



CREDIT NUMBER 5495-DM
SCF-PPCR LOAN NUMBER TF016912
SCF-PPCR GRANT NUMBER TF016955

Financing Agreement

(Disaster Vulnerability Reduction Project)

between

COMMONWEALTH OF DOMINICA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *June 10*, 2014



**CREDIT NUMBER 5495-DM
SCF-PPCR LOAN NUMBER TF016912
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FINANCING AGREEMENT

AGREEMENT dated June 10, 201⁴, entered into between COMMONWEALTH OF DOMINICA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”).

WHEREAS: (A) the Recipient and the International Development Association, acting as an implementing entity of the Pilot Program for Climate Resilience (Pilot Program for Climate Resilience (PPCR)) under the Strategic Climate Fund, intend to enter into a grant agreement (PPCR Grant Agreement) for the purpose of making a grant to the Recipient to assist in financing Parts A, B and D of the Project on the terms and conditions set forth in the PPCR Grant Agreement; and

(B) the Recipient and the International Development Association, acting as an implementing entity of the Strategic Climate Fund (SCF), intend to enter into a loan agreement (SCF Loan Agreement) for the purpose of providing a loan to the Recipient to assist in financing Part A of the Project on the terms and conditions set forth in the SCF Loan Agreement.

NOW THEREFORE, the Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to eleven million Special Drawing Rights (SDR 11,000,000) (variously, “Credit” and “Financing”), to assist in financing Parts A and C of the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are February 1 and August 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 carry out the Project in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) The PPCR Grant Agreement and the SCF Loan Agreement have been executed and delivered and all conditions precedent to the effectiveness or to the right of the Recipient to make withdrawals under said PPCR Grant Agreement or SCF Loan Agreement (other than the effectiveness of this Agreement) have been fulfilled.
 - (b) The Recipient has prepared and adopted the Project Operations Manual for Parts A, B and D of the Project, in form and substance satisfactory to the Association.
- 4.02. 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 Association's approval of the Credit.

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

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is the Minister responsible for finance.

- 5.02. The Recipient's Address is:

Ministry of Finance
Financial Centre
Kennedy Avenue, Roseau
Commonwealth of Dominica

Facsimile:
1-767-448-0054

- 5.03. The Association's Address is:

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

Cable:	Telex:	Facsimile:
INDEVAS Washington, D.C.	248423 (MCI)	1-202-477-6391

AGREED at Roseau, Dominica, as of the day and year first above written.

COMMONWEALTH OF DOMINICA

By



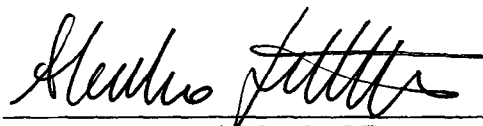
Authorized Representative

Name: Roosevelt Skerrit

Title: Prime Minister & Minister for Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Alessandro Legrottaglio

Title: Senior Country Officer

SCHEDULE 1

Project Description

The objective of the Project is to reduce vulnerability to natural hazards and climate change impacts in the Recipient's territory through: (i) investment in resilient infrastructure; and (ii) improved hazard data collection and monitoring systems.

The Project consists of the following parts:

Part A: Prevention and Adaptation Investments

1. Carrying out of selected infrastructure investments, including: (a) construction of water storage and distribution infrastructure; (b) slope stabilization; (c) rehabilitation of transportation infrastructure including, *inter alia*, selected primary and secondary roads and bridges; and (d) improvement of drainage in selected areas, all through the provision of works, technical advisory services, operating costs and acquisition of goods.

Part B: Capacity Building and Data Development, Hazard Risk Management and Evaluation

1. Building the capacity for analysis and assessment of risks from natural hazards and climate change, including integration of such analysis into policy and decision making process for the development of investments, and developing data collection systems, including: (a) creation of high resolution digital topographic and bathymetric model for the Recipient; (b) creation of a high resolution soils survey map; (c) design and deployment of robust hydromet network; and (d) development of district and community level climate adaptation plans, all through the provision of technical advisory services and training, and acquisition of goods.

Part C: Natural Disaster Response Investments

1. Carrying out of Emergency Recovery and Reconstruction Subprojects under an agreed action plan of activities (Agreed Action Plan of Activities) designed as a mechanism to implement the Recipient's response to an Emergency.

Part D: Project Management and Implementation Support

1. Strengthening the institutional capacity for Project management, including: (a) strengthening the capacity and staffing of the PCU; (b) preparation of investment designs and tender documents; (c) preparation of Project reports; (d) processing of contracts and tender evaluation; (e) coordination of participating line ministries; (f) supervision of the quality of works; (g) provision of training of staff of the PCU in Project management and implementation support; (h) monitoring and evaluation of the Project progress and results; and (i) carrying out related activities on Project management and implementation, all through the provision of technical advisory services, training and operating costs, and acquisition of goods.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee

- (a) The Recipient shall ensure that the Project Steering Committee is maintained at all times during the implementation of the Project, with a composition, mandate, and in form and substance satisfactory to the Association.
- (b) Without limitation to sub-paragraph (a) immediately above, the Recipient shall ensure that the Project Steering Committee will be responsible for providing policy guidance to ensure prompt and efficient implementation of the Project, including, *inter alia*: (i) reviewing progress made towards achieving the Project's objective; and (ii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project.

2. Project Coordination Unit; Ministry of Environment

- (a) The Recipient shall operate and maintain, at all times during the implementation of the Project, the Project Coordination Unit within the Recipient's Ministry of Environment, with functions, staffing and resources satisfactory to the Association.
- (b) Without limitation to the provisions of Section I.A.1 of this Schedule, the PCU shall be responsible for the day-to-day administration of the overall Project planning, evaluation, reporting, communication and coordination, the technical and fiduciary (*i.e.*, procurement and financial management in coordination with the Ministry of Finance) aspects, and the environmental and social safeguards compliance, all in accordance with the provisions of this Agreement and the Project Operations Manual.

3. Ministry of Finance and Line Ministries and Agencies

- (a) Without limitation to the provisions of Section I.A.1 and I.A.2 of this Schedule, and for the purpose of ensuring the prompt and efficient implementation of the Project, the Recipient shall ensure that the Project Coordination Unit shall, at all times during the implementation of the

Project, carry out the fiduciary management (*i.e.*, procurement and financial management) under the Project, with the technical support of its Ministry of Finance, including the requirement that said Project Coordination Unit, coordinate and provide to the Ministry of Finance reports on the fiduciary aspects of the Project in a timely manner, in accordance with the Operations Manual.

- (b) Without limitation to provisions of Section I.A.1 and I.A.2 of this Schedule, the Recipient shall ensure that its Ministry Public Works, Dominica Water and Sewerage Authority, the Office of Disaster Management, and other relevant ministries and agencies (Line Ministries and Agencies), provide as may be required, technical support to the Project Coordination Unit for relevant technical supervision and implementation of respective Project activities in the area of expertise of the relevant Line Ministry or Agency, in accordance with the Project Operations Manual.

B. Project Operations Manual

- 1. The Recipient shall, carry out Parts A, B and D of the Project in accordance with the provisions of the Project Operations Manual, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of said Parts of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for said Parts of the Project.
- 2. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Project Operations Manual without the prior written agreement of the Association: provided, however, that in case of any conflict between the arrangements and procedures set out in the Project Operations Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Action Plans for Emergency Recovery and Reconstruction Subprojects under Part C of the Project

- 1. In an event of an Emergency, the Recipient shall: (a) clearly establish a causal relationship between the relevant Emergency and the need to withdraw the proceeds of the Credit allocated to Category (3); and (b) prepare and furnish to the Association a program of activities proposed for financing (“Proposed Action Plan of Activities”).

2. The Recipient shall exchange views with the Association on the Proposed Action Plan of Activities, and shall thereafter adopt, and carry out such plan of activities as shall have been agreed with the Association, as such plan may be subsequently revised with the agreement of the Association (“Agreed Action Plan of Activities”).
3. Subject to Section I.C.5 of this Schedule 2, an investment activity shall qualify as an Emergency Recovery and Reconstruction Subproject only if:
 - (a) it is initiated in response to an Emergency, and the Recipient has not rescinded the Natural Disaster Declaration;
 - (b) it aims to repair or reconstruct streets, roads, bridges, transportation and other infrastructure damaged by the event of Emergency in question, re-establish telecommunications infrastructure, re-establish urban or rural solid waste, water supply and sanitation (including urban drainage) infrastructure damaged by the event of Emergency in question; repair, re-equip, construct or reconstruct homes, schools, clinics, hospitals or works of cultural significance or other communal structures damaged by the event of Emergency in question; remove and dispose debris resulting from the event of Emergency in question (but only if such removal and disposal is not an end in itself but constitute an integral part of an infrastructure repair, reconstruction or re-establishment activity itemized herein); restore the productive assets damaged by the event of Emergency in question of uninsured low-income producers; replace, vegetation destroyed by the event of Emergency in question, or repair or mitigate damage caused by the event of Emergency to a national natural protected area or buffer zone thereof (all the above in such a way as to take into account the reasons for the damage suffered in the disaster and to ensure that the infrastructure re-establishment through the Emergency Recovery and Reconstruction Subproject is environmentally sound in a way that reduces its vulnerability to possible social disasters);
 - (c) the Association has reviewed and approved the Emergency Recovery and Reconstruction Subproject prior to such a Subproject’s initiation if the Subproject: (i) is estimated to cost in excess of \$750, 000 equivalent; (ii) would affect or take place in a national or municipal protected area or buffer zone thereof that has no official management plan in place; (iii) is estimated to cost in excess of \$350,000 equivalent and involves re-establishment or reconstruction of infrastructure before it was damaged by the event of Emergency in question; or (iv) is estimated to cost in excess of \$350,000 equivalent and involves repair, re-establishment or reconstruction of infrastructure in such a way that the resulting infrastructure would have greater production output capacity than the original pre-damage infrastructure;

- (d) without limitation to the provisions of Section I.E.4 of this Schedule 2, the implementation of the Emergency Recovery and Reconstruction Subproject and/or the terms of reference for any consultancy in respect of any such activity shall be satisfactory to the Association following its review thereof and, to that end, the implementation of such an activity and/or any such terms of reference, shall duly comply with the requirements of the Association Safeguard Policies then in force; and
 - (e) the requirements set forth in subparagraphs (a) to (d) of this paragraph have been met with respect to the Emergency Recovery and Reconstruction Subproject, and contracts for the execution thereof have been awarded and signed (and on-site work under such contracts has commenced) after forty-five (45) calendar days (but no more than one hundred and eighty (180) calendar days, have passed since the issuance of the Natural Disaster Declaration referred to in subparagraph (a) of this paragraph.
- 4. On an exceptional basis, the 45 calendar day limit set forth in paragraph 3(e) of this Section, as well as the 180 calendar day limit set forth in said paragraph, may, before the relevant limit expires, be extended in writing by the Association for a particular commencement of any Emergency Recovery and Reconstruction Subproject if the nature of the disaster is such as to justify, in the Association's opinion, delays in the commencement of such Emergency Recovery and Reconstruction Subproject on-site work (such as when disaster conditions, for example non-receding flood waters, persist on-site long after the issuance of the Natural Disaster Declaration.
 - 5. No Emergency Recovery and Reconstruction Subproject or component thereof may involve any of the activities set forth in the Project Operations Manual.

D. Anti-Corruption

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

E. Environmental and Social Safeguards

- 1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental Management Framework (EMF), the Environmental Assessment (EA), the Resettlement Policy Framework (RPF), the Indigenous Peoples Plan (IPP) respectively, including the guidelines, rules and procedures defined in said EMF, EA, RPF and IPP. To this end, the Recipient shall, specifically take the following actions in a manner acceptable to the Association:

- (a) if an environmental management plan or similar safeguard instrument would be required on the basis of the EMF: (i) such environmental management plan or similar safeguard instrument shall be prepared in accordance with the requirements of the EMF, disclosed locally and furnished to the Association for approval; and (ii) if applicable, the pertinent Project activities shall be carried out in accordance with such environmental management plan or similar safeguard instrument as approved by the Association; and
 - (b) if a resettlement action plan would be required on the basis of the Resettlement Policy Framework: (i) said resettlement action plan shall be prepared in accordance with the requirements of the Resettlement Policy Framework, disclosed locally and furnished to the Association for approval; and (ii) no works in respect of such Project activities shall commence until: (A) all measures required to be taken under said resettlement action plan have been taken in accordance with the terms of said plan and in a manner acceptable to the Association; and (B) the Recipient has furnished to the Association a report in form and substance satisfactory to the Association, on the status of compliance with the requirements of said resettlement action plan.
- 2. The Recipient shall ensure that all measures required for carrying out the Environmental Assessment, the Indigenous Peoples Plan, any environmental management plan or similar safeguard instrument, and any resettlement action plan are taken in a timely manner.
- 3. The Recipient shall include in the Project Reports referred to in Section II.A.1 of this Schedule adequate information on the implementation of the EMF, the EA, the RPF, the IPP, any environmental management plan or similar safeguard instrument, and any resettlement action plan, giving details of:
 - (a) measures taken in furtherance of the EMF, the EA, the RPF, the IPP, any environmental management plan or similar safeguard instrument, and any resettlement action plan;
 - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the EMF, the EA, the RPF, the IPP, any environmental management plan or similar safeguard instrument, and any resettlement action plan; and
 - (c) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of the EMF, the EA, the RPF, the IPP, any environmental management plan or similar safeguard instrument, and any resettlement action plan.

4. **Specific Environmental Covenant for Part B of the Project**

The Recipient shall ensure that the terms of reference for any consultancy in respect of any Project activity under Part B of the Project shall be satisfactory to the Association following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the Association's Safeguard Policies then in force, as applied to the advice conveyed through such technical assistance.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association. Each Project Report shall cover the period of six (6) calendar months, and shall be furnished to the Association not later than forty five (45) days after the end of the period covered by each such report.
2. Without limitation to the provisions of Section 4.08 (b) of the General Conditions, the Recipient shall: (a) on or about the date twenty four (24) months after the Effective Date, submit to the Association a mid-term report, in such detail as the Association shall reasonably request, documenting progress achieved in the carrying out of the Project during the period preceding the date of the mid-term report, taking into account the monitoring and evaluation activities performed pursuant to Section II.A.1 of this Schedule, and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objective thereof during the period following such date; and (b) review with the Association the mid-term report, on or about the date one month after its submission, and thereafter take all measures required to ensure the efficient implementation of the Project and the achievement of its objective, based on the conclusions and recommendations of the mid-term report and the Association's views on the matter.
3. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six months after the Closing Date.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association 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 Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

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

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

C. Particular Methods of Procurement of Consultants' Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants' services for those assignments which are specified in the Procurement Plan: (a) Quality Based Selection; (b) Selection under a Fixed Budget; (c) Selection based on Consultants' Qualifications; (d) Least-Cost Selection; (e) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; (f) Single Source Procedures for selection of firms; and (g) Single Source Procedures for the Selection of Individual Consultants set forth in paragraph 5.6 of the Consultant Guidelines.

D. Review by the Association of Procurement Decisions

1. The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.
2. All terms of reference for consultants' services, regardless of the contract value, shall be subject to the Association's prior review.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Credit to each Category and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<u>Category</u>	<u>Amount of the Credit Allocated (expressed in SDR)</u>	<u>Percentage of Expenditures to be Financed (inclusive of Taxes)</u>
(1) Goods, works, non-consulting services, consultants’ services, Training and Operating Costs for Part A of the Project	9,058,880	57%
(2) Goods, works, non-consulting services and consultants’ services, Training and Operating Costs for Part B of the Project	0	0%
(3) Goods, Works, non-consulting services and consultants’ services for Emergency Recovery and Reconstruction Subprojects under Part C of the Project	647,000	100%
(4) Goods, works, non-consulting services and consultants’ services, Training and Operating Costs for Part D of the Project	0	0%
(5) Refund of Preparation Advance	1,294,120	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	11,000,000	

For the purpose of the table set forth immediately above:

- (a) the term "Operating Costs" means the incremental expenses incurred on account of Project management, including office space rental for the PCU, office equipment and supplies, vehicle operation and maintenance, communication and insurance costs, office administration costs, utilities, travel and *per diem*, excluding the salaries of the Recipient's civil service; and
- (b) the term "Training" means the cost associated with the training and workshops approved by the Association, for reasonable expenditures (other than expenditures for consultants' services), including: (i) travel, room, board and *per diem* expenditures incurred by trainers and trainees in connection with their training; (ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.

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; or
 - (b) under Category (3) in respect of any given Emergency Recovery and Reconstruction Subproject unless the Recipient has: (i) met the requirement referred to in Section I.C.1 of this Schedule 2; and (ii) the relevant Emergency Recovery and Reconstruction Subproject is included in the Agreed Action Plan of Activities, together with a budget and a financing plan for said subproject, all in form and substance satisfactory to the Association.
- 2. Without limitation to the provisions of Section B.1 (b) immediately above, if no Emergency has occurred for a period of forty-eight (48) months after the Effective Date, or such later date as the Association shall establish, the Association may, upon request of the Recipient and as the Association may deem appropriate, reallocate the proceeds of the Credit allocated to Category (3) to Category (1).
- 3. The Closing Date is July 1, 2020.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 1 and August 1:	
commencing August 1, 2024 to and including February 1, 2034	1%
commencing August 1, 2034 to and including February 1, 2054	2%

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

APPENDIX

Definitions

1. "Agreed Action Plan of Activities" means the plan of activities referred to in Section I.C.2 of Schedule 2 to this Agreement.
2. "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.
3. "Association's Safeguard Policies" means the Association's operational policies and procedures set forth in the Bank's Operational manual under OP/BPs 4.01, 4.04, 4.09, 4.10, 4.11, 4.36, 4.37, 7.50 and 7.60 as said manual is published under www.WorldBank.org/opmanual.
4. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. "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.
6. "Displaced Person" means a person who, on account of the execution of the Project had or would have their: (i) standard of living adversely affected; or (ii) access to, or right, title, 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) business, occupation, work or place of residence or habitat adversely affected; and "Displaced Persons" means, collectively, all such Displaced Persons.
7. "Dominica Water and Sewerage Company" means the authority established and operating pursuant to Water and Sewage Act (Act No. 9 of 1994) of the laws of the Recipient, and any successors thereto.
8. "Emergency" means the occurrence of a natural disaster or an event of emergency within the Recipient's territory for which the Recipient has issued a Natural Disaster Declaration.
9. "Emergency Recovery and Reconstruction Subproject" means an investment activity under Part C of the Project, consisting of a combination of works, goods or technical advisory services, aimed at responding to damage caused by an Emergency and meeting the criteria set forth Section I.C.3 through 5 of Schedule 2 to this Agreement.

10. “Environmental Assessment” or “EA” means the Recipient’s report for the Project dated February 2014, and disclosed in-country on February 27, 2014, and subsequently re-disclosed on March 25, 2014, and in the Association’s InfoShop on February 21, 2014, and subsequently re-disclosed on March 27, 2014, describing the set of avoidance, mitigation, enhancement, monitoring, and institutional measures to be taken under any activity for rehabilitation or construction to avoid, mitigate, offset, or reduce adverse environmental and social impacts to acceptable levels, or to enhance positive impacts.
11. “Environmental Management Framework” or “EMF” means the Recipient’s framework, acceptable to the Association, dated February 2014, and disclosed in-country on February 27, 2014, and subsequently re-disclosed on March 25, 2014, and in the Association’s InfoShop on February 21, 2014, and subsequently re-disclosed on March 27, 2014, setting forth the modalities for environmental screening and procedures/actions for the preparation and implementation of environmental assessments and management plans under the Project, including a generic standardized EMP for minor works, and such term includes all schedules and annexes to the Environmental Management Framework.
12. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.
13. “Indigenous Peoples” means a social group of people with a distinct social and cultural identity that makes them vulnerable to being disadvantaged in the development process, including the presence in varying degrees of the following characteristics: (i) a close attachment to ancestral territories and to the natural resources in these areas; (ii) self-identification and identification by others as members of a distinct cultural group; (iii) an indigenous language, often different from the national language; (iv) presence of customary social and political institutions; and (v) primarily subsistence-oriented production.
14. “Indigenous Peoples Plan” or “IPP” means the Recipient’s plan, acceptable to the Association, dated February 2014 and disclosed in-country on February 25, 2014, and subsequently re-disclosed on March 26, 2014, and in the Association’s InfoShop on February 25, 2014, and subsequently re-disclosed on March 27, 2014, setting forth measures for addressing the needs of the Indigenous Peoples living in the Carib Council within the territory of the Recipient, and providing guidelines and procedures for consultation with, and informed participation of Indigenous Peoples residing or cultivating lands in areas under the Project.
15. “Line Ministries and Agencies” mean the Recipient’s Ministry of Public Works, Energy and Ports, Dominica Water and Sewerage Company, Office of Disaster Management, and other relevant ministries and agencies that may participate in the implementation of the Project.

16. "Natural Disaster Declaration" means the declaration of an Emergency by the Recipient pursuant to Emergency Powers (Disaster) Act of 1987 (CAP 15:03) of the laws of the Recipient.
17. "Office of Disaster Management" means the Recipient's office for disaster management within the Ministry of National Security, Immigration and Labor.
18. "Pilot Program for Climate Resilience (PPCR) Grant Agreement" means the grant agreement referred to in paragraph (A) of the preamble to this Agreement, as such grant agreement may be amended from time to time. "PPCR Grant Agreement" includes all appendices, schedules and agreements supplemental to the PPCR Grant Agreement.
19. "Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association/Bank on December 19, 2013, and on behalf of the Recipient on December 19, 2013.
20. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.
21. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 24, 2014, and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
22. "Project Coordination Unit" or "PCU" means the coordination unit within the Recipient's Ministry of Environment, and referred to in Section I.A.2 (a) of Schedule 2 to this Agreement or any successor thereto.
23. "Project Operations Manual" means the Recipient's manual referred to in Section I.B.1 of Schedule 2 to this Agreement.
24. "Project Steering Committee" means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.
25. "Proposed Action Plan of Activities" means the plan of activities referred to in Section I.C.1 of Schedule 2 to this Agreement.

26. "Resettlement Policy Framework" or "RPF" means the Recipient's framework, acceptable to the Association, dated February 2014, and disclosed in-country on March 5, 2014, and subsequently re-disclosed on March 25, 2014, and in the Association's InfoShop on February 26, 2014, and subsequently re-disclosed on March 27, 2014, setting forth the modalities for resettlement and compensation of Dislocated Persons, including guidelines for the preparation of the resettlement plans, all under the Project, as the same may be amended from time to time with the agreement of the Association.
27. "Strategic Climate Fund (SCF) Loan Agreement" means the loan agreement of even date herewith referred to in paragraph (B) of the preamble to this Agreement, as such loan agreement may be amended from time to time. "SCF Loan Agreement" includes all appendices, schedules and agreements supplemental to the SCF Loan Agreement.