

**OFFICIAL
DOCUMENTS**

LOAN NUMBER 8506-MA

Loan Agreement

(Clean and Efficient Energy Project)

between

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

and

OFFICE NATIONAL DE L'ELECTRICITE ET DE L'EAU POTABLE

Dated July 2 , 2015

LOAN NUMBER 8506-MA

LOAN AGREEMENT

AGREEMENT dated July 2, 2015, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and OFFICE NATIONAL DE L’ELECTRICITE ET DE L’EAU POTABLE (“Borrower”). The Bank and the Borrower and 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 one hundred twenty five million Dollars, (\$125,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 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 Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be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 May 1 and November 1 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 Section 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 carry out the Project in accordance with the provisions of Article V of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 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 — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Conditions of Effectiveness consists of the following;
- (a) the CTF Loan Agreement has been executed and delivered and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement) have been satisfied or waived; and
- (b) the Borrower has adopted the Project Operational Manual, in form and substance satisfactory to the Bank.

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

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Borrower's Representative is the Director General.

- 5.02. The Borrower's Address is:

Office National de l'Electricité et de l'Eau Potable
Avenue Mohamed Belhassan El Ouazzani
10220 Rabat
Kingdom of Morocco

Facsimile: 212-537-75-91-06

- 5.03. The Bank's Address is:

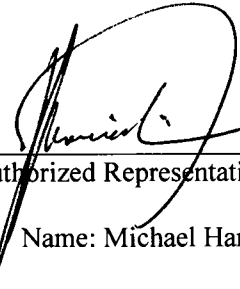
International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

| | | |
|-------------------------------|------------------------------|----------------|
| Cable address: | Telex: | Facsimile: |
| INTBAFRAD Washington, D.C. | 248423(MCI) or 64145(MCI) | 1-202-477-6391 |

AGREED at Rabat, Morocco, as of the day and year first above written.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By



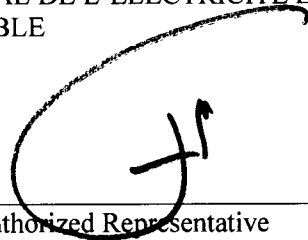
Authorized Representative

Name: Michael Hamaide

Title: Senior Country Officer

OFFICE NATIONAL DE L'ELECTRICITE ET
DE L'EAU POTABLE

By



Authorized Representative

Name: Ali Fassi Fihri

Title: Directeur Général

SCHEDULE 1

Project Description

The objective of the Project is to improve the capacity of the Borrower to supply and dispatch clean electricity and to meet the demand of targeted customers efficiently in the Project Area.

The Project consists of the following parts:

Part I: Support to the Borrower's Solar PV Program

- 1. First phase of the Borrower's Solar PV Program (the "Noor-Tafilalt Project") in the Project Area**
 - (a) Design and construction of a 25 MW solar PV plant near each of the towns of Erfoud, Zagoura and Missouri, through a sole EPC and O&M contract to design, construct, operate and maintain the three plants.
 - (b) Construction of the electricity evacuation lines for each of the three solar PV plants.
 - (c) Construction of the access roads for each of the three solar PV plants.
- 2. Enabling environment for private participation in distributed PV generation:**
 - (a) Carrying out of a benchmark study on private sector participation in the solar PV market.
 - (b) Strengthening the technical capacities of selected staff of the Borrower regarding solar PV development and the setting up of partnership with private sector in such area, through the provision of technical advisory services and training, and carrying out of international study tours.

Part II: Planning and Dispatching of Renewable Energies

- 1. Renewable energy dispatch center in the Project Area**

Setting up of a renewable energy dispatch center consisting of software and hardware, co-located with the existing national load dispatch center of the Borrower in Casablanca, to ensure optimal power dispatch and protection of the national power grid.
- 2. Increasing the Borrower's capacity to perform long-term power planning incorporating energy efficiency and technological improvement**

Supporting the Borrower's planning department through the purchase of state of the art demand forecasting tools and the provision of training and technical advisory services.

Part III: Utility Demand-Side Management and Revenue Protection Program

1. Smart Meters Program in the Project Area

- (a) Acquisition of 63,600 time-of-use meters for low voltage customers, and of 21,600 smart meters for extra-high, high and medium voltage customers and related metering control equipment.
- (b) Installation of the time-of-use meters and smart meters.

2. Deepening and identifying additional opportunities for utility-implemented energy efficiency and demand side management programs

Carrying out of a study regarding energy demand, which shall identify options, define priorities and set forth an action plan for selected energy efficiency and demand side management programs to be implemented by the Borrower.

Part IV: Technical Assistance

Strengthening the technical capacities of selected staff of the Borrower through the provision of training and technical advisory services in the following areas: (i) best practices by system operators to manage large shares of renewable energy at the wholesale and distribution level; (ii) new technology trends in control and performance capabilities of renewable energy technologies and interconnection standards; (iii) preparation of standard bidding and contractual documents covering technical, legal and procurement aspects in the field of renewable energy; (iv) best practices in the development, operations and maintenance of solar PV, wind and other renewable energy projects; (v) emerging regulatory practices for private participation in renewable energy project; and (vi) technology trends and best practices in smart meters and smart grids.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Electricity Branch Financing Department shall be responsible for the overall coordination of Project implementation. The Electricity Branch Financing Department shall collaborate closely with all other subdivisions of the Borrower involved in the implementation of the Project, as described in the Project Operational Manual. The Borrower shall maintain throughout the implementation of the Project the Electricity Branch Financing Department and all other subdivisions of the Borrower involved in the implementation of the Project, with qualified managers, competent staff and adequate resources.
2. The Borrower shall implement the Project in accordance with the Project Operational Manual. The Borrower shall not amend, suspend, abrogate, repeal or waive any provision of the Project Operational Manual without prior written approval of the Bank.

B. Anti-Corruption

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

C. Safeguards.

1. The Borrower shall: (i) implement the Project in accordance with the ESMF, the RPF, the ESIA's, the EMP's and the RAP's, and shall not amend, suspend, abrogate, repeal or waive any provision of the ESMF, the EMP's, the RPF and the RAP's, without prior written approval of the Bank and subject to compliance with applicable consultation and public disclosure requirements of the Bank; and (ii) ensure that adequate information on the implementation of the ESMF, the EMP's, the RPF and the RAP's is suitably included in the Project Reports referred to in Section II.A of this Schedule, including details of: (a) measures taken in furtherance of the ESMF, the RPF, the ESIA's, the EMP's and the RAP's; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the ESMF, the RPF, the ESIA's, the EMP's and the RAP's; and (c) remedial measures taken or required to be taken to address such conditions.
2. The Borrower shall ensure that all measures identified and described in the ESMF, the ESIA's, the EMP's, the RAP's and the RPF are taken in a timely manner.
3. The Borrower shall:
 - (a) prior to commencing civil works for any activity under the Project and when required under the ESMF and the EMP's, carry out specific public consultation in form and in substance satisfactory to the Bank; and

- (b) ensure that the lay-out, construction and management of the relevant electricity evacuation line are consistent with the provisions of the ESMF and thereafter carry out the applicable EMP.
- 4. Prior to commencement of civil works for any activity of the Project involving involuntary resettlement or involuntary acquisition of land, the Borrower shall prepare and implement 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 Bank.
- 5. In the event that any provision of the ESMF, the RPF, the ESIA's, the EMPs and the RAPs shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

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 one calendar semester, and shall be furnished to the Bank not later than forty-five (45) after the end of the period covered by such report.

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. The Borrower shall prepare and furnish to the Bank not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, 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 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, good, 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, subject to the following additional provisions:
 - (i) the bidding documents include explicitly the bid evaluation method, award criteria and bidder qualification criteria;
 - (ii) technical, administrative and financial envelopes are opened immediately after the bid opening session has started and prices are read aloud;
 - (iii) the bids are evaluated on the basis of the price and any other criteria expressed either in pass/fail terms or in monetary terms and disclosed in the bidding document;
 - (iv) contracts are awarded to the qualified bidder who has submitted the least-cost evaluated and substantially responsive bid as stipulated in the bidding document; and
 - (v) standard bidding documents and bid evaluation reports found acceptable by the Bank are used.

- (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 under a Fixed Budget; (b) Least Cost Selection; (c) Selection based on Consultants' Qualifications; (d) Single-source Selection of consulting firms; (e) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (f) Single-source procedures for the Selection of Individual Consultants.

D. 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 (exclusive of Taxes) |
|--|--|---|
| (1) Goods, works, non-consulting services, and consultants' services under Part I. 1(a) of the Project | 105,300,000 | 100% |
| (2) Goods, works, non-consulting services, consultants' services and Training under Parts I. 1(b), I.2, II, III.1 (a), III.2 and IV of the Project | 19,387,500 | 100% |
| (3) Front-end Fee | 312,500 | Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions |
| (4) Interest Rate Cap or Interest Rate Collar premium | 0 | Amount due pursuant to Section 2.08(c) of this Agreement |
| TOTAL AMOUNT | 125,000,000 | |

For the purposes of the above table, "Training" means the costs of: (i) reasonable expenditures for international travel, room and board and *per diem* expenditures incurred by trainers and trainees and by non-consultant training facilitators in connection with training provided under the Project; (ii) course fees; (iii) training facility rentals; (iv) training material preparation, acquisition, reproduction, and distribution expenses; and (v) participating in international workshops and conferences.

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 date of this Agreement, except that withdrawals up to an aggregate amount not to exceed \$25,000,000 may be made for payments made prior to this date but on or after April 1, 2015, for Eligible Expenditures under Categories (1) and (2).
2. The Closing Date is November 30, 2020.

SCHEDULE 3

Amortization Schedule

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 May 1 and November 1 Beginning May 1, 2020 through November 1, 2039 | 2.50% |

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. “Associated Facilities” means the electricity evacuation lines and the access roads to be constructed under Part I.1 (b) and Part I.1(c) of the Project, respectively, for each of the three solar PV plants to be constructed near the towns of Erfoud, Zagoura and Missouri, respectively.
3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. “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).
5. “CTF Loan Agreement” means the agreement between the Borrower and the Bank acting as an implementing entity of the Clean Technology Fund, for Part I.1.A of the Project, of the same date as this Agreement, as such agreement may be amended from time to time. “CTF Loan Agreement” includes all appendices, schedules and agreements supplemental to the CTF Loan Agreement.
6. “EMP” means each of the Environmental Management Plan for the Erfoud site, and disclosed in the Bank’s Infoshop on February 18, 2015, the Environmental Management Plan for the Missouri site and disclosed in the Bank’s Infoshop on February 18, 2015, the Environmental Management Plan for the Zagora site and disclosed in the Bank’s Infoshop on February 18, 2015, and each Environmental Management Plan, satisfactory to the Bank and to be adopted by the Borrower in accordance with the terms of the ESMF, describing the mitigation, monitoring and institutional measures to be implemented in order to eliminate, offset or reduce any adverse environmental and social aspects in respect of the activities under the Project.
7. “EPC” means engineering, procurement and construction.
8. “ESIA” means each of the Environmental and Social Impact Assessment for the Erfoud site, and disclosed in the Bank’s Infoshop on February 18, 2015, the Environmental and Social Impact Assessment for the Missouri site and disclosed in the Bank’s Infoshop on February 18, 2015, and the Environmental and Social Impact Assessment for the Zagora site and disclosed in the Bank’s Infoshop on February 18, 2015, describing potential impacts in respect of the activities under the Project.
9. “ESMF” means the Environmental and Social Management Framework, satisfactory to the Bank and disclosed in the Bank’s Infoshop on February 18, 2015, setting forth procedures for the environmental and social screening of the activities to be carried out under the Project regarding the Associated Facilities, including the mitigating measures to be

prescribed in the EMPs as well as the specific public consultation measures to be carried out prior to commencing civil works.

10. “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.
11. “Guarantor” means the Kingdom of Morocco.
12. “O&M” means operations and maintenance.
13. “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).
14. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated March 20, 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.
15. “Project Area” means the Regions of Chaouia-Ouadigha, Doukkala-Abda, Fès-Boulemane, Gharb-Chrarda-Beni Hssen, Grand Casablanca, Marrakech-Tensift-Al Haouz, Meknès-Tafilalet, Oriental, Rabat-Salé-Zemmour-Zaër, Souss-Massa-Drâa, Tadra-Azilal, Tanger-Tétouan, Taza-Al Hoceima-Taounate, of the Guarantor, and the Provinces of Tan-Tan, Tata and Guelmin of the Guarantor.
16. “Project Operational Manual” means the manual describing the implementation, financial management, procurement, disbursement, monitoring and evaluation, and reporting arrangements for the Project, to be adopted by the Borrower, and referred to in paragraph 2, Section I.A of Schedule 2 to this Agreement.
17. “PV” means photovoltaic technology.
18. “RAP” means each of the Resettlement Action Plan for the Erfoud site, and disclosed in the Bank’s Infoshop on February 18, 2015, the Resettlement Action Plan for the Missouri site and disclosed in the Bank’s Infoshop on February 18, 2015, the Resettlement Action Plan for the Zagora site and disclosed in the Bank’s Infoshop on February 18, 2015, and each Resettlement Action Plan, satisfactory to the Bank, to be prepared and adopted by the Borrower in accordance with the terms of the RPF, describing the details for land acquisition, resettlement and rehabilitation in respect of the activities to be carried out under the Project regarding the Associated Facilities, as applicable.
19. “RPF” means the Resettlement Policy Framework satisfactory to the Bank and adopted by the Borrower on February 17, 2015 and disclosed in the Bank’s Infoshop on February 18, 2015, outlining the modalities for land acquisition, resettlement and rehabilitation in respect of the activities to be carried out under the Project regarding the Associated Facilities, as well as details for the preparation of the RAPs.

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).”
5. In the renumbered paragraph 49 (originally paragraph 48) of the Appendix, the definition of “Front-end Fee” is modified by replacing the reference to Section 3.01 with Section 3.01 (a).
6. In the renumbered paragraph 68 (originally paragraph 67) of the Appendix, the definition of the term “Loan Payment” is modified to read as follows:

“68. “Loan Payment” means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements or these General Conditions, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any prepayment premium, any transaction fee for a Conversion or early termination of a Conversion, the Variable Spread Fixing Charge (if any), any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower.”
7. In the renumbered paragraph 73 (originally paragraph 72) of the Appendix, the definition of “Payment Date” is modified by deleting the word “is” and inserting the words “and Commitment Charge are” after the word “interest”.