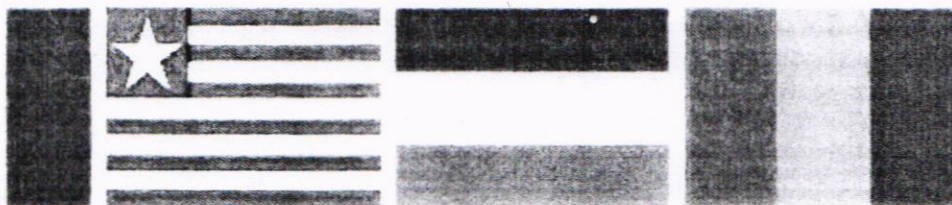


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**TREATY FOR THE CONSTRUCTION OPERATION AND DEVELOPMENT
OF THE CLSG INTERCONNECTION LINE**

(COTE D'IVOIRE - LIBERIA - SIERRA LEONE - GUINEA)

ADOPTED IN *** ON THE *******

ABIDJAN, 5TH MARCH 2012

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TREATY FOR THE CONSTRUCTION, OPERATION AND DEVELOPMENT OF THE CLSG
INTERCONNECTION LINE

The Heads of State of:

The Republic of the Cote d'Ivoire,

The Republic of Liberia,

The Republic of Sierra Leone,

The Republic of Guinea,

Mindful of Articles 3, 26, 28, 31 and 55 of the revised Treaty of the Economic Community of West African States re-affirming the ECOWAS Treaty signed in Lagos on the 28th May 1975,

Mindful of the decision A/DEC.3/5/82 of the Heads of State of the ECOWAS on the energy policy of the ECOWAS,

Reaffirming the decision A/DEC.5/12/99 of the Heads of State of the ECOWAS setting up the regional electricity market, the "West African Power Pool" (WAPP),

Recalling the Memorandum of Understanding entered into between the Ministers for Energy in 2000, defining the terms and conditions for the setting-up of a Master Plan as revised by the decision A/DEC.7/01/05 dated the 19th January 2005,

Mindful of the ECOWAS Energy Protocol A/P4/1/03 dated the 31st January 2003,

Mindful of the Agreement on the Organisation and Operation of the West African Power Pool (WAPP) signed on the 12th January 2006,

Mindful of the Supplementary Act A/SA.4/01/08 adopting the Emergency Power Supply Security Plan (EPSSP) signed in Ouagadougou on the 18th January 2008.





PREAMBLE

1. Considering that in order to promote a regional energy market with a view to optimising resources and their distribution in West Africa, the Heads of the Member States of the ECOWAS agreed in 1982 to put into place a regional energy policy.
2. Reiterating that the provision of electrical energy at competitive prices is an essential vector in the reduction of poverty and in enhancing social and economic development in the region, hence the creation in 1999 of the West African Power Pool (WAPP) among the ECOWAS Member States.
3. Reiterating that several memoranda between various Member States of ECOWAS have been signed including the WAPP Memorandum in particular specifying the terms and conditions for the putting into place of the Master Plan (2000) and the Memorandum relating to the financing of the putting into place of priority projects for the WAPP (2001).
4. Reiterating that, in order to endow this new regional energy market with an appropriate institutional framework, the Member States of the ECOWAS agreed on the guiding principles for the operation of such a market in the Energy Protocol of the 31st January 2003 and put into place a specialized institution for this purpose, the WAPP Secretariat in 2006.
5. Considering the urgent nature of the need for the supply of power in the region of West Africa and more specifically the need to accelerate several regional interconnection line projects including a transmission line to interconnect the four Member States which is the subject of this Treaty.
6. Reiterating that for this purpose the WAPP has prepared the ground for an Emergency Plan for the supply of power in its Supplementary Act of the 18th January 2008.
7. Convinced that the project for the construction and operation of an inter-connection Line linking the Cote d'Ivoire, Liberia, Sierra Leone and Guinea (CLSG) based on the feasibility study approved by the Member States, will permit a better supply of power, reduce its costs and contribute to economic and social development.





HAVE AGREED AS FOLLOWS:

CHAPTER 1: DEFINITIONS AND PURPOSE

ARTICLE 1. DEFINITIONS

Access Code	Means the terms for non discriminatory access to the Interconnection Line as agreed in good faith between the States to apply to all users of the Interconnection Line
Adverse Effect	Means any event or circumstance that directly or indirectly causes increased cost, revenue reduction or delay in relation to the Project or which negatively impacts the Financial Viability of the SPC or restricts or delays the ability of the SPC to enjoy and enforce all of its rights under this Treaty and the International Project Agreement
Articles of Association	Means the Articles of Association of the SPC annexed to this Treaty as amended from time to time in accordance with its provisions
Competent Authority	Means any legislative, regulatory, administrative or judicial institution, authority or other body of any of the Member States
DFIs	Means those development financial institutions, which have agreed to contribute to the financing of the construction and operation of the Interconnection Line including the World Bank, African Development Bank, KfW, European Investment Bank
Energy Protocol	Means the protocol number A/P4/1/03 entered into under the Treaty of the Community of West African States which establishes a legal framework to promote long-term cooperation in the energy sector
Environmental and Social Management Plan	Means the document including the related Resettlement Action Plan agreed by the Member States, which is developed in compliance with international best practices and applicable guidelines of the DFIs, that sets out the agreed plan for the management of social and environmental issues that may arise during the course of the Project
ERERA	Means the Regional Regulatory Authority of Electricity Sector set up by virtue of the Regulation C/REG.27/12/07 of the 14 and 15 December 2007
Financial Viability	Means the financial balance between costs and revenues at any point in time that enables the SPC to remain viable



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as a special purpose company carrying out the Project as reflected in the financial model that the Member States have agreed

Means the Information and Coordination Center of the West African Power Pool

Means the committee referred to in Article 3.2.

Means the electrical transmission line to be constructed and operated in the Territories of the Member States by the SPC pursuant to this Treaty and the International Project Agreement

Means the agreement to be jointly and severally entered into between the Member States, which are parties to this Treaty and the SPC set up by this Treaty for the construction and operation of the Interconnection Line

Means each of the states, which is a party to this Treaty

Means the project for the construction and the operation of the Interconnection Line, which is the subject of this Treaty with open access to the Interconnection Line for trading in electricity

Means the perimeter or boundary of the land corridor, including any rights-of-way, necessary for building and operating the Interconnection Line as well as any area necessary for building any habitation unit and other facilities in compliance with the provisions of the Environmental and Social Management Plan

Means the special purpose company created pursuant to this Treaty which is authorised to construct and operate the Interconnection Line in accordance with the International Project Agreement

Means the territory belonging to each of the Member States in the jurisdiction of which this Treaty applies

Shall have the meaning given to it in Article 7 of the Energy Protocol

Means this treaty entered into between the states of Cote d'Ivoire, Liberia, Sierra Leone and Guinea for the purpose of enabling the construction and operation of the Interconnection Line and, subject to the provisions thereof includes its annexes and protocols, regulations or other instruments made under it

Means the secretariat referred to in Article 3.3

Means the committee referred to in Article 3.1.

Means the territory/Territories

Transit

Treaty

Treaty Secretariat

ICC

Implementation Committee

Interconnection Line

International Project Agreement

International Project Agreement

Steering Committee

Territory/Territories

SPC

Project Perimeter

Project

Member State

Project

Project Perimeter

Project Perimeter

Project Perimeter

Project Perimeter

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Project Perimeter

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Means the national electricity company in each Member State or its successor(s) designated as such by the relevant Member State

Means the West African Power Pool, institution created pursuant to the Energy Protocol

WAPP

Utility

GA

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ARTICLE 2. PURPOSE

The purpose of this Treaty is to:

- a) Establish the financing, construction, operation, maintenance, ownership and development of the Interconnection Line among the Member States, the characteristics and economic model of which have been defined in a feasibility report approved by the four Member States and
- b) Promote a regional energy market with a view to optimising resources and their distribution in West Africa.

The Treaty will, inter alia, provide for:

- The institutional framework for the effective implementation of this Treaty and the Project;
- The common, consistent and stable legal and regulatory framework for the Project between the Member States that enables enforcement to take place in a similar manner in each Member State;
- The framework for the International Project Agreement to be entered into jointly and severally between the Member States and the SPC for the purpose of authorising and obliging it to carry out the Project in a manner that creates legally enforceable rights and obligations.

CHAPTER 2. INSTITUTIONAL FRAMEWORK

ARTICLE 3. BODIES OF THE TREATY

3.1. THE STEERING COMMITTEE

The Steering Committee is the supreme body of the Treaty. It is competent to take all decisions or to initiate any action, which is not within the competence of the Implementation Committee or the Treaty Secretariat. However, the Steering Committee may not amend the Treaty.

The Steering Committee is composed of the four Ministers in charge of energy in each of the Member States. The chairmanship of the Steering Committee is exercised on a rotational basis in the alphabetical order of the names of the Member States for a term of one year by each Member State. The first Chairman of the Steering Committee shall be elected by the members of the Steering Committee.

The Chairman of the Steering Committee will be assisted by the Treaty Secretariat.

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The Treaty Secretariat will convene and organise the meetings of the Steering Committee. Any two members may request a meeting to be convened.

Decisions of the Steering Committee will be made by a three quarters majority vote and a quorum will not be present unless three quarters of the members are present in person or by proxy.

The Steering Committee shall meet for a first time within two months of the entry into force of the Treaty in order, in particular, to take any outstanding decisions in relation to the International Project Agreement and to ensure that it is executed without delay.

The Steering Committee shall meet at least once a year and in order to review and discuss an implementation report drawn up by the Implementation Committee relating to the progress made by the parties under the International Project Agreement. It shall also approve annually the budget allocated to the Implementation Committee and to the Treaty Secretariat. The funding to meet the approved expenditure in the budgets of the Steering Committee, the Implementation Committee and the Treaty Secretariat will be borne by the Member States in equal proportions.

In any event, any action or issue for approval and decision relating to cost, delay, financial viability or performance or which might reasonably be expected to have a material adverse effect will be referred to the Steering Committee.

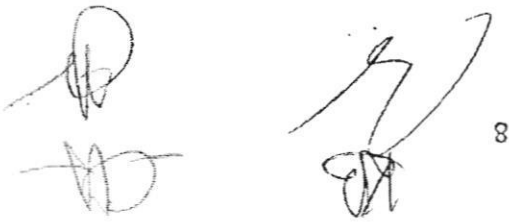
3.2. Implementation Committee

The Implementation Committee is the body in charge of monitoring the implementation of the Treaty on behalf of the Steering Committee. In particular, its role is to monitor progress and performance to ensure that all necessary steps are taken by the Member States to enable the SFC and the Member States to implement the International Project Agreement.

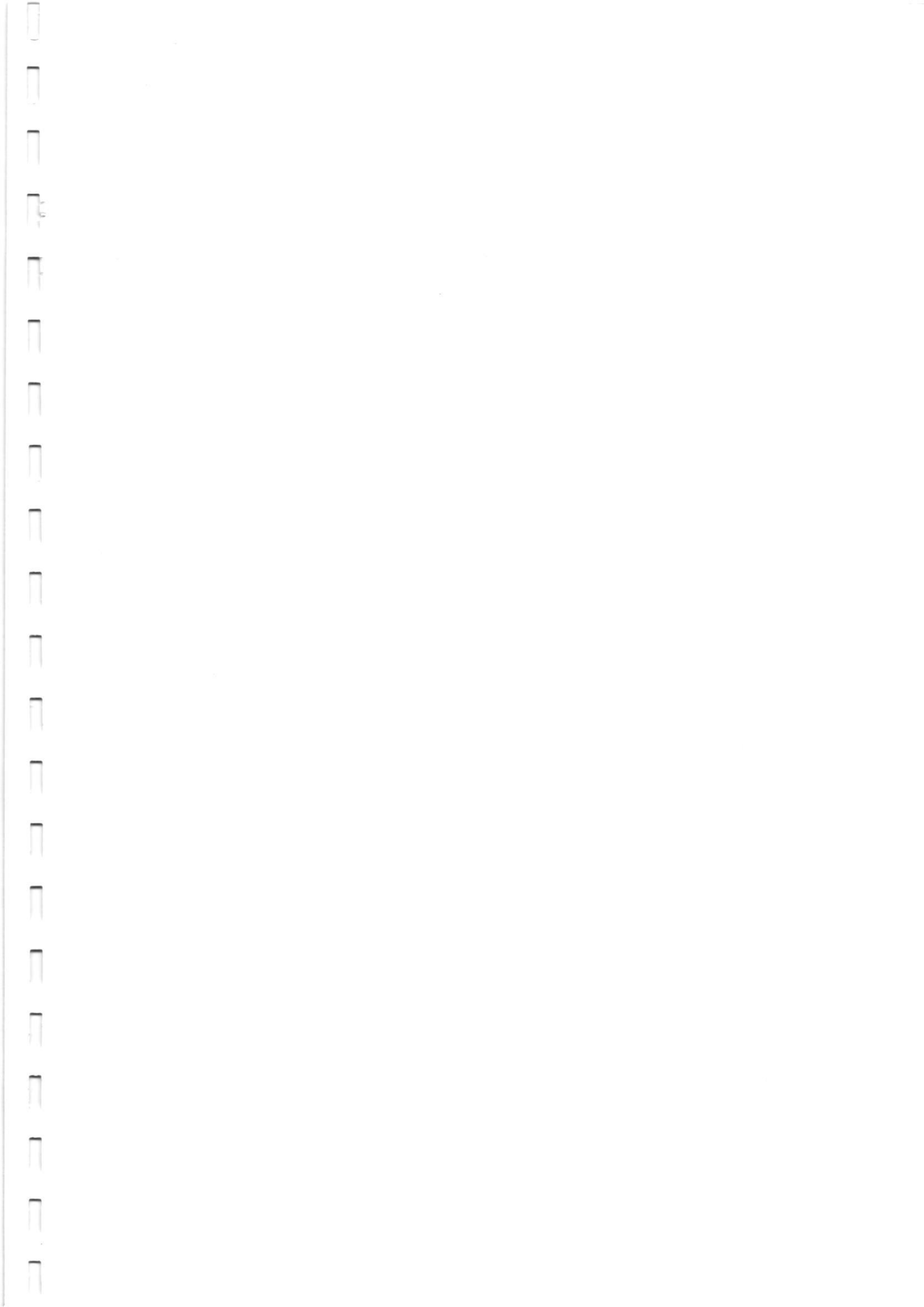
The Implementation Committee is composed of eight members, two of which are senior officials one of the Ministry of Energy one of the Ministry of Finance in each of the Member States.

The chairmanship of the Implementation Committee is exercised on a rotational basis and by alphabetical order for a term of one year by each Member State. The first Chairman of the Implementation Committee shall be appointed by the Member State where the constitutive meeting take place.

Decisions of the Implementation Committee will be made by a three quarters majority vote and a quorum will not be present unless three quarters of the members are present in person or by proxy.



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The Implementation Committee shall submit a report for the Steering Committee each year on the implementation of the Treaty and the International Project Agreement including a report on its activities and of the Treaty Secretariat, and a provisional operating budget for the next period of 24 months.

The Implementation Committee shall meet every quarter and more often if necessary at the request of its Chairman or any four members. The Treaty Secretariat will convene and organise the meetings of the Implementation Committee.

The Implementation Committee may hire consultants and form sub-committees and task forces subject to any conditions or limitations set by the Steering Committee and under its approved budget.

3.3. The Treaty Secretariat

A secretariat will be established by the Implementation Committee for the purposes of assisting the Steering Committee and the Implementation Committee to carry out their functions, convening and organising meetings and preparing and keeping the minutes of the meetings. The initial composition of the Treaty Secretariat will be approved by the Steering Committee. The Treaty Secretariat during the construction period of the Interconnection Line will be provided by WAPP.

ARTICLE 4: BINDING NATURE AND ENFORCEABILITY

4.1. Binding Nature

The Member States agree that the provisions of this Treaty and the International Project Agreement shall be binding on each Member State and all of its Competent Authorities, as if they were national legislative, administrative or regulatory provisions and also agree that they will not be subject to contrary or restrictive existing national or local legislation, court decisions, or decisions by executive, or interpretation by any Member State or any of its Competent Authorities.

4.2. Uniform Enforceability

In order to give full effect to the provisions of this Treaty and the International Project Agreement, the Member States undertake to the extent necessary:

- to amend or vary such of their legislative, administrative and regulatory provisions and procedures and,

- to give any instructions to the Competent Authorities,





in order to ensure the full implementation and enforceability of this Treaty and the International Project Agreement in a uniform manner by all Member States and the SPC and, in particular, to grant any necessary derogation from any applicable procedures, law or regulations.

4.3. Stability

The Member States undertake not to promulgate and to ensure that no Competent Authority promulgates a provision in any law, regulation or procedure at national or local level which modifies, restricts or is inconsistent with the provisions of the Treaty and the International Project Agreement and which is likely to create an Adverse Effect. In the event that an actual or potential Adverse Effect is created, the relevant provision shall not be applied to the SPC or the Project.

CHAPTER 3: INCORPORATION AND OPERATION OF THE SPC

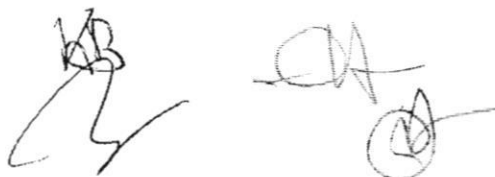
ARTICLE 5: INCORPORATION AND OPERATION

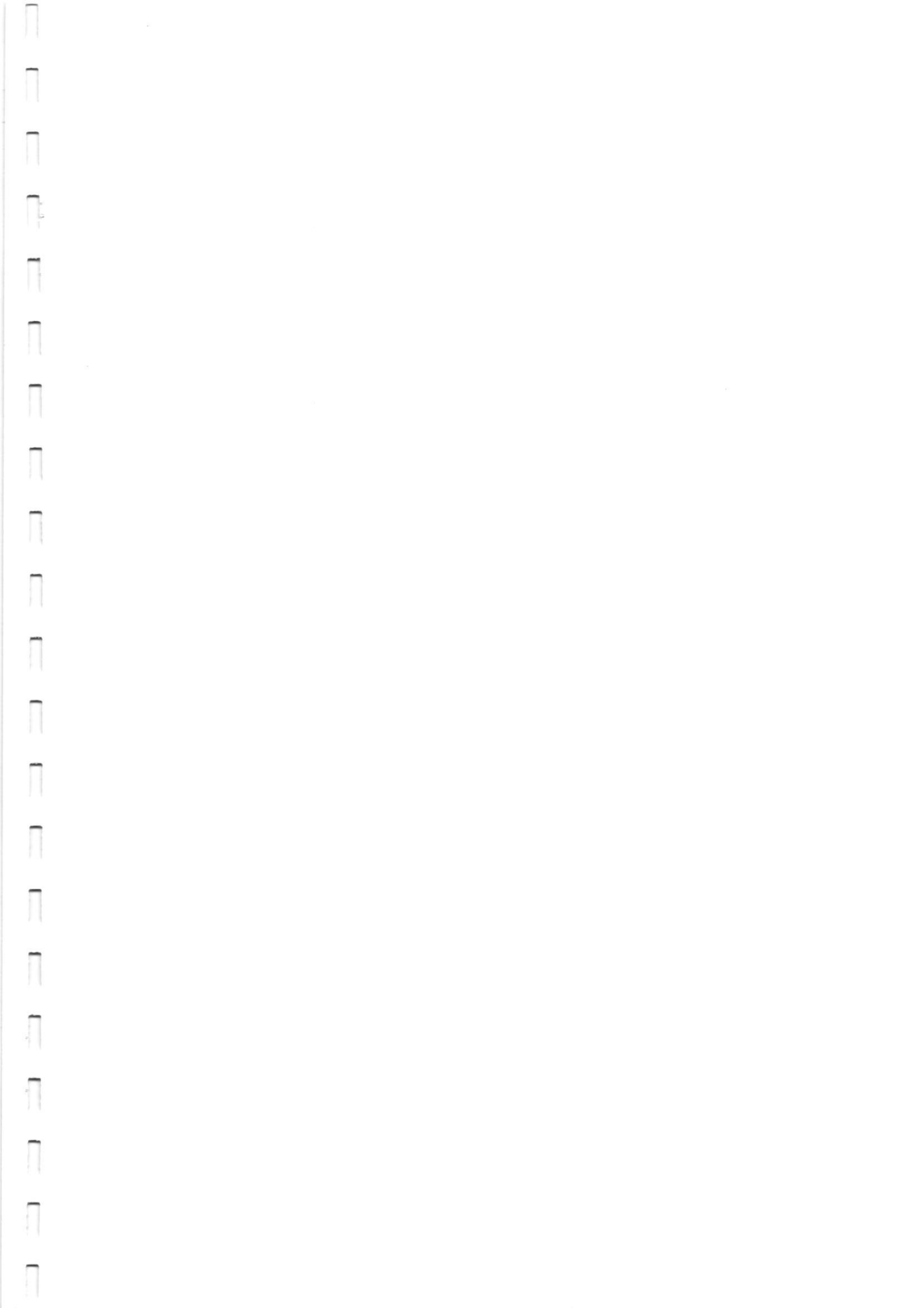
By virtue of this Treaty, the Member States hereby create a special purpose company having a supranational character in order to implement the Project. The Company's objects are:

- To finance, construct, and develop CLSG high-tension electricity transmission interconnector line and its sub-stations as well as all the necessary infrastructure and facilities required to physically operate and maintain the transmission interconnector lines and to ensure a cost-effective regional energy exchange between the States parties to the Treaty currently establishing the Company;
- The operation, maintenance and upkeep of the aforementioned transmission interconnector lines and their sub-stations as well as all the necessary infrastructure and facilities required to physically operate and maintain the lines.

The SPC shall be governed by the Articles of Association annexed to this Treaty which can be changed in accordance with the provisions set out in the Articles of Association. The SPC shall be recognised in all Member States by their respective governments and Competent Authorities as a supranational company with full legal personality having the character of a regional entity operating in compliance with commercial principles.

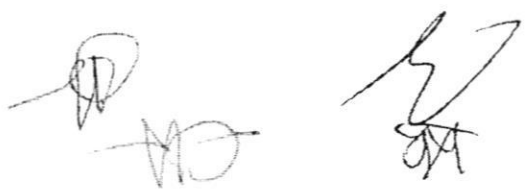
Any Member State in which any office of the SPC is situated undertakes, as necessary, to enter into an establishment agreement with the SPC to enable it to carry out its obligations under the International Project Agreement. Any such establishment agreement shall not, subject to the other provisions of this Treaty and the International Project Agreement, impose upon the SPC or on its employees any legal status or other obligation such as tax

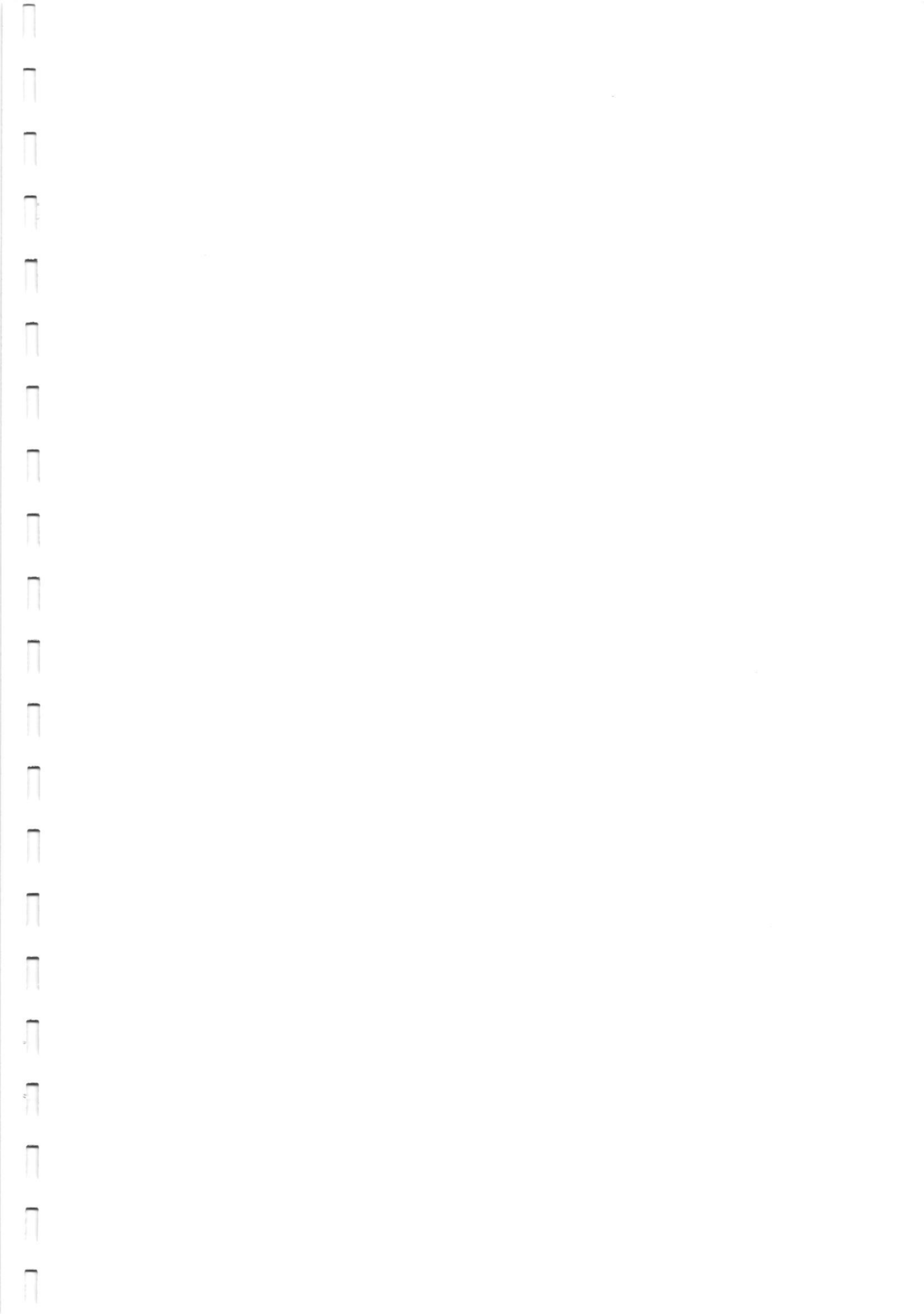
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residency, monetary residency or other status which is in conflict with the provisions of the Treaty or of the International Project Agreement.

The initial shareholders of the SPC shall be the respective Utilities of each Member State, which shall each subscribe for 25% of the share capital of the SPC in accordance with the provisions of this Treaty, the International Project Agreement and the Articles of Association. The Member States undertake that each of the Utilities will agree to be bound by the Articles of Association and will pay its share of the capital of the SPC within a period of three months as from the date that this Treaty enters into force under Article 14 of this Treaty. In addition, they undertake that each Utility shall, at the same time, enter into the Shareholders' Agreement relating to the SPC in a form that the Member States have agreed. The Member States shall approve material changes to the Shareholders' Agreement before they take effect.

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ARTICLE 6: PROJECT CHARACTERISTICS AND OBLIGATIONS OF MEMBER STATES

6.1. Project Characteristics

The Project is a regional electricity project under the Energy Protocol. The objectives of the Project are to enable electricity to be traded using the Interconnection Line in order to enable the Member States to extend the quantity and quality of service and to reduce the cost of power to consumers and at the same time to attract investment in the power sector in the region. The Project is also intended to facilitate the exchange of energy in the region through WAPP and in accordance with the Energy Protocol.

In the context of the legal systems of some of the Member States, it is agreed that the objectives take the form of a public interest mission or a public service obligation, with which that Member State has been vested and that in any of the Member States, the Interconnection Line is regarded as an essential facility that serves society as a whole.

The Member States undertake to ensure that the characteristics of the Project and the stated objectives are respected in a manner that is substantially the same in the four Member States.

Each Member State undertakes to take all steps necessary to ensure that the principles of no undue discrimination and of equality of treatment for all users of the Interconnection Line placed in the same position are complied with in relation to access, use of the Interconnection Line and continuity of service.

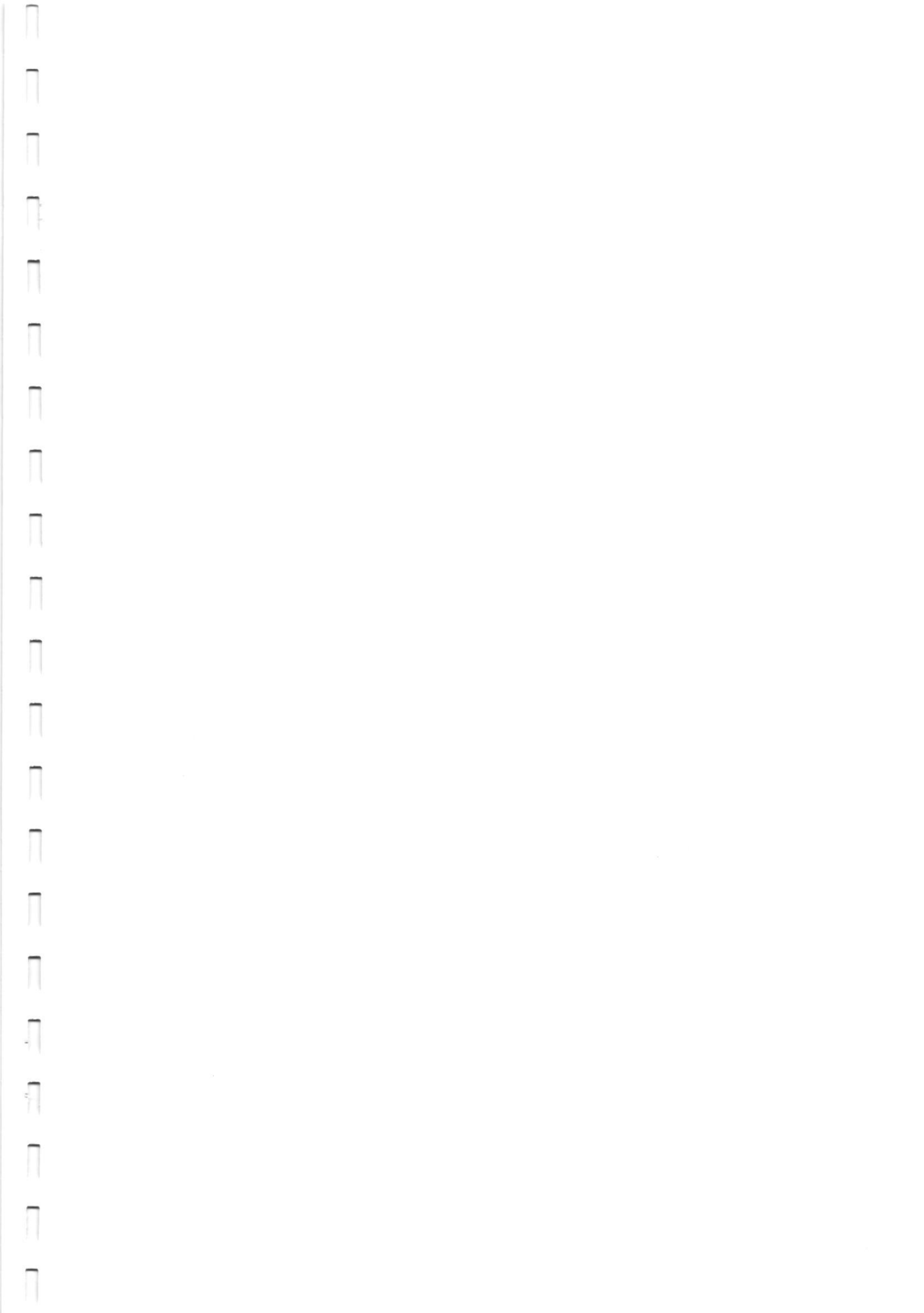
Each Member State will ensure that no unilateral action will be taken that is likely adversely to affect such access and continuity of service within its territory so as to ensure consistency with the Energy Protocol and any rules, standards, norms, agreements or arrangements that are in force under it. As regards any matters relating to Transit of electricity across a Member State, it shall strictly comply with the provisions of Article 7 of the Energy Protocol.

The operation and use of the Interconnection Line will be carried out in accordance with the rules and procedures in the WAPP operations manual. The associated energy trading will be coordinated and facilitated by ICC in accordance with the prevailing rules and procedures.

6.2. Property Rights

Each Member State recognizes and acknowledges the public interest nature of the Project and hereby agrees to expropriate, to the extent necessary, and, in all cases, own the land comprising, at a minimum, the Project Perimeter. Each Member State further agrees to allocate and transfer to the SPC, at no cost to the SPC, all of the real property rights and

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rights-of-way required by the SPC for the sole purpose of constructing, operating, maintaining and developing the Interconnection Line, including, *inter alia*, undertaking all necessary demarcation of the Project Perimeter to enforce such rights. Any such transfer of real property rights and rights-of-way shall be for the duration, and in accordance with the terms and conditions, of the International Project Agreement.

The real property rights and rights-of-way shall:

(i) be transferred to the SPC after developing and, where applicable, implementing the Environmental and Social Management Plan and, to the extent applicable, a resettlement action plan for, *inter alia*, protection of the environment, identification of all relevant beneficiaries of affected land, and compensation and resettlement of such beneficiaries;

(ii) include, at a minimum, the beneficial use and occupancy of the land without any liens, charges, claims, judgments, encumbrances, security interests, or rights in favor of a Member State or a third party as to the use of or access to the land, or as to any tangible, intangible, or personal property existing on the land;

(iii) be irrevocable, inalienable, and enforceable through courts and/or Competent Authorities, as the case may be, of the Member State where such rights exist;

(iv) be evidenced by all documentary support required under applicable national or local law provided to the SPC within a reasonable time from the date of this Treaty so as not to affect materially the implementation of the project; and

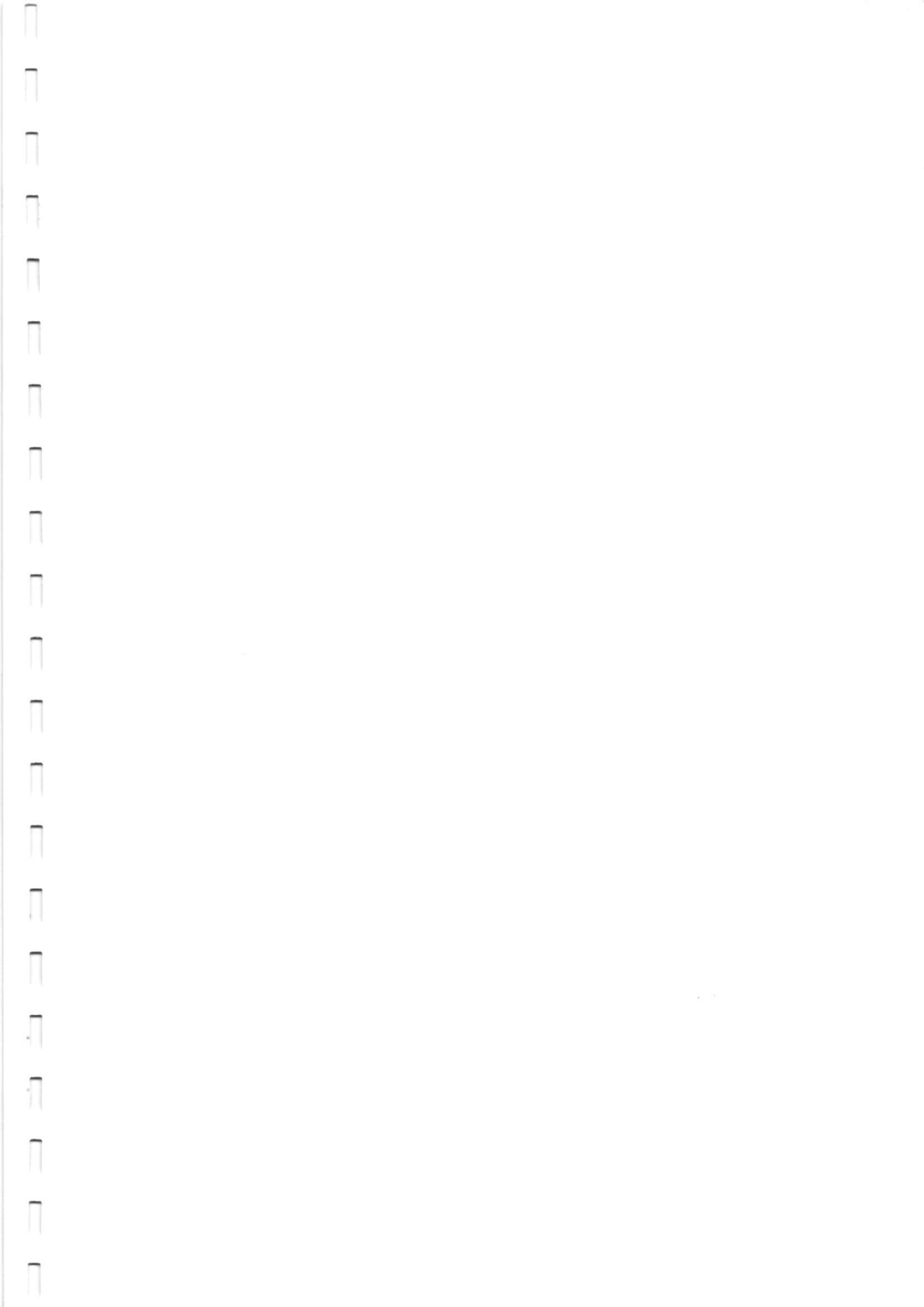
(v) be protected, on behalf of the SPC, by the State providing the real property rights and/or rights-of-way through appropriate action, including taking all necessary legal and enforcement action, against encroachments and such other activities on or near the relevant land that may materially affect the construction, operation, maintenance and development of the Interconnection Line.

6.3. Environmental and Social Management Plan

Each of the Member States will take all necessary steps to ensure that the Environmental and Social Management Plan is implemented, including ensuring that the SPC and its contractors are able to comply.

The Member States will ensure that the Competent Authorities issue to the SPC any necessary environmental, health, safety, planning, zoning and other permits within a reasonable period of time.

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6.4. Other Obligations of Member States

The Member States will use all of the powers available to them and take all appropriate steps in order to:

- To the extent necessary, to allocate to the Utilities the funds that they require in order to subscribe for share capital in the SPC on a timely basis,
- ensure that the Utilities comply with the letter and spirit of this Treaty, the Articles of Association and the Shareholders' Agreement,
- Ensure that the Utilities avoid and manage conflicts of interest and act in good faith and take all necessary steps to allow the SPC to carry out all of its purposes and to implement the Project in compliance with this Treaty and the terms of the International Project Agreement for the benefit not only of all four Member States but also of the ECOWAS region as a whole.

In addition, each Member State undertakes to the extent necessary, and at any time upon a request of the SPC, to take all measures of a legislative, regulatory or procedural nature, which are necessary so as to give full effect to all or part of the obligations whether jointly or severally entered into by the Member States under this Treaty and the International Project Agreement.

CHAPTER 5. INTERNATIONAL PROJECT AGREEMENT

ARTICLE 7: AUTHORITY TO IMPLEMENT THE PROJECT

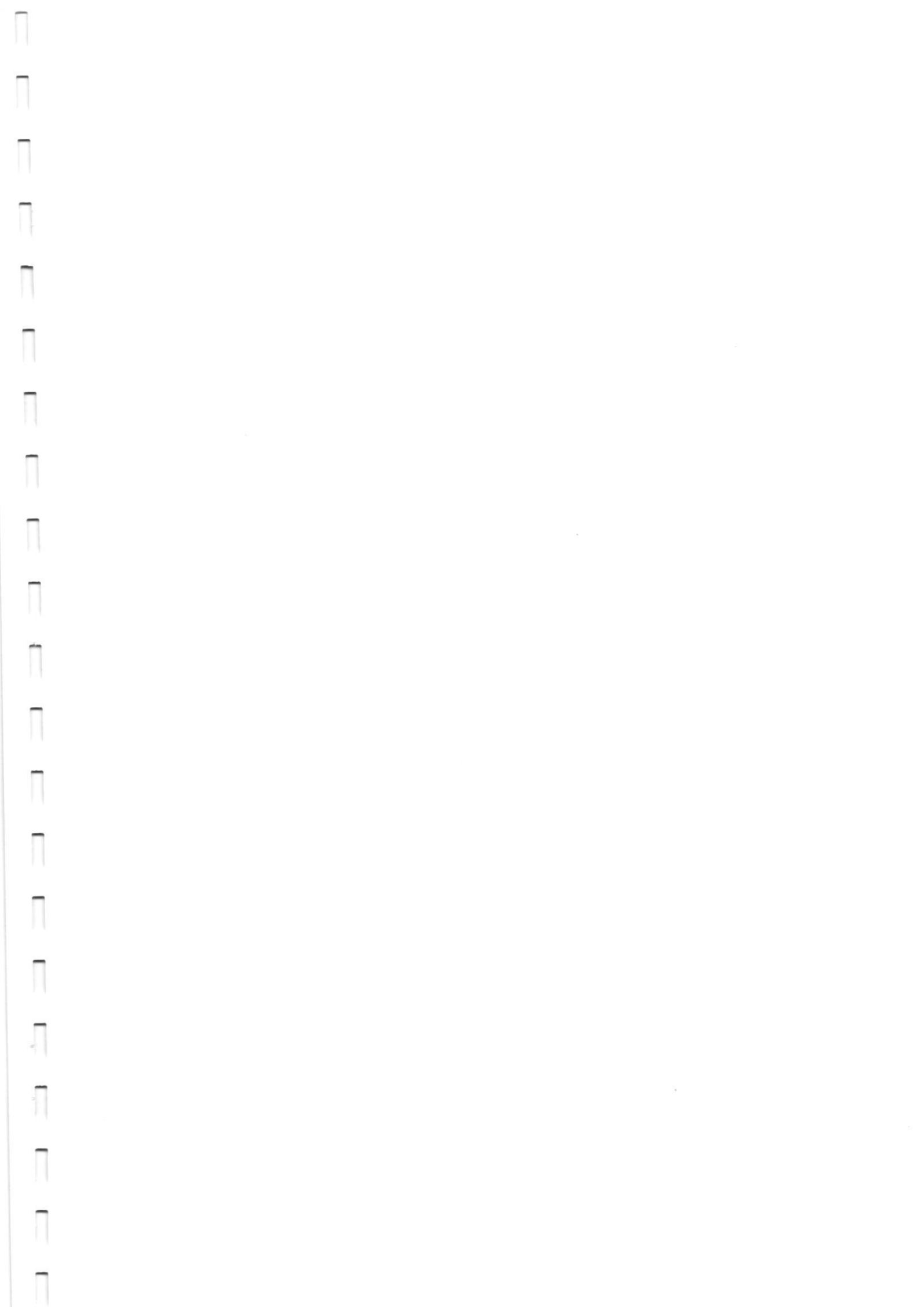
7.1. Authorisation of the SPC

The objects and role of the SPC are stated in Article 5 of this Treaty. The Member States jointly and severally authorise and require the SPC on an irrevocable basis to implement the Project in its entirety in accordance with and subject to the provisions of this Treaty and the International Project Agreement, which they undertake to finalise and enter into with the SPC in compliance with the provisions of this Treaty within a period of six weeks of this Treaty coming into force in accordance with Article 14. The Member States further require the SPC to adopt such rules and procedures, as may be necessary, to prevent fraud and corruption in all its activities, which rules and procedures shall comply with international best practices and applicable guidelines of DFIs.

7.2. Rights of the SPC

Subject to Article 7.1, the Member States hereby grant to the SPC the following specific rights which may be further elaborated in appropriate regulations or in the International Project Agreement:

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- Right to construct and to operate the Project,
- Right to benefit from any direct or indirect financing including any national or international subsidy,
- Right to collect the tariffs or charges for the connection to and use of the Interconnection Line on a basis that permits the SPC to maintain Financial Viability and to meet its financing obligations for the whole life of the Project,
- Right of full ownership of all of the assets created or employed by the SPC in the Project during the whole life of the Project and of all the rights referred to in Article 6,
- Right for the work force of the SPC who act within the territory of more than one Member State to benefit from the applicable tax and social privileges, immunities and other benefits as set out in Annex 2,
- Right for the SPC and its contractors to benefit from exemptions and privileges in terms of tax, customs and other matters in such a way that the SPC and its contractors shall be liable in each Member State only for the applicable charges, duties and taxes expressly listed in Annex 2,
- Right to maintain its accounts and to open accounts with any bank in dollars, Euros or any other freely convertible currency; right to change local currency into any freely convertible currency and to transfer to other accounts any amount other than that which is necessary to make payments that are required to be made in local currency,
- Right to select contractors and sub-contractors, equipment and service providers participating in the construction or the operation of the Project under procurement procedures complying in all cases with international best practice and applicable DFIs rules and procedures,
- Right to be issued with all relevant approvals including but not limited to licenses, clearances, permits, and other consents, within the time frame required by the national or local laws and regulations of the Member States without delay upon compliance by the SPC with the relevant national or local legislation or regulations of each Member State, provided that the issuance of such approvals, permits, clearances and consents shall not be delayed to the extent that the progress of the Project implementation is materially affected,
- Right to benefit from all advantages and guarantees granted to investors under the Energy Protocol.

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