. “Training” means expenditures incurred by the Recipient, ARULoS and FGPCD in connection with capacity building and the carrying out training activities under the Project (excluding consulting services), including travel costs, accommodation, and *per diem* for local trainees, study tours, workshops, conferences, tuitions, scholarships, stipends, rental of facilities and equipment and training materials and related supplies.

37. “Vouchers” are certificates provided by ARULoS to suppliers in order to deliver construction materials and construction services to LMIH for their self-construction projects; as further detailed in the ARULoS PIM.