

OFFICIAL  
DOCUMENTS

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CREDIT NUMBER 6148-SL

**Financing Agreement**

(Additional Financing for the West African Power Pool -  
Côte d'Ivoire, Liberia, Sierra Leone and Guinea Power Interconnection Project)

between

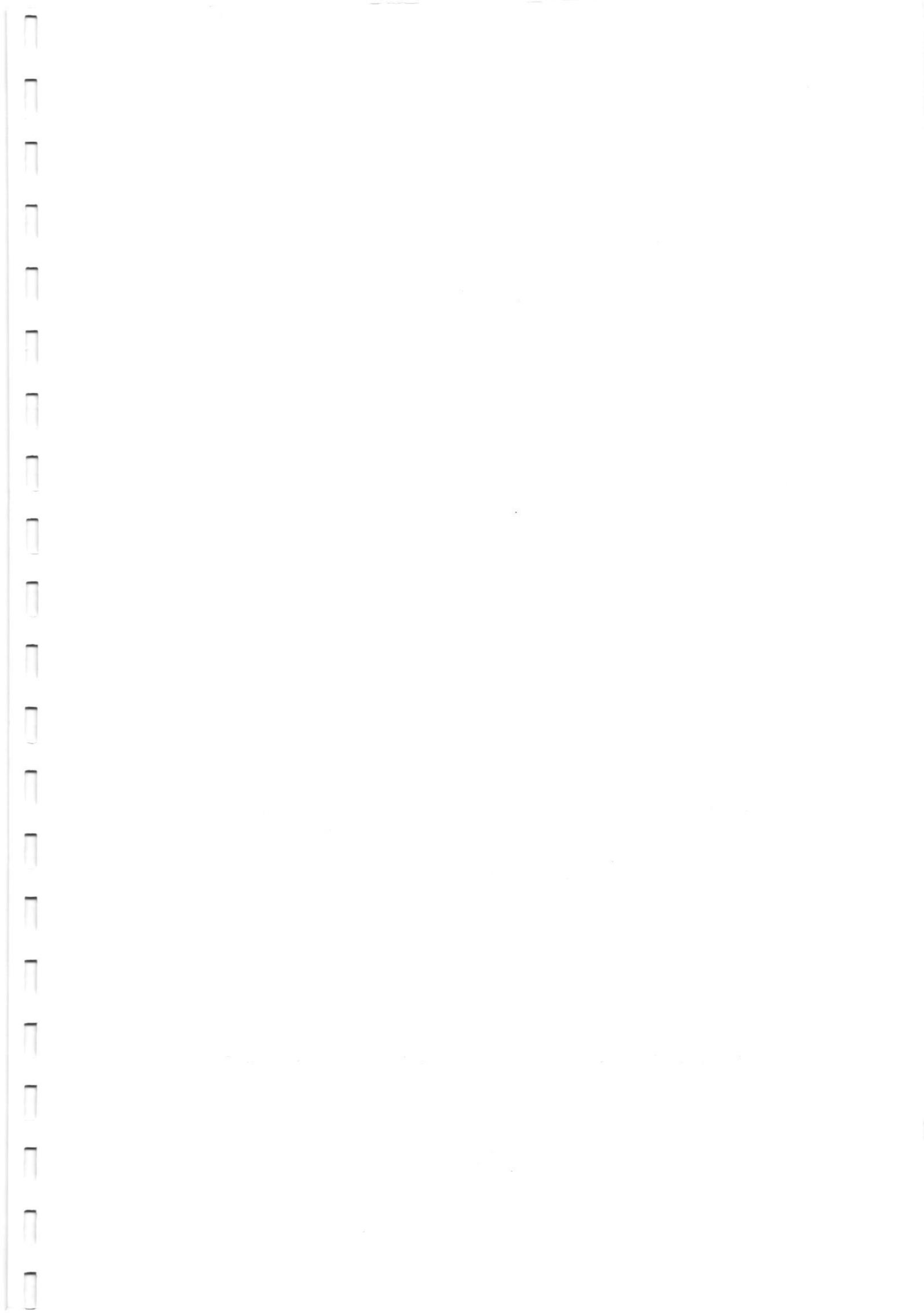
REPUBLIC OF SIERRA LEONE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

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**CREDIT NUMBER 6148-SL**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date, entered into between the REPUBLIC OF SIERRA LEONE ("Recipient" or "Sierra Leone") and the INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in Section I of the Appendix to this Agreement).

WHEREAS (A) on May 4, 2010, the Recipient's National Legislature ratified the ECOWAS Energy Protocol ("EEP") adopted by the Authority of Heads of State and Government of the Economic Community of West African States ("ECOWAS"): (i) under the Decision A/Dec.17/01/03 dated January 31, 2003, to serve as the framework for policy reform, institutional development and investments in the energy sector in the ECOWAS member countries; and (ii) in furtherance of the Decision A/Dec.5/12/99 dated December 10, 1999, relative to the development of a cooperative mechanism for pooling the operations of the national power systems of ECOWAS member states into a unified regional electricity market ("West African Power Pool Market" or "Program");

(B) the Association initially provided support to precedent activities under the Program by extending financial assistance to the Republic of Ghana ("Ghana") to finance the First Phase of the Coastal Transmission Backbone Project pursuant to the Development Credit Agreement dated August 31, 2005, between Ghana and the Association;

(C) the Association extended financial assistance again to Ghana and to the Republic of Benin ("Benin") to finance the Second Phase of the Coastal Transmission Backbone Project under the Program pursuant, respectively, to the Financing Agreement between Ghana and the Association dated December 4, 2007, and the Financing Agreement between Benin and the Association dated March 2, 2007;

(D) thereafter, the Association extended financial assistance to the Republic of Mali ("Mali"), the Islamic Republic of Mauritania ("Mauritania") and the Republic of Senegal ("Senegal") to finance the OMVS (*Organisation pour la Mise en Valeur du fleuve Sénégal*) Felou Hydroelectric Project under the Program pursuant, respectively, to the Financing Agreement between Mali and the Association dated September 13, 2006, the Financing Agreement between Mauritania and the Association dated September 13, 2006, and the Financing Agreement between Senegal and the Association dated September 13, 2006;

(E) subsequently, the Association extended financial assistance to Ghana and Burkina Faso to finance the First Phase of the Inter-Zonal Transmission Hub Project under the Program pursuant, respectively, to the Financing Agreement between Ghana and the Association dated March 26, 2012 and the Financing Agreement between Burkina Faso and the Association dated August 9, 2011;



(F) by a financing agreement ("Original Project Financing Agreement", as further defined in Section I of the Appendix to this Agreement) entered into between the Republic of Liberia ("Liberia") and the Association, the Association extended to Liberia a credit in an amount equivalent to ninety-three million three hundred thousand Special Drawing Rights (SDR 93,300,000) to assist Liberia in financing part of the cost of the Original Project under the Program on the terms and conditions set forth in the Original Project Financing Agreement;

(G) the African Development Bank and the European Investment Bank has each made available financial assistance to the Recipient in an amount equivalent, respectively, to one hundred thirteen million Dollars (\$113,000,000) and eighty-two million Dollars (\$82,000,000) to assist the Recipient in financing part of the cost of activities related, respectively, to Part A.2 (ii) and Part A.1 (vii) of the Original Project on the terms and conditions set forth in the co-financing agreement entered into, respectively, between the Recipient and each of the African Development Bank and the European Investment Bank;

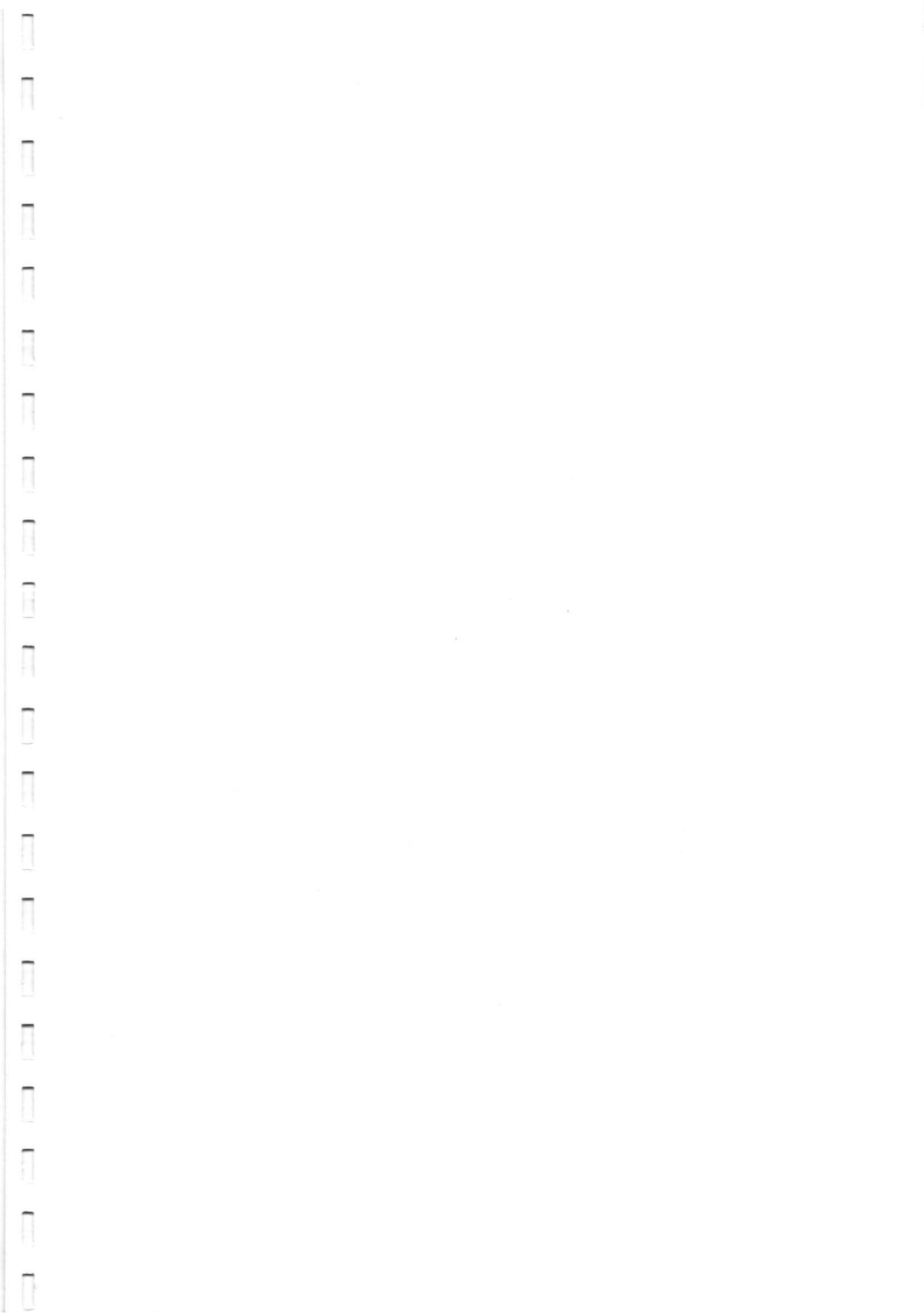
(H) the Recipient, having satisfied itself as to the feasibility and priority of the project ("Project", as described in Schedule I to this Agreement) under the Program, has requested the Association to assist in the financing of the Project;

(I) by a financing agreement to be entered into between Liberia and the Association ("Liberia Financing Agreement", as further defined in Section I of the Appendix to this Agreement), the Association will extend to Liberia a grant in an amount equivalent to sixteen million one hundred thousand Special Drawing Rights (SDR 16,100,000) and a credit in an amount of twenty-two million six hundred fifty-five thousand Dollars (USD 22,655,000) to assist Liberia in financing part of the cost of activities related to the Project on the terms and conditions set forth in the Liberia Financing Agreement;

(J) the Project will be carried out by the Transmission Company Côte d'Ivoire, Liberia, Sierra Leone and Guinée ("TRANSCO CLSG" as further defined in Section I of the Appendix to this Agreement) with the Recipient's assistance and, as part of such assistance, the Recipient will make the proceeds of the credit provided for in Article II of this Agreement available to the TRANSCO CLSG as set forth in this Agreement; and

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing, to extend the credit provided for in Article II of this Agreement to the Recipient upon the terms and conditions set forth in this 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 Section I of 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 Preamble or in Appendix to this Agreement.

**ARTICLE II — CREDIT**

- 2.01. The Association agrees to extend to the Recipient, a credit, deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement, in an amount of fifty-nine million five hundred seventy thousand Dollars (USD 59,570,000) ("Credit") to assist in financing Parts A.1(vii) and A.2(ii) of the Project.
- 2.02. The Recipient may withdraw the proceeds of the Credit in accordance with Section IV 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 Credit Balance.
- 2.04. The Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.
- 2.05. The Payment Dates are March 15 and September 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is the Dollar.

**ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall, pursuant to the Subsidiary Credit Implementation Agreement, cause the Project to be carried out by the TRANSCO CLSG in accordance with the provisions of Article IV of the General Conditions and Schedule 2 to this Agreement.



#### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

4.01. The Additional Events of Suspension consist of the following:

- (a) The Liberia Financing Agreement shall have failed to become effective by December 31, 2018.
- (b) The Association has suspended in whole or in part the right of Liberia to make withdrawals under the Liberia Financing Agreement.
- (c) The Treaty, the International Project Agreement, the Shareholders' Agreement or the Establishment Agreement, as the case may be, has been amended, suspended, abrogated, repealed, waived or otherwise not enforced or complied with, so as to affect materially and adversely the ability of the TRANSCO CLSG to perform any of its obligations under the Subsidiary Credit Implementation Agreement.
- (d) A situation has arisen which shall make it improbable that the Program, or a significant part thereof, will be carried out.
- (e) A Participating Country shall have failed to carry out its ESMP or RAP, as the case may be, or to perform any of the measures or obligations contained therein in a form or manner acceptable to the Association.

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

- (a) The event specified in paragraph (c) of Section 4.01 of this Agreement occurs.
- (b) The event specified in paragraph (e) of Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

#### **ARTICLE V — EFFECTIVENESS; TERMINATION**

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

5.02. 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 (20) years after the date of this Agreement.



**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

6.01. The Recipient's Representative is its Minister of Finance.

6.02. For purposes of Section 10.01 of the General Conditions:

(a) the Recipient's address is:

Ministry of Finance  
George Street  
Freetown  
Republic of Sierra Leone; and

(b) the Recipient's Electronic Address is:

Facsimile:  
  
(232) 30-209-350

6.03. For purposes of Section 10.01 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:

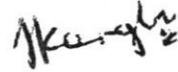
Telex:	Facsimile:	E-mail:
248423 (MCI)	(1) 202-477-6391	<a href="mailto:hkerali@worldbank.org">hkerali@worldbank.org</a>



AGREED as of the Signature Date.

REPUBLIC OF SIERRA LEONE

By



Authorized Representative

Name: MOHAMED B. KARGBO

Title: MINISTER

Date: 4/1/18

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: PADMINDER BRAR

Title: COUNTRY MANAGER

Date: 4/1/18



## SCHEDULE 1

### Project Description

The objectives of the Project are: (i) to reduce the cost of electricity supply at the Utility level for the Recipient and Liberia; and (ii) to increase the amount of electricity traded among all the Participating Countries.

The Project constitutes the first phase of the Program, and consists of the Original Project and the following additional parts:

#### Part A: High Voltage Transmission Interconnection among the Participating Countries

Development of the infrastructure required to build the transmission interconnection between the Recipient, Côte d'Ivoire, Guinea and Liberia, encompassing the following:

1. Construction of a 225kV Interconnection between the Recipient, Côte d'Ivoire, Guinea and Liberia

Construction of about 1,369 km of a 225kV overhead transmission line (with one circuit equipped with a potential for future installation of a second circuit) interconnecting the Participating Countries and located between: (i) the Sierra Leone/Liberia border, connecting Mano, Mount Coffee, Buchanan, and Yekepa; (ii) Linsan in Guinea and the Sierra Leone/Liberia border; (iii) Nzérékoré in Guinea to the Guinea/Liberia border; (iv) the Guinea/Liberia border to Yekepa in Liberia; (v) Yekepa in Liberia to the Liberia/Côte d'Ivoire border; (vi) the Liberia/ Côte d'Ivoire border and Man in Côte d'Ivoire; and (vii) Yiben to the Sierra Leone/Liberia border.

2. Substations

Construction of a total of ten (10) 225kV substations, including: (i) one (1) in Yekepa in Liberia's territory; and (ii) nine (9) located in Buchanan, Mount Coffee and Mano in the Liberia's territory, in Kenema, Bekongor, Bumbuna, Yiben, and Kamakwie in the Recipient's territory, and in Nzerekore in Guinea's territory, installation of the required compensation systems as required in some of the substations, and reinforcement and extension of the Man substation in Côte d'Ivoire's territory.

3. Supervisory Control and Data Acquisition System

Acquisition and installation of the supervisory control and data acquisition (SCADA) system to monitor and control the interconnected transmission line in the territory of the Participating Countries and thereby ensure proper exchange of power and operating control of the system, and encompassing the installation of a new control center



in Guinea and the upgrading of the capabilities of the SCADA system and control center in Côte d'Ivoire.

4. Installation and Supply of Compensation and Frequency Regulation Equipment

Acquisition and installation of equipment to enhance the frequency control along the transmission line to be constructed under Part A.1 of the Project.

5. Implementation of the Environmental and Social Management Plans and the Resettlement Action Plans

Carrying out of a comprehensive and timely program to implement with due diligence and efficiency the provisions of the ESMPs and RAPs in the territory of the Recipient, Côte d'Ivoire, Guinea and Liberia.

Part B: Institutional Framework and Project Oversight

1. Establishment of the TRANSCO CLSG

Carrying out of a program of technical assistance, training and workshops to prepare, implement and supervise the Project, entailing: (i) the structuring and establishment of the TRANSCO CLSG, including the setting up of its operating systems (procurement and financial management) and the recruitment of its staff; (ii) the provision of capacity building and the development of the documentation and logistics needed by the TRANSCO CLSG and the Utilities participating in the Project, particularly for fiduciary matters; and (iii) the financing of Operating Costs of the TRANSCO CLSG during the time of construction of the transmission line under Part A.1 of the Project.

2. Implementation Support

Carrying out of a program to support the TRANSCO CLSG with overall Project management and supervision of the investments to be undertaken under Parts A.1 and A.2 of the Project, and encompassing the services of a supervision engineering firm to serve as the Project owner's engineer, to supervise works in the Recipient's and the other Participating Countries' territories, ensure proper coordination among them, and assist with: (i) procurement, design, construction and preparation for operation and maintenance of the complete investments, including the full transmission line and the construction and upgrade of substations; (ii) supervision and monitoring of the implementation of the Environmental and Social Management Plans and the Resettlement Action Plans on the basis of an agreed monitoring plan; (iii) the carrying out of a compensation and frequency regulation studies and measures, to re-evaluate the compensation requirements for the line, including reactive power and frequency control in transit situations, and further dimension the scope and the scale of compensation and frequency regulation required; and (iv) the carrying out of the audits of the TRANSCO CLSG.



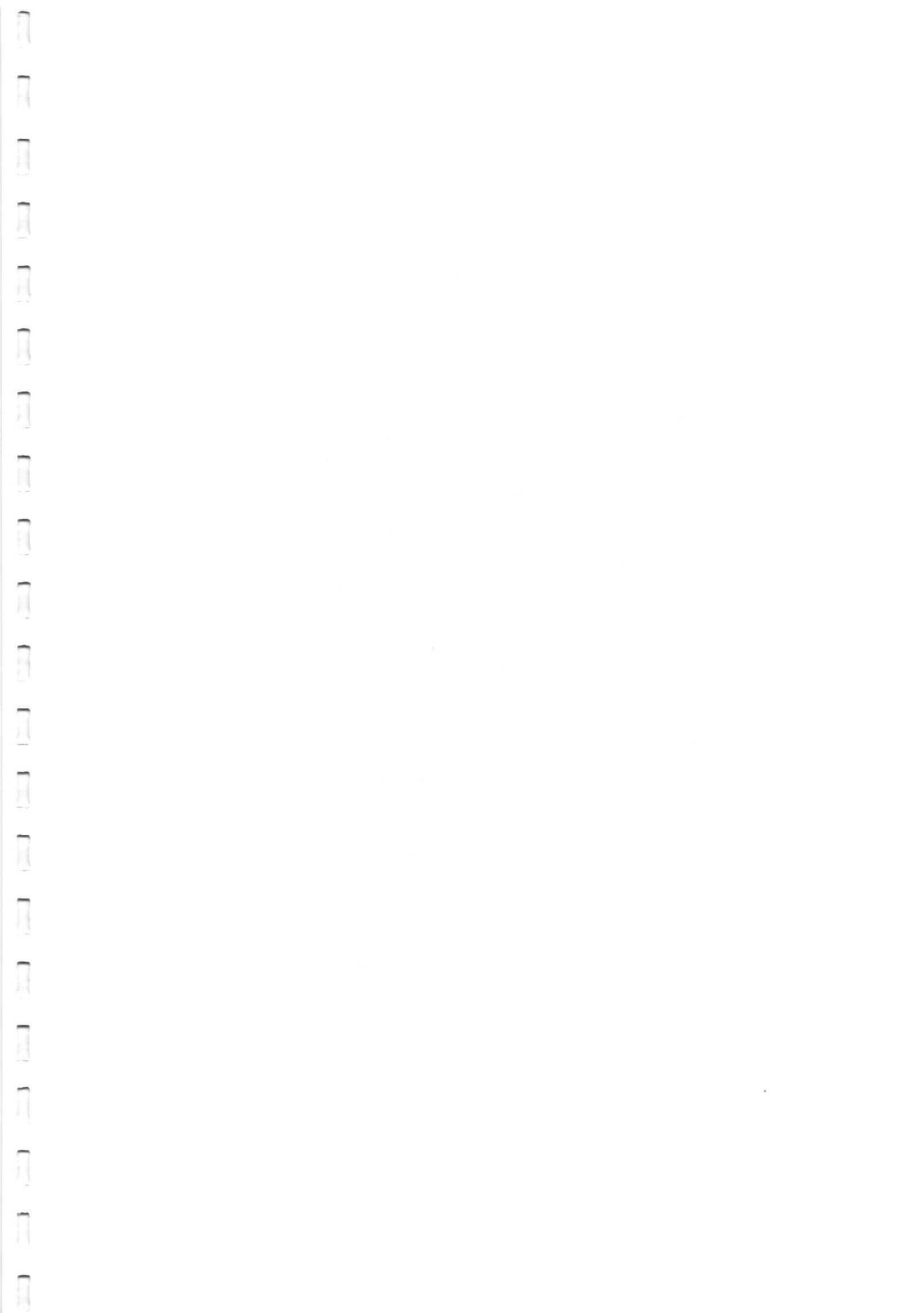
## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. **Subsidiary Credit Implementation Agreement**

1. To facilitate the carrying out of the Project, the Recipient shall make available to the TRANSCO CLSG the proceeds of the Credit allocated from time to time to Category (1) of the table set forth in Section IV.A.1 of this Schedule under the Subsidiary Credit Implementation Agreement to be entered into between the Recipient and the TRANSCO CLSG under terms and conditions approved by the Association, including the following conditions for the Subsidiary Credit:
  - (i) it shall be denominated in Dollars;
  - (ii) it shall be the equivalent in Dollars (determined as of the date or respective dates of repayment of the principal amount of the Credit specified in Schedule 3 to this Agreement) of the value of the currency or currencies withdrawn from the Credit Account or paid out of the Designated Account for the Project on account of the cost of goods, works, services, training, workshops and Operating Costs and to be financed under the Subsidiary Credit out of the proceeds of the Credit allocated from time to time to Category (1);
  - (iii) it shall be charged: (A) the maximum commitment charge payable by the Recipient on the unwithdrawn Credit balance pursuant to the provisions of Section 2.03 of this Agreement; (B) a service charge on the withdrawn Credit balance at the rate applicable from time to time to the Credit pursuant to the provisions of Section 2.04 of this Agreement; and (C) Interest During Construction; and
  - (iv) it shall be repaid to the Recipient in accordance with an amortization schedule, as set forth in the Subsidiary Credit Implementation Agreement, not exceeding the maturity of the Credit, inclusive of a grace period not exceeding ten (10) years.
2. The Subsidiary Credit Implementation Agreement shall include provisions whereby the Recipient shall:
  - (a) require the TRANSCO CLSG: (A) to carry out the Project with due diligence and efficiency and in accordance with sound technical, economic, energy, financial, managerial, environmental, and social standards and practices satisfactory to the Association, including in



accordance with the provisions of the ESMPs and the RAPs and pursuant to the TRANSCO CLSG Project Implementation Manual and the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (B) except as the Association shall otherwise agree, to maintain a debt service coverage ratio of at least 1.3 under terms and conditions that have been agreed upon with the Association; (C) to provide, promptly as needed, the resources required for the purpose; (D) to have in place the paid-in equity contribution pursuant to the provisions of the Treaty, including the amount required on behalf of each Participating Country to finance the Resettlement costs and the Interest During Construction; (E) to maintain throughout Project implementation an audit committee under terms of reference and with a composition satisfactory to the Association to follow-up with management on any issues raised in the annual audits, thereby ensuring they are properly addressed; (F) to apply and follow throughout Project implementation an antifraud and anticorruption policy satisfactory to the Association and maintain an antifraud and anticorruption committee under terms of reference and with a composition satisfactory to the Association to handle any fraud and corruption cases; and (G) to maintain, throughout Project implementation: (i) the representatives of TRANSCO CLSG's shareholders and the WAPP and two (2) independent directors appointed to the TRANSCO CLSG's Board of Directors; and (ii) its General Manager, a finance manager, an environmental safeguards specialist, a social safeguards specialist and a procurement specialist appointed under terms of reference and with qualifications and experience satisfactory to the Association.

- (b) obtain rights and specify TRANSCO CLSG's obligations adequate to protect the interests of the Recipient and those of the Association, including:
  - (i) the right to suspend or terminate the right of TRANSCO CLSG to use the proceeds of the Credit or to obtain a refund of all or any part of the amount of the Credit then withdrawn, upon TRANSCO CLSG's failure to perform any of its obligations under the Subsidiary Credit Implementation Agreement;
  - (ii) TRANSCO CLSG's obligation to maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with the Monitoring and Evaluation Indicators, the progress of the Project and the achievement of its objectives;
  - (iii) TRANSCO CLSG's obligation: (A) to maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards



acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (B) at the Association's or the Recipient's request, to have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;

- (iv) TRANSCO CLSG's obligation to enable the Recipient and the Association to inspect the Project, its operation and any relevant records and documents; and
- (v) TRANSCO CLSG's obligation to prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

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

**B. Control Area Agreement**

The Recipient shall take all action required on its behalf to ensure that the TRANSCO CLSG: (i) employ an operation and maintenance contractor, under terms of reference and with experience and qualifications satisfactory to the Association, not later than two (2) months before the expected date of completion of the construction of the transmission line under Part A.1 of the Project; and (ii) conclude with the WAPP the Control Area Agreement not later than six (6) months before the expected date of completion of the construction of the transmission line under Part A.1 of the Project, all in form and substance satisfactory to the Association.

**C. Safeguards**

1. The Recipient shall take all action required on its behalf to ensure that the Project is implemented in accordance with the provisions of the Sierra Leone



Environmental and Social Impact Assessment (Sierra Leone ESIA), the Sierra Leone Environmental and Social Management Plan (Sierra Leone ESMP), and the Sierra Leone Resettlement Action Plan (Sierra Leone RAP), all in a manner satisfactory to the Association.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall cause the TRANSCO CLSG to collect, compile and furnish to the Association on a quarterly basis, or promptly whenever the circumstances warrant, reports on the status of compliance with the Environmental and Social Impact Assessments (ESIAs), the Environmental and Social Management Plans (ESMPs), and the Resettlement Action Plans (RAPs), as the case may be, giving details of:
  - (a) measures taken in furtherance of the ESIAs, the ESMPs and the RAPs;
  - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the ESIAs, the ESMPs, and the RAPs; and
  - (c) remedial measures taken or required to be taken to address such conditions.
3. The Recipient shall promptly take all remedial measures referred to in paragraph 2 of this Section C as shall have been agreed by the Association.

**D. Training**

For the purposes of the training and workshops to be provided under the Project, the Recipient shall cause the TRANSCO CLSG:

- (a) to furnish to the Association for its approval, not later than November 30 of each year, a training program and the workshops including an explanation of how such training and workshops are consistent and conducive to the objectives of the Project and whether it offers the best price/quality ratio, as well as the schedule for its implementation;
- (b) to select the trainees in accordance with a transparent process and criteria satisfactory to the Association; and
- (c) to furnish to the Association a report of such scope and detail as the Association shall reasonably request, on the results of each training and the benefits to be derived therefrom.

**E. TRANSCO CLSG Project Implementation Manual**

The Recipient shall cause the TRANSCO CLSG: (i) to take all action required to carry out the Project in accordance with the provisions and requirements set forth



or referred to in the TRANSCO CLSG Project Implementation Manual; (ii) submit recommendations to the Association for its consideration for changes and updates of the TRANSCO CLSG Project Implementation Manual as they may become necessary or advisable during Project implementation in order to achieve the objectives of the Project; and (iii) not assign, amend, abrogate or waive the TRANSCO CLSG Project Implementation Manual or any of its provisions without the Association's prior agreement. Notwithstanding the foregoing, if any of the provisions of the TRANSCO CLSG Project Implementation Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail and govern.

**F. Financial Management Undertakings**

The Recipient shall cause the TRANSCO CLSG to maintain throughout Project implementation: (i) the recruitment of a qualified and experienced internal auditor and an accounts officer based on terms of reference and with qualifications and experience satisfactory to the Association; and (ii) an accounting information system for the Project suitable to allow the TRANSCO CLSG to comply with its financial management obligations under the Project.

**Section II. Project Monitoring, Mid-Term Review, Reporting and Evaluation**

**A. Project Reports**

1. The Recipient shall cause the TRANSCO CLSG to furnish to the Association each Project Report not later than forty-five (45) days after the end of each calendar quarter, covering the calendar quarter.

**B. Mid-Term Review**

The Recipient shall cause the TRANSCO CLSG:

- (a) to prepare, under terms of reference satisfactory to the Association and on the basis of the Monitoring and Evaluation Indicators, and furnish to the Association, on or about March 15, 2019, a report integrating the results of the monitoring and evaluation activities referred to in Section II.A.1 of this Schedule and setting out the measures recommended to ensure the efficient carrying out of the Project and achievement of the objectives thereof during the period following such date; and
- (b) to review with the Association, on or about May 15, 2019, or such later date as the Association shall request, the report referred to in the preceding paragraph (a), and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives



thereof, based on the conclusions and recommendations of the said report and the Association's views on the matter.

**Section III. Procurement**

**A. General**

1. **Goods, Works and Non-consulting Services.** All goods, works and non-consulting services required for Parts A.1 (vii) and A.2 (ii) of the Project and to be financed out of the proceeds of the Credit 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 Parts A.1 (vii) and A.2 (ii) of the Project and to be financed out of the proceeds of the Credit 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 required for Parts A.1(vii) and A.2(ii) of the Project 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 required for Parts A.1(vii) and A.2(ii) of the Project specified in the Procurement Plan: (i) Limited International Bidding; (ii) National Competitive Bidding, using the competitive bidding procedure normally used for public procurement in the Participating Country where the TRANSCO CLSG is carrying out procurement and with the modifications and additions that the Association may determine are required to make such procedure acceptable for use under the Credit; (iii) Shopping; and (iv) 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 required for Parts A.1(vii) and A.2(ii) of the Project 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 Parts A.1 (vii) and A.2 (ii) of the Project which are specified in the Procurement Plan: (i) Quality-based Selection; (ii) Least Cost Selection; (iii) Selection based on Consultants' Qualifications; (iv) Single-source Selection of consulting firms; (v) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (vi) Single-source procedures for the Selection of Individual Consultants.

**D. Review by the Association of Procurement Decisions**

The Procurement Plan shall set forth those contracts required for Parts A.1 (vii) and A.2 (ii) of the Project which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

**Section IV. Withdrawal of the Proceeds of the Credit**

**A. General**

1. 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 Credit 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 USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consultants' services, training, workshops and Operating Costs:		
(a) under Part A.1 (vii) of the Project	50,900,000	100%
(b) under Part A.2 (ii) of the Project	8,200,000	100%
(2) Unallocated	470,000	
<b>TOTAL AMOUNT</b>	<b>59,570,000</b>	

2. Notwithstanding the provisions of paragraph 1 above, 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 USD 11,914,000 may be made for payments made prior to this date but on or after December 15, 2016, for Eligible Expenditures under Category (1).
3. The Closing Date is December 15, 2020.



**SCHEDULE 3**  
**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each March 15 and September 15 commencing on March 15, 2024, to and including September 15, 2055	<b>1.5625%</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 Section 3.03 (b) of the General Conditions.



## APPENDIX

### Section I. Definitions

1. "Anti-Corruption Guidelines" means for purpose of Section 5.14 of and 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.
2. "Basis Adjustment to the Service Charge" means the Association's standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.
3. "Category" means a category of items 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. "Control Area Agreement" means the agreement to be entered into between the TRANSCO CLSG (as hereinafter defined) and the WAPP (as hereinafter defined), represented by the ICC (as hereinafter defined), relating to the operation and control by the ICC of the transmission line to be constructed under Part A.1 of the Project.
6. "Côte d'Ivoire" means the Republic of Côte d'Ivoire.
7. "Designated Account" means an account into which the Association may, at the Recipient's request, deposit amounts withdrawn from the Credit Account for the purpose of paying for Eligible Expenditures as they are incurred.
8. "ECOWAS" means the Economic Community of West African States, whose member states are the Recipient, Benin, Burkina Faso, the Republic of Cape Verde, Côte d'Ivoire, the Republic of The Gambia, Ghana, Guinea, the Republic of Guinea Bissau, Liberia, Mali, Niger, Nigeria and Senegal.
9. "ECOWAS Energy Protocol" and "EEP" means the protocol number A/P4/1/03 adopted and signed by the ECOWAS Heads of State on January 31, 2003, as an Annex to the treaty creating the ECOWAS and which establishes the legal framework intended to promote long-term cooperation between ECOWAS member states in the field of energy on the basis of complementarity and mutual



benefit with a view to augment investment in the energy sector and develop trade of energy within the West African region.

10. "Environmental and Social Impact Assessment" and "ESIA" mean, individually and indistinctively, the report, which includes the Environmental and Social Management Plan (as hereinafter defined), prepared, consulted upon and disclosed in each one of the Participating Countries (as hereinafter defined) on January 30, 2012, identifying and assessing the potential environmental and social impacts of the activities to be undertaken under the Project, evaluating the alternatives therefor, and designing appropriate mitigation, management, and monitoring measures.
11. "Environmental and Social Management Plan" and "ESMP" mean, individually and indistinctively, the site-specific environmental and social management plan that has been prepared and disclosed on January 30, 2012, by each one of the Participating Countries (as hereinafter defined) within the parameters of the ESIA, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the Project activities to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.
12. "Establishment Agreement" means the agreement entered into between each Participating Country (as hereinafter defined) and the TRANSCO CLSG (as hereinafter defined) setting forth the action necessary in the territory of the Participating Country to make effective, in terms of its own law, the principles set forth in the Treaty (as hereinafter defined) and the IPA (as hereinafter defined) and providing the TRANSCO CLSG with suitable governance, full juridical personality, and appropriate international status, authorities, privileges and immunities and the conditions necessary to enable it to operate effectively toward the attainment of its objectives.
13. "Fiscal Year" means the twelve (12) month period corresponding to any of the Recipient's fiscal years, which period commences on July 1 and ends on June 30 in each calendar year.
14. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated July 14, 2017, with the modifications set forth in Section II of this Appendix.
15. "General Secretariat" means the administrative organ of the WAPP (as hereinafter defined) established pursuant to the provisions of Article 7 of the WAPP Articles of Agreement (as hereinafter defined) to support the WAPP executive board in the accomplishment of its duties and which is responsible for the day-to-day management of WAPP.



16. "Guinea" means the Republic of Guinea.
17. "ICC" means the WAPP Information and Coordination Center, an organ of the General Secretariat established pursuant to the provisions of Article 8 of the WAPP Articles of Agreement (as hereinafter defined) and responsible for promoting operational coordination between transmission owning/operating members through actual day-to-day information sharing/exchange between the WAPP operational coordination centers.
18. "Interest During Construction" means the interest and fees to be paid by the TRANSCO CLSG (as hereinafter defined) to the Recipient on the Subsidiary Credit (as hereinafter defined) during the construction of the transmission line under Part A.1 of the Project.
19. "International Project Agreement" and "IPA" means the agreement dated November 8, 2013, entered into between the Participating Countries (as hereinafter defined) and the TRANSCO CLSG (as hereinafter defined) setting forth the rights and obligations of the parties with respect to the design, financing, construction, owning, operation, maintenance and development of the transmission line under Part A.1 of the Project, and such term includes any other agreement or series of agreements to be entered into pursuant to the terms of the IPA and necessary to the implementation thereof.
20. "kV" means kilovolt, the unit of electromotive force equal to one thousand volts.
21. "Liberia Financing Agreement" means the financing agreement for the Project to be entered into between Liberia and the Association, as such financing agreement may be amended from time to time. "Liberia Financing Agreement" includes all appendices, schedules and agreements supplemental to the Liberia Financing Agreement.
22. "Monitoring and Evaluation Indicators" means the agreed-upon monitoring and evaluation indicators set forth in the TRANSCO CLSG Project Implementation Manual (as hereinafter defined) to be utilized by the TRANSCO CLSG (as hereinafter defined) to measure the progress in the implementation of the Project and the degree to which the objectives thereof are being achieved.
23. "Original Project" means the Project described in Schedule 1 to the Original Project Financing Agreement (as hereinafter defined).
24. "Original Project Financing Agreement" means the financing agreement for the West African Power Pool - Côte d'Ivoire, Liberia, Sierra Leone and Guinea Power Interconnection Project between Liberia and the Association, dated August 16, 2012 (Credit No. 5110-LR), as amended on January 30, 2015.



25. "Operating Costs" means the expenditures incurred by the TRANSCO CLSG (as hereinafter defined) to finance: (i) the salaries of the staff of the TRANSCO CLSG and state contributions thereon; (ii) per diem and travel expenses of the said staff to perform their responsibilities under the Project; (iii) fuel and vehicle maintenance and insurance; (iv) communication technology (including, without limitation, internet and telephone); (v) building security and maintenance; (vi) translation services, photocopies and publications; (vii) bank commissions; and (viii) utilities and office supplies.
26. "Participating Countries" means the Recipient, Côte d'Ivoire, Guinea and Liberia in whose territories the Project is carried out; and "Participating Country" means individually each and any of the Participating Countries.
27. "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).
28. "Procurement Plan" means the Recipient's procurement plan for Part A.1 (vii) of the Project, dated September 18, 2017, 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.
29. "Resettlement" means: (i) the involuntary (i.e., an action that may be taken without a person's informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected persons, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.
30. "Resettlement Action Plan" and "RAP" mean, individually and indistinctively, the resettlement action plan prepared and disclosed on January 30, 2012, by the Recipient and Liberia, on March 30, 2012 by Guinea, and on April 5, 2012, by Côte d'Ivoire, and setting forth the measures necessary to ensure that the displaced persons under the Project are: (i) informed about their options and rights pertaining to Resettlement; (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; (iii) provided: (A) prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (B) assistance (such as moving allowances) during relocation; and (C) with residential housing, or housing sites, or, as



required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; (iv) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and (v) provided with development assistance in addition to the aforementioned compensation measures, such as land preparation, credit facilities, training, or job opportunities.

31. "SCADA" means the supervisory control data and acquisition system used to monitor and control power generation and transmission systems.
32. "Sierra Leone Environmental and Social Impact Assessment" and "Sierra Leone ESIA" mean the report, which includes the Sierra Leone Environmental and Social Management Plan (as hereinafter defined), prepared, consulted upon and disclosed in country by the Recipient on January 30, 2012, identifying and assessing the potential environmental and social impacts of the activities to be undertaken under the Project, evaluating the alternatives therefor, and designing appropriate mitigation, management, and monitoring measures.
33. "Sierra Leone Environmental and Social Management Plan" and "Sierra Leone ESMP" mean the site-specific environmental and social management plan that has been prepared and disclosed on January 30, 2012, by the Recipient within the parameters of the Sierra Leone ESIA, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the Project activities to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.
34. "Sierra Leone Resettlement Action Plan" and "Sierra Leone RAP" means the Recipient's resettlement action plan dated January 30, 2012, setting forth the measures necessary to ensure that the displaced persons under the Project are: (i) informed about their options and rights pertaining to Resettlement; (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives; (iii) provided: (A) prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (B) assistance (such as moving allowances) during relocation; and (C) with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; (iv) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; and (v) provided with development assistance in addition to the aforementioned compensation measures, such as land preparation, credit facilities, training, or job opportunities.



35. "Signature Date" means the means the latest of the two dates on which the Recipient and the Association signed this Agreement and such definition applied to all references to "the date of the Financing Agreement" in the General Conditions.
36. "Shareholders' Agreement" means the agreement dated August 27, 2013, entered into among the Utilities (as hereinafter defined) which are shareholders of TRANSCO CLSG (as hereinafter defined) and setting forth the shareholders' rights and obligations with respect to the management and operation of TRANSCO CLSG (as hereinafter defined).
37. "Subsidiary Credit" means a credit made or proposed to be made by the Recipient out of the proceeds of the Credit to the TRANSCO CLSG for the purposes of carrying out the Project.
38. "Subsidiary Credit Implementation Agreement" means the agreement referred to in Section I.A of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Credit available to the TRANSCO CLSG for the purposes of carrying out of the Project.
39. "TRANSCO CLSG" means the Transmission Company Côte d'Ivoire, Liberia, Sierra Leone and Guinée, a supranational entity with commercial character created by the Treaty (as hereinafter defined) and established in Abidjan, Côte d'Ivoire, by its shareholders for the purpose of designing, constructing, owning, operating, maintaining, and developing the transmission line under Part A.1 of the Project.
40. "TRANSCO CLSG Project Implementation Manual" means the set of guidelines and procedures dated March 30, 2014, adopted by the TRANSCO CLSG for the purpose of implementing the Project, including in the areas of monitoring and evaluation, coordination, financial management (including financial, administrative and accounting procedures, procurement, internal controls and audits), environment and social safeguards, and other provisions related to the institutional organization of the Project, as such guidelines and procedures may be amended from time to time with the prior written agreement of the Association.
41. "Treaty" means the "Treaty for the Construction, Operation and Development of the CLSG Interconnection Line among the Republic of Côte d'Ivoire, the Republic of Liberia, the Republic of Sierra Leone and the Republic of Guinea" dated March 5, 2012, an international treaty entered into among the Participating Countries and adopted on July 5, 2013 by the Recipient, on August 30, 2013 by Liberia, on September 13, 2013 by Côte d'Ivoire, and on November 28, 2013 by Guinea, and endorsed by their respective ministers of energy for the purpose of authorizing and organizing the construction, operation and development of the transmission line under Part A.1 of the Project. "Treaty" includes its attached CLSG Articles of



Association and all other appendices, schedules and agreements that may supplement the Treaty.

42. "Utilities" means, collectively and indistinctively, the national utilities of the Participating Countries, or any successor thereto satisfactory to the Association, designated by the Participating Countries; and "Utility" means each and any of the Utilities.
43. "WAPP" means the international organization that associates all public and private power entities in the ECOWAS member states established by the Authority of Heads of State and Government of the ECOWAS pursuant to the Decision A/Dec.5/12/99 dated December 10, 1999, relating to the "Establishment of the WAPP", the Decision A/Dec.18/01/06 dated January 12, 2006 adopting the "Articles of Agreement Relating to the Establishment and Functioning of the WAAP", and granted the character of a specialized institution by the Decision A/Dec.20/01/06 dated January 12, 2006, and whose mission is: (i) the full and effective implementation of the WAPP priority projects; (ii) the development and approval of clear, measurable standards to harmonize electricity planning and operation of pooled electric systems in ECOWAS member states; (iii) the effective programming for enforcing compliance with mandatory standards; (iv) the improvement in cross-border and reliable flows of electricity in ECOWAS member states among electric system operating organizations; and (v) the effective communication and information sharing.

## **Section II. Modifications to the General Conditions**

The General Conditions are hereby modified as follows:

1. Section 5.13 (Procurement) is deleted in its entirety and the remaining section in Article V is renumbered accordingly.
2. Paragraphs 86 (Procurement Plan) and 87 (Procurement Regulations) of the Appendix are deleted in their entirety and the subsequent paragraphs are renumbered accordingly.

