

Սույնով հավաստվում է, որ կցված տեքստը Հարգացման ֆրանսիական գործակալության և Հայաստանի Հանրապետության կառավարության միջև չհաստատված վարկային գիծ տրամադրելու մասին թիվ CAM 1029 շրջանակային համաձայնագրի՝ Հայաստանի Հանրապետության արտաքին գործերի նախարարության միջազգային պայմանագրերի պահոցում (դեպոզիտում) պահվող բնօրինակի նույնական պատճենն է:

**Հայաստանի Հանրապետության
արտաքին գործերի նախարարության
միջազգային պայմանագրերի և
իրավունքի վարչության պետ՝**



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Նելի Սարոյան

FRAMEWORK AGREEMENT N° CAM 1029

FRAMEWORK AGREEMENT FOR AN UNCOMMITTED CREDIT FACILITY

dated as of 18 December 2025

between

L'AGENCE FRANCAISE DE DEVELOPPEMENT

The Lender

and

THE GOVERNMENT OF THE REPUBLIC OF ARMENIA

The Borrower

TABLE OF CONTENTS

| | | |
|-----------|---|-----------|
| 1 | DEFINITIONS AND CONSTRUCTION | 7 |
| 1.1 | Definitions..... | 7 |
| 1.2 | Construction..... | 7 |
| 2 | AN ACCEPTABLE PURPOSE OF THE FRAMEWORK AGREEMENT..... | 7 |
| 2.1 | Uncommitted credit facility | 7 |
| 2.2 | Terms and conditions applicable to each Credit | 7 |
| 3 | DURATION OF THE FRAMEWORK AGREEMENT..... | 7 |
| 4 | AVAILABILITY OF A CREDIT | 8 |
| 4.1 | Financial Conditions Proposal | 8 |
| 4.2 | Credit Approval..... | 8 |
| 5 | AMOUNT, PURPOSE AND CONDITIONS OF UTILISATION..... | 8 |
| 5.1 | Credit(s) | 8 |
| 5.2 | Amount | 8 |
| 5.3 | Purpose..... | 9 |
| 5.4 | Monitoring | 9 |
| 5.5 | Conditions Precedent | 9 |
| 6 | DRAWDOWN OF FUNDS..... | 10 |
| 6.1 | Availability of Drawdowns | 10 |
| 6.2 | Drawdown Request | 10 |
| 6.3 | Payment Completion..... | 11 |
| 6.4 | Drawdown of the Credit through revolving Advances | 12 |
| 6.5 | Deadline for the First Drawdown..... | 14 |
| 6.6 | Deadline for Drawdown of the Funds..... | 14 |
| 7 | INTEREST APPLICABLE TO EACH CREDIT | 15 |
| 7.1 | Interest Rate applicable to each Credit..... | 15 |
| 7.2 | Calculation and payment of interest..... | 16 |
| 7.3 | Late payment and default interest | 17 |
| 7.4 | Communication of Interest Rates..... | 17 |
| 8 | CHANGE TO THE CALCULATION OF INTEREST APPLICABLE TO EACH CREDIT | 17 |
| 8.1 | Market Disruption | 17 |
| 8.2 | Replacement of Screen Rate | 18 |
| 9 | FEES APPLICABLE TO EACH CREDIT..... | 19 |
| 9.1 | Commitment fees applicable to each Credit | 19 |
| 9.2 | Appraisal Fee applicable to each Credit..... | 20 |
| 10 | CREDITS REPAYMENT..... | 20 |
| 11 | PREPAYMENT AND CANCELLATION OF CREDITS | 20 |

| | | |
|-----------|---|-----------|
| 11.1 | Voluntary prepayment under a Credit..... | 20 |
| 11.2 | Mandatory prepayment under a Credit | 21 |
| 11.3 | Cancellation of a Credit by the Borrower | 22 |
| 11.4 | Cancellation of a Credit by the Lender | 22 |
| 11.5 | Restrictions | 22 |
| 12 | ADDITIONAL PAYMENT OBLIGATIONS..... | 22 |
| 12.1 | Costs and expenses..... | 22 |
| 12.2 | Cancellation Indemnity under a Credit | 23 |
| 12.3 | Prepayment Indemnity under a Credit | 23 |
| 12.4 | Taxes and duties..... | 23 |
| 12.5 | Additional Costs..... | 24 |
| 12.6 | Currency indemnity..... | 24 |
| 12.7 | Due dates..... | 24 |
| 13 | REPRESENTATIONS AND WARRANTIES UNDER THE FRAMEWORK AGREEMENT AND EACH CREDIT | 25 |
| 13.1 | Power and authority | 25 |
| 13.2 | Validity and admissibility in evidence..... | 25 |
| 13.3 | Binding obligations | 25 |
| 13.4 | No filing or stamp taxes | 26 |
| 13.5 | Transfer of funds | 26 |
| 13.6 | No conflict with other obligations..... | 26 |
| 13.7 | Governing law and enforcement | 26 |
| 13.8 | No default..... | 26 |
| 13.9 | No misleading information | 26 |
| 13.10 | Project Documents | 26 |
| 13.11 | Project Authorisations..... | 27 |
| 13.12 | Procurement | 27 |
| 13.13 | <i>Pari passu</i> ranking | 27 |
| 13.14 | Licit Origin of the funds and Prohibited Practices..... | 27 |
| 13.15 | No Material Adverse Effect | 27 |
| 14 | UNDERTAKINGS UNDER THE FRAMEWORK AGREEMENT | 28 |
| 14.1 | Compliance with laws and regulations | 28 |
| 14.2 | Authorisations | 28 |
| 14.3 | Project Documents | 28 |
| 14.4 | Implementation and preservation of the Project Component..... | 28 |
| 14.5 | Procurement | 28 |
| 14.6 | Environmental and social responsibility | 29 |
| 14.7 | Additional financing | 31 |
| 14.8 | <i>Pari passu</i> ranking | 31 |

| | | |
|-----------|---|-----------|
| 14.9 | Assignment | 31 |
| 14.10 | Project Component Accounts..... | 31 |
| 14.11 | Inspections | 31 |
| 14.12 | Project Component evaluation | 31 |
| 14.13 | Financial Sanctions Lists and Embargo | 32 |
| 14.14 | Licit Origin, absence of Prohibited Practices..... | 32 |
| 14.15 | Investigations | 33 |
| 14.16 | Visibility and Communication | 33 |
| 15 | INFORMATION UNDERTAKINGS UNDER THE FRAMEWORK AGREEMENT AND EACH CREDIT | 33 |
| 15.1 | Financial Information..... | 33 |
| 15.2 | Progress Report..... | 34 |
| 15.3 | Co-Financing..... | 34 |
| 15.4 | Information - miscellaneous..... | 34 |
| 16 | EVENTS OF DEFAULT UNDER THE CREDITS | 35 |
| 16.1 | Events of Default | 35 |
| 16.2 | Acceleration | 37 |
| 16.3 | Notification of an Event of Default..... | 37 |
| 17 | ADMINISTRATION OF CREDITS | 37 |
| 17.1 | Payments | 37 |
| 17.2 | Set-off | 38 |
| 17.3 | Business Days | 38 |
| 17.4 | Currency of payment..... | 38 |
| 17.5 | Day count convention | 38 |
| 17.6 | Place of payment..... | 38 |
| 17.7 | Payment Systems Disruption | 39 |
| 18 | MISCELLANEOUS..... | 39 |
| 18.1 | Certifications and determinations | 39 |
| 18.2 | Assignment | 39 |
| 18.3 | Confidentiality - Disclosure of information | 40 |
| 18.4 | Limitation..... | 40 |
| 18.5 | Hardship..... | 40 |
| 18.6 | Free transfer of funds : sans objet | 40 |
| 18.7 | Language..... | 40 |
| 18.8 | Partial invalidity..... | 41 |
| 18.9 | No waiver | 41 |
| 18.10 | Legal effect | 41 |
| 18.11 | Entire agreement | 41 |
| 18.12 | Amendments | 41 |

| | | |
|-----------|---|-----------|
| 19 | NOTICES | 41 |
| 19.1 | Communications in writing and addresses..... | 41 |
| 19.2 | Delivery..... | 42 |
| 19.3 | Electronic communications..... | 42 |
| 20 | GOVERNING LAW, ENFORCEMENT AND CHOICE OF DOMICILE..... | 43 |
| 20.1 | Governing Law | 43 |
| 20.2 | Arbitration..... | 43 |
| 20.3 | Election of domicile | 43 |
| 21 | ELECTRONIC SIGNATURE | 43 |
| | SCHEDULE 1 – PROJECT DESCRIPTION..... | 46 |
| | SCHEDULE 2 – DEFINITIONS & CONSTRUCTION..... | 48 |
| | SCHEDULE 3 – CONDITIONS PRECEDENT..... | 61 |
| | SCHEDULE 4 – FORM FOR THE AVAILABILITY OF A CREDIT | 67 |
| | SCHEDULE 5 – FORM FOR THE DRAWDOWNS UNDER A CREDIT..... | 75 |
| | SCHEDULE 6 - INFORMATION THAT MAY BE PUBLISHED ON THE FRENCH GOVERNMENT WEBSITE AND THE LENDER’S WEBSITE..... | 81 |
| | SCHEDULE 7 - NON-EXHAUSTIVE LIST OF ENVIRONMENTAL AND SOCIAL DOCUMENTS WHICH THE BORROWER PERMITS TO BE DISCLOSED IN CONNECTION WITH ES COMPLAINTS-MANAGEMENT MECHANISM’S RULES OF PROCEDURE | 84 |
| | SCHEDULE 8 - BIODIVERSITY DATA SHARING | 85 |
| | SCHEDULE 9 - AFD’S COVENANT OF INTEGRITY..... | 86 |
| | SCHEDULE 10 – ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN | 88 |

FRAMEWORK AGREEMENT FOR AN UNCOMMITTED CREDIT FACILITY

BETWEEN:

THE GOVERNMENT OF THE REPUBLIC OF ARMENIA,

represented by Mr. Vahe HOVHANNISYAN, in his capacity as The Minister of Finance of the Republic of Armenia, duly authorised to sign the Framework Agreement,

(“**The Government of the Republic of Armenia**” or the “**Borrower**”);

AND

AGENCE FRANCAISE DE DEVELOPPEMENT, a French public entity governed by French law, with its registered office at 5, Rue Roland Barthes, 75598 Paris Cedex 12, France, registered with the Trade and Companies Register of Paris under number 775 665 599, represented by Fanny DELPEY, in her capacity as Director of the AFD Regional Office for South Caucasus, duly authorised to sign the Framework Agreement,

(“**AFD**” or the “**Lender**”);

(hereinafter jointly referred to as the “**Parties**” and each a “**Party**”).

WHEREAS:

- (A) In the context of the project as defined in Schedule 1 (*Project Description*) of the Framework Agreement (the “**Project**”), the Borrower intends to implement one or several Project Components.
- (B) Pursuant to resolution n°C2025097 of the *Conseil d’Administration* dated May 22nd, 2025, the Agency is authorized to enter into this Framework Agreement for making Credits available.
- (C) The Lender, a public entity contributing to the implementation of the French State's development aid policy (in accordance with Article L. 515-13 of French Monetary and Financial Code), has expressed its interest to participate in the financing of the Project.
- (D) The Borrower and AFD have agreed to establish in advance the terms and conditions by which the Borrower can request that AFD makes Credits available for the full or partial financing of the Project Components, which AFD shall be permitted to accept or refuse as the case may be.
- (E) The World Bank as Co-financier, has made available to the Borrower a financing in a maximum aggregate amount of 70,400,000 EUR.
- (F) According to the co-financing agreement to be entered into between the Lender and the World Bank “the Co-Financing Agreement”, AFD has agreed to delegate certain tasks/services to the Co-financier in connection with the implementation of the Project.

THEREFORE THE PARTIES HAVE AGREED AS FOLLOWS:

1 DEFINITIONS AND CONSTRUCTION

1.1 Definitions

Capitalised words and expressions used in the Framework Agreement (including the Schedules of the Framework Agreement) shall have the meaning given to them in Schedule 2 (*Definitions & Construction*) of the Framework Agreement, except as otherwise provided in the Framework Agreement.

1.2 Construction

Words and expressions used in the Framework Agreement shall be construed pursuant to the provisions of Schedule 2 (*Definitions & Construction*) of the Framework Agreement, unless a contrary indication appears.

2 AN ACCEPTABLE PURPOSE OF THE FRAMEWORK AGREEMENT

2.1 Uncommitted credit facility

As from the Effectiveness Date the Framework Agreement and as long as the Framework Agreement remains in full force in accordance with Clause 3 (*Duration of the Framework Agreement*), the Borrower may, at any time, request that AFD makes available to it a Credit for the purposes of the *financing*, in full or in part, of a Project Component, by delivering to AFD a duly completed Credit Request.

Upon receipt of a Credit *Request*, AFD may, on a case-by-case basis, on a discretionary basis without any commitment, decide to accept or to refuse to make the requested Credit available.

For as long as a Credit Request has not been accepted by AFD in accordance with Clause 4 (*Availability of a Credit*), AFD has no obligation to make the requested Credit available to the Borrower.

2.2 Terms and conditions applicable to each Credit

AFD and the Borrower agree that the terms and conditions applicable to each Credit that AFD may, on a *discretionary* basis, accept to make available to the Borrower, will be those set out in this Framework Agreement and in the related Credit Approval.

AFD and the Borrower acknowledge and agree that the entry into force of each Credit Approval is subject to ratification of the Framework Agreement.

3 DURATION OF THE FRAMEWORK AGREEMENT

The Framework Agreement comes into force on its Effectiveness Date and will remain in full force and effect until the date that falls three (3) years as from the Signing Date (the “**Final Date**”).

Each Party may *terminate* the Framework Agreement at any time until the Final Date, without indemnities (other than those due under the outstanding Credits), subject to the delivery of a notification to the other Party by registered letter with acknowledgment of receipt at least fifteen (15) calendar days before the anticipated termination date as indicated in such notification (the “**Termination Date**”).

As from the date falling three months before the Final Date, or as from the date of the delivery of the termination notice referred to above, the Borrower shall not deliver to AFD any Credit Request, but the Framework Agreement will continue to remain in force and produce its effects regarding the *outstanding* Credits as long as any amount remains due under the Finance Documents.

4 AVAILABILITY OF A CREDIT

4.1 Financial Conditions Proposal

Upon receipt of a duly completed Credit Request AFD may, without any obligation, send to the Borrower a Financial Conditions Proposal, which will set out the financial conditions that would be applicable to the requested Credit if AFD accepted to make such Credit available to the Borrower.

The delivery of a Financial Conditions Proposal shall not be considered in any case as a commitment from AFD to make the requested Credit available.

The Borrower shall accept such financial conditions by countersigning and dating the Financial Conditions Proposal.

4.2 Credit Approval

AFD may accept a Credit Request at the financial conditions set out in the Financial Conditions Proposal as countersigned by the Borrower.

In this event, AFD will send to the Borrower a Credit Approval. As from the date of acceptance by the Borrower of the terms and conditions set out in the Credit Approval and subject to the fulfilment of the conditions precedent listed in Clause 5.5 (*Conditions Precedent*), AFD will undertake to make the requested Credit available.

The Borrower will accept the terms of such Credit Approval by countersigning it.

Each Credit will be governed by the terms and conditions of the Finance Documents.

5 AMOUNT, PURPOSE AND CONDITIONS OF UTILISATION

5.1 Credit(s)

The Lender may accept to make available to the Borrower, subject to the provisions of the Finance Documents, one or more Credit(s) in a maximum aggregate amount as set out in the relevant Credit Approval, not exceeding the maximum aggregate amount set out in the Clause 5.2 (*Amount*) below.

5.2 Amount

Provided that this shall in no case be considered as a commitment from AFD to grant any Credit to the Borrower:

- (a) the aggregate amount of the Credits that may be granted under the Framework Agreement cannot exceed one hundred million euros (100.000.000 EUR);
- (b) the maximum amount of the first Credit for the financing of the Syunik Component will be thirty million euros (30.000.000 EUR);

- (c) the maximum amount of the second Credit for the first tranche of the financing of the WISE Component will be thirty million euros (30.000.000 EUR); and
- (d) the maximum amount of the third Credit for the second tranche of the financing of the WISE Component will be forty million euros (40.000.000 EUR); and
- (e) the number of Credits made available under the Framework Agreement cannot exceed three (3).

5.3 Purpose

The Borrower shall apply all amounts borrowed by it under the Credit exclusively towards *financing* Eligible Expenses of the Project Component, excluding Taxes, in accordance with the Project Component's description and the Financing Plan set out in the schedule to the Credit Approval.

The Borrower has mandated the Water Committee of the Ministry of Infrastructure and Territorial Administration as the Implementing Agency.

5.4 Monitoring

The Lender shall not be held responsible for the use of any amount borrowed, which is not in *accordance* with the provisions of the Finance Documents.

5.5 Conditions Precedent

- (a) No later than on the Signing Date, the Borrower shall provide to the Lender all of the documents set out in Part I (*Conditions Precedent to the Signing of the Framework Agreement*) of Schedule 3 – A (*Conditions Precedent*) of the Framework Agreement, in form and substance satisfactory to the Lender.
- (b) A Credit Request may not be delivered to the Lender unless the Lender has received all of the documents set out in Part II (*Conditions Precedent to the signing of Each Credit Approval*) of the Schedule 3 – A (*Conditions Precedent*) of the Framework Agreement and has notified to the *Borrower* that such documents comply with the requirements of this Schedule in form and substance.
- (c) Upon delivery of a Credit Request and on the Signing Date of the Credit Approval, the Borrower represents that each representation set out in Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) are accurate.
- (d) A Drawdown Request may not be delivered to the Lender unless:
 - (i) in the case of the first Drawdown, the Lender has received all of documents listed in Part III (*Conditions Precedent to the First Drawdown of Credit*) of Schedule 3-A (*Conditions Precedent*) of the Framework Agreement and has notified the Borrower that such documents are satisfactory in form and substance; and
 - (ii) in the case of any subsequent Drawdown, the Lender has received all of the relevant documents set out in Schedule 3- B(*Conditions Precedent*) of the Framework Agreement and has notified the Borrower that such documents are satisfactory in form and substance.
- (e) The Lender will have to make a Drawdown available only if, on the applicable date of the Drawdown Request and on the applicable Drawdown Date, no Payment Systems

Disruption Event has occurred and the conditions set out in the Finance Documents have been fulfilled, including:

- (i) no Event of Default or mandatory prepayment event is continuing or would result from the proposed Drawdown;
 - (ii) no Co-Financier has suspended its payments in relation to the Project Component;
 - (iii) the Borrower is up-to-date with all its payment obligations, including fees and commissions due under the Agreement;
 - (iv) the Drawdown Request has been made in accordance with the terms of Clause 6.2 (*Drawdown Request*) of the Framework Agreement;
 - (v) each representation given by the Borrower in relation to Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) of the Framework Agreement is true; and
 - (vi) for each Advance other than the initial Advance, the previous Advance was used in accordance with the provisions of the Framework Agreement.
- (f) For a Drawdown under the WISE Component:
- (i) The Borrower undertakes that the Implementing Agency launch its requests for drawdown simultaneously to both AFD and the World Bank and ensure that the amounts requested were calculated on a *pro rata* basis of each Co-Financiers share in the financing of the Credit financing the WISE Component (please refer to section *Cost and financing* of Schedule 1 (*Project Description*));
 - (ii) the Borrower undertakes that the Implementing Agency shall issue the relevant documents to the Co-Financiers (AFD and World Bank) with regard to their respective financing agreements and send a copy to the other Co-Financier for each Drawdown Request;
 - (iii) The Borrower is informed and provides that the Implementing Agency will be informed that prior to each disbursement, each Co-Financier will confirm to the other through an email that its conditions precedent under its loan agreement are fulfilled and that nothing opposes proceeding with a disbursement.

6 DRAWDOWN OF FUNDS

6.1 Availability of Drawdowns

Any amount under a Credit will be made available to the Borrower during the Availability Period related to this Credit, in one or several Drawdowns, up to the amount available of such Credit, provided that the number of Drawdowns shall not exceed twenty (20).

6.2 Drawdown Request

Provided that the conditions set out in Clause 5.5 (*Conditions Precedent*) are satisfied, the Implementing Agency, duly appointed by the Borrower to that effect may draw on the Facility by submitting:

- (i) For a Drawdown under Syunik Credit : a duly completed and signed Drawdown Request shall be delivered by the Implementing Agency to the Lender at the AFD office Director, at the address specified in Clause 19.1 (In writing and addresses) together with

all the supporting documents required as a condition precedent for the relevant Drawdown. The requests shall have been countersigned by the Borrower,

- (ii) For a Drawdown under the WISE Credit: an electronic copy of the duly completed and signed Drawdown Request together with all the supporting documents required as a condition precedent for the relevant Drawdown, shall be delivered to the Co-Financier, simultaneously with the submission of the relevant Withdrawal Application under the Co-Financier Loan Agreement in accordance with the terms and conditions of the Co-Financier Loan Agreement; and

A hard copy of the duly completed and signed Drawdown Request shall be delivered to the AFD office Director, at the address specified in Clause 19.1 (In writing and addresses).

For the avoidance of doubt, the copy of electronically signed withdrawal application and all copies of the supporting documents shall be delivered to the Lender by the Co-financier; and

Payments will be made in accordance with the instructions in the Disbursement and Financial Information Letter (DFIL), updated if necessary, issued by the Co-Financier.

Each Drawdown Request is irrevocable and will be regarded as having been duly completed if:

- (a) the Drawdown Request is substantially in the form set out in Part I (*Form for a Drawdown Request*) of Schedule 5 (*Form for the Drawdowns under a Credit*) of the Framework Agreement;
- (b) the Drawdown Request is received by the Lender at the latest fifteen (15) Business Days prior to the Deadline for Drawdown of Funds;
- (c) the Drawdown Date is a Business Day falling within the Availability Period;
- (d) the amount of the Drawdown complies with the conditions of Clause 6.4 (*Drawdown of the Credit through revolving Advances*) of the Framework Agreement and those of the Credit Approval; and
- (e) the conditions set out in Clause 5.5(d) are satisfied.

Any documentary evidence, such as bills or paid invoices, shall include the reference number and date of the relevant payment order. The Borrower undertakes to keep possession of the documentary evidence originals, to make such evidence available to the Lender at any time and to provide the Lender with Certified copies or duplicates of such evidence as the Lender may request.

6.3 Payment Completion

Subject to Clause 17.7 (*Payment Systems Disruption*) of the Framework Agreement, if each of the conditions set out in Clause 5.5 (*Conditions Precedent*) of the Framework Agreement has been met, the Lender shall make the requested Drawdown available to the Implementing Agency not later than the Drawdown Date.

The Lender shall provide the Borrower and the *Implementing Agency* with a letter of Drawdown confirmation substantially in the form set out in Part II (*Form of Confirmation of Drawdown*

and Rate) of Schedule 5 (*Form for the Drawdowns under a Credit*) of the Framework Agreement.

6.4 Drawdown of the Credit through revolving Advances

The Credit shall be made available by the Lender in the form of advances (“**Advance(s)**”) paid into the corresponding Project Component Account (as defined below).

6.4.1 Opening of each Project Component Account

The Borrower shall procure that the Implementing Agency opens and maintains an account(s) in the name of each Project Component (the “**Project Component Account**”), at the Central Bank of Armenia (the “**Account Bank**”) for the sole purpose of (i) receipt of the proceeds of a Drawdown and (ii) payment of the Eligible Expenses of each Project Component.

The Borrower hereby undertakes to procure that the Implementing Agency waives, and procure that the Account Bank waives, any right of set-off such party may have in respect of each Project Component Account and any other account opened in the name of the Implementing Agency at the Account Bank, or against any other debt of the Implementing Agency.

6.4.2 Initial Advance

Provided that the conditions set out in Clause 5.5 (*Conditions Precedent*) of the this Agreement have been satisfied, the Lender shall pay an initial Advance of the amount specified in the Drawdown Request (amount as set out in the Credit Approval) to the corresponding Project Component Account.

6.4.3 Additional Advances

Additional Advances will be paid upon the Implementing Agency’s request, subject to the applicable conditions set out in Clause 5.5 (*Conditions Precedent*) of the Framework Agreement being satisfied. The amount of each subsequent Advance shall be of a minimum amount as set out in the Credit Approval or an amount equal to the Available Credit if such amount is less than the amount set out in the Credit Approval.

6.4.4 Final Advance

Unless the Lender agrees otherwise, the final Advance shall be paid in accordance with the same conditions as the other Advances and, if applicable, shall take into account any change in the financing plan of the Project Component agreed between the Parties.

6.4.5 Justification for use of Advances

The Borrower agrees to procure that the Implementing Agency delivers to the Lender directly and through the Co-Financier:

- (a) no later than six (6) months after the Drawdown Date of the final Advance, a certificate signed by an authorised signatory of the Implementing Agency certifying that one hundred per cent. (100%) of both the penultimate Advance and the final Advance have been used and providing a detailed breakdown of the sums paid in respect of the Eligible Expenses of the Project Component in the relevant period; and
- (b) no later than three (3) months after the date of delivery of the certificate referred to in subparagraph (a) above, a final audit report of each Project Component

Account (the “**Final Audit Report**”), carried out in accordance with the provisions of the Co-Financier Loan Agreement and the Project Operational Manual by an independent and reputable auditing firm appointed by the Implementing Agency, subject to the Lender’s no-objection on the terms of reference of the audit mission. All audit costs shall be paid by the Borrower. The appointed auditing firm shall verify that all amounts drawn under the Credit and paid into the Project Component Account have been used in accordance with the terms and conditions of this Agreement.

6.4.6 Applicable exchange rate

If any Eligible Expenses of the Project Component are denominated in a currency other than Euro, the Borrower shall procure that the Implementing Agency converts the invoice amount into the equivalent amount in Euros using the exchange rate for the relevant currency applied by the Central Bank of Armenia.

6.4.7 Deadline for use of funds

The Borrower agrees and procures that the Implementing Agency agrees that all funds paid in the form of Advances shall be used in full to pay Eligible Expenses of the Project Component no later than the deadline set out in the Credit Approval.

6.4.8 Control – Audit

The Borrower agrees that, during the Drawdown Period, each Project Component Account shall be audited in accordance with the provisions of the Co-Financier Loan Agreement and the Project Operational Manual. These audits shall be carried out by an independent and reputable auditing firm, appointed by the Borrower or the Implementing Agency, subject to the Co-Financier’s no-objection on the terms of reference of the audit mission and, subject to the Co-Financier no-objection on the appointed auditing firm. All audit costs shall be paid by the Borrower. The auditing firm shall verify that all amounts drawn under the Facility and paid into the Project Component Account have been used in accordance with the terms of this Agreement.

Audit reports shall be made available by the Borrower to the Lender through the Co-Financier. The Lender may also directly request the delivery by the Borrower of such audit report.

6.4.9 Failure to provide justification for the use of Advances

The Lender may request that the Borrower repays:

- (a) all amounts in respect of which utilisation has not been duly or sufficiently justified as Eligible Expenses, together with
- (b) all other outstanding sums to the credit of any of the Project Component Account on the date specified as the deadline for use pursuant to Clause 6.4.7 (*Deadline for use of funds*) of the Framework Agreement.

The Borrower shall repay such amounts to the Lender within twenty (20) calendar days of receipt of such notification from the Lender. Any repayment by the Borrower under this Clause shall be treated as a mandatory prepayment in accordance with the provisions of Clause 11.2 (*Mandatory prepayment*) of the Framework Agreement.

6.4.10 Retention of documents

The Borrower undertakes to instruct the Implementing Agency to retain documentary evidence and other documents in connection with each Project Component Account and use of the Advances for a period of ten (10) years from the Drawdown Date of the final Advance.

The Borrower undertakes to deliver such documentary evidences and other documents to the Lender, or to any auditing firm appointed by the Lender, upon the Lender's request.

6.5 Deadline for the First Drawdown

The first Drawdown of a Credit shall occur at the latest on the Deadline for the First Drawdown set out in the relevant Credit Approval.

If the first Drawdown does not occur in the above-mentioned period, the Lender may cancel the Credit in accordance with Clause 11.4 (*Cancellation of a Credit by the Lender*) of the Framework Agreement.

The Deadline for the First Drawdown shall not be postponed without prior consent of the Lender.

Any postponement of the deadline for the first Drawdown shall be (i) subject to new fees and/or new financial conditions and (ii) in writing between the Parties as an amendment.

6.6 Deadline for Drawdown of the Funds

The full drawdown of the Credit shall occur on or before the Deadline for Drawdown of Funds set out in the relevant Credit Approval.

If the full drawdown does not occur within the above-mentioned period, the Lender may cancel the Available Credit in accordance with Clause 11.4 (*Cancellation of a Credit by the Lender*) of the Framework Agreement.

The Deadline for Drawdown of Funds shall not be postponed without prior consent of the Lender.

Any postponement of the Deadline for Drawdown of Funds shall be (i) subject to fees and/or new financial conditions and (ii) in writing between the Parties as an amendment.

6.7 Conditions for Drawdown in connection with the Cofinancing

Each Drawdown shall comply with the terms and conditions of this Agreement, especially Article 6 (Drawdowns of Funds) which shall include the conditions for Drawdown, in relation to the Co-financing.

For the avoidance of doubt, the delegation by the Lender to the Co-Financier of the tasks related to drawdown shall not prevent the Lender from refusing a Drawdown if, in the opinion of the Lender, the conditions for such Drawdown are not satisfactory.

7 INTEREST APPLICABLE TO EACH CREDIT

7.1 Interest Rate applicable to each Credit

7.1.1 Selection of Interest Rate

For each Drawdown, the Borrower may select a fixed Interest Rate or a floating Interest Rate, which shall apply to the amount set out in the relevant Drawdown Request, by stating the selected Interest Rate, i.e., fixed or floating, in the Drawdown Request delivered to the Lender substantially in the form set out in Part I (*Form for a Drawdown Request*) of the Schedule 5 (*Form for the Drawdowns under a Credit*) of the Framework Agreement, subject to the following conditions:

(a) Floating Interest Rate

Regardless of the amount of the requested Drawdown, the Borrower may select a floating Interest Rate, which shall be the percentage rate per annum, being the aggregate of:

- six-month EURIBOR, or, as the case may be, the Replacement Benchmark plus any Adjustment Margin, as determined in accordance with the provisions of Clause 8 (*Change to the calculation of Interest applicable to each Credit*) of the Framework Agreement; and
- the Margin.

Notwithstanding the above, for each Drawdown and in the case where the first Interest Period is less than one hundred and thirty-five (135) days, the applicable EURIBOR shall be:

- one-month EURIBOR, or, as the case may be, the Replacement Benchmark plus any Adjustment Margin, as determined in accordance with the provisions of Clause 8 (*Change to the calculation of Interest applicable to each Credit*) of the Framework Agreement, if the first Interest Period is less than sixty (60) days; or
- three-month EURIBOR, or, as the case may be, the Replacement Benchmark plus any Adjustment Margin, as determined in accordance with the provisions of Clause 8 (*Change to the calculation of Interest applicable to each Credit*) of the Framework Agreement if the first Interest Period is between sixty (60) days and one hundred and thirty-five (135) days.

(b) Fixed Interest Rate

Provided that the amount of a requested Drawdown is equal to or greater than three million Euros (EUR 3,000,000), the Borrower may select a fixed Interest Rate for such requested Drawdown. The fixed Interest Rate shall be the Fixed Reference Rate increased or decreased by any fluctuation of the Index Rate between the Signing Rate Setting Date and the Rate Setting Date for each Drawdown.

The Borrower may specify in the Drawdown Request a maximum amount for fixed Interest Rate. If the fixed Interest Rate as calculated on the Rate Setting Date exceeds the maximum amount for fixed Interest Rate specified in the relevant Drawdown Request, such Drawdown Request shall be cancelled and the Drawdown amount specified in the cancelled Drawdown Request shall be credited to the Available Credit.

7.1.2 Minimum Interest Rate

The Interest Rate determined in accordance with Clause 7.1.1 (Selection of Interest Rate), regardless of the elected option, shall not be less than zero point twenty-five per cent (0.25%) per annum, notwithstanding any decline in the interest rates.

7.1.3 Conversion from a floating Interest Rate to a fixed Interest Rate

The floating Interest Rate applicable to one or more than one Drawdowns shall be converted to a fixed Interest Rate in accordance with the conditions set out below:

- (a) Rate Conversion upon the Borrower's request or at the Lender's initiative in the event of Restructuring

At any time, the Borrower may request that the Lender converts the floating Interest Rate applicable to a Drawdown or several Drawdowns to a fixed Interest Rate, provided that the amount of such Drawdown or aggregate amount of Drawdowns (as applicable) is equal to or exceed three million Euros (EUR 3,000,000).

To this effect, the Borrower shall send to the Lender a Rate Conversion Request substantially in the form set out in Part III (*Form of Rate Conversion Request*) of Schedule 5 (*Form for the Drawdowns under a Credit*) of the Framework Agreement. The Borrower may specify in the Rate Conversion Letter a maximum amount for fixed Interest Rate. If the fixed Interest Rate as calculated on the Rate Setting Date exceeds the maximum amount for fixed Interest Rate specified by the Borrower in the Rate Conversion Request, such Rate Conversion Request will be automatically cancelled.

The fixed Interest Rate will be effective two (2) Business Days after the Rate Setting Date.

In the case of Restructuring or a project of Restructuring affecting the Borrower and likely to have an impact on a Credit, and in order to facilitate the completion of the Restructuring in the interests of the Parties, the Lender may convert the floating Interest Rate into a fixed Interest Rate applicable to one or more Drawdowns. The Lender shall inform the Borrower of any such conversion.

- (b) Rate Conversion mechanics

The fixed Interest Rate applicable to the relevant Drawdown(s) shall be determined in accordance with Clause 7.1.1(b) (*Fixed Interest Rate*) of the Framework Agreement on the Rate Setting Date referred to in subparagraph (a) above.

The Lender shall promptly send to the Borrower a letter of confirmation of Rate Conversion substantially in the form set out in Part IV (*Form of Rate Conversion Confirmation*) of Schedule 5 (*Form for the Drawdowns under a Credit*) of the Framework Agreement.

A Rate Conversion is final and effected without costs.

7.2 Calculation and payment of interest

The Borrower shall pay accrued interest on Drawdown(s) on each Payment Date.

The amount of interest payable by the Borrower on a relevant Payment Date and for a relevant Interest Period shall be equal to the sum of any interest owed by the Borrower on the amount of the Outstanding Principal in respect of each Drawdown. Interest owed by the Borrower in respect of each Drawdown shall be calculated on the basis of:

- (a) the Outstanding Principal owed by the Borrower in respect of the relevant Drawdown as at the immediately preceding Payment Date or, in the case of the first Interest Period, on the corresponding Drawdown Date;
- (b) the exact number of days which have accrued during the relevant Interest Period on the basis of a three hundred and sixty (360) day year; and
- (c) the applicable Interest Rate determined in accordance with the provisions of Clause 7.1 (*Interest Rate applicable to each Credit*) of the Framework Agreement.

7.3 Late payment and default interest

- (a) Late payment and default interest on all amounts due and unpaid (except for interest)

If the Borrower fails to pay any amount payable by it to the Lender under the Finance Documents (whether a payment of principal, a Prepayment Indemnity, any fees or incidental expenses of any kind except for any unpaid overdue interest) on its due date, interest shall accrue on the overdue amount, to the extent permitted by law, from the due date up to the date of actual payment (both before and after an arbitral award, if any) at the Interest Rate applicable to the current Interest Period (default interest) increased by three point five per cent. (3.5%) (late-payment interest). No formal prior notice from the Lender shall be necessary.

- (b) Late payment and default interest on unpaid overdue interest

Interest which has not been paid on its due date shall bear interest, to the extent permitted by law, at the Interest Rate applicable to the ongoing Interest Period (default interest), increased by three point five per cent. (3.5%) (late-payment interest), to the extent that such Interest has been due and payable for at least one (1) year. No formal prior notice from the Lender shall be necessary.

The Borrower shall pay any outstanding interest under Clause 7.3 (*Late payment and default interest*) of the Framework Agreement immediately on demand by the Lender or on each Payment Date following the due date for the outstanding payment.

- (c) Receipt of any payment of late payment interest or default interest by the Lender shall neither imply the grant of any payment extension to the Borrower, nor operate as a waiver of any of the Lender's rights hereunder.

7.4 Communication of Interest Rates

The Lender shall promptly notify the Borrower of the determination of each Interest Rate in accordance with the Finance Documents.

8 CHANGE TO THE CALCULATION OF INTEREST APPLICABLE TO EACH CREDIT

8.1 Market Disruption

- (a) If a Market Disruption affects the interbank market in the Eurozone and it is impossible:

- (i) for the fixed Interest Rate, to determine the fixed Interest Rate applicable to a Drawdown, or
- (ii) for the variable Interest Rate, to determine the applicable EURIBOR for the relevant Interest Period,

the Lender shall inform the Borrower.

- (b) Upon the occurrence of the event described in paragraph (a) above, the applicable Interest Rate, as the case may be, for the relevant Drawdown or for the relevant Interest Period will be the sum of:
 - (i) the Margin; and
 - (ii) the percentage rate per annum corresponding to the cost to the Lender of funding the relevant Drawdown(s) from whatever source it may reasonably select. Such rate shall be notified to the Borrower as soon as possible and, in any case, prior to (1) the first Payment Date for interest owed under such Drawdown for the fixed Interest Rate or (2) the Payment Date for interest owed under such Interest Period for the variable Interest Rate.

8.2 Replacement of Screen Rate

8.2.1 Definitions

"Relevant Nominating Body" means any central bank, regulator, supervisor or working group or committee sponsored or chaired by, or constituted at the request of any of them.

"Screen Rate Replacement Event" means any of the following events or series of events:

- (a) the definition, methodology, formula or means of determining the Screen Rate has materially changed;
- (b) a law or regulation is enacted which prohibits the use of the Screen Rate, it being specified, for the avoidance of doubt, that the occurrence of this event shall not constitute a mandatory prepayment event;
- (c) the administrator of the Screen Rate or its supervisor publicly announces:
 - (i) that it has ceased or will cease to provide the Screen Rate permanently or indefinitely, and, at that time, no successor administrator has been publicly nominated to continue to provide that Screen Rate;
 - (ii) that the Screen Rate has ceased or will cease to be published permanently or indefinitely; or
 - (iii) that the Screen Rate may no longer be used (whether now or in the future);
- (d) a public announcement is made about the bankruptcy of the administrator of that Screen Rate or any other insolvency proceedings against it, and, at that time, no successor administrator has been publicly nominated to continue to provide that Screen Rate; or

- (e) in the opinion of the Lender, the Screen Rate has ceased to be used in a series of comparable financing transactions.

"Screen Rate" means EURIBOR or, following the replacement of this rate by a Replacement Benchmark, the Replacement Benchmark.

"Screen Rate Replacement Date" means:

- with respect to the events referred to in items a), d) and e) of the above definition of Screen Rate Replacement Event, the date on which the Lender has knowledge of the occurrence of such event, and,
- with respect to the events referred to in items b) and c) of the above definition of Screen Rate Replacement Event, the date beyond which the use of the Screen Rate will be prohibited or the date on which the administrator of the Screen Rate permanently or indefinitely ceases to provide the Screen Rate or the date beyond which the Screen Rate may no longer be used.

8.2.2 Each Party acknowledges and agrees for the benefit of the other Party that if a Screen Rate Replacement Event occurs and in order to preserve the economic balance of the Framework Agreement, the Lender may replace the Screen Rate with another rate (the **"Replacement Benchmark"**) which may include an adjustment margin in order to avoid any transfer of economic value between the Parties (if any) (the **"Adjustment Margin"**) and the Lender will determine the date from which the Replacement Benchmark and, if any, the Adjustment Margin shall replace the Screen Rate and any other amendments to the Framework Agreement required as a result of the replacement of the Screen Rate by the Replacement Benchmark.

8.2.3 The determination of the Replacement Benchmark and the necessary amendments will be made in good faith and taking into account, (i) the recommendations of any Relevant Nominating Body, or (ii) the recommendations of the administrator of the Screen Rate, or (iii) the industry solution recommended by professional associations in the banking sector or, (iv) the market practice observed in a series of comparable financing transactions on the replacement date.

8.2.4 In case of replacement of the Screen Rate, the Lender will promptly notify the Borrower of the replacement terms and conditions to replace the Screen Rate with the Replacement Benchmark, which will be applicable to Interest Periods starting at least two Business Days after the Screen Rate Replacement Date.

8.2.5 The provisions of Clause 8.2 (*Replacement of Screen Rate*) shall prevail over the provisions of Clause 8.1 (*Market Disruption*).

9 FEES APPLICABLE TO EACH CREDIT

9.1 Commitment fees applicable to each Credit

From the date falling six (6) months after the Credit Approval Signing Date, the Borrower shall pay to the Lender a commitment fee of zero point five per cent (0.5%) per annum.

The commitment fee shall be computed at the rate specified above and pro-rated for the actual number of elapsed days on the sum of: (i) the Available Credit, and (ii) the amount of any pending Drawdown Requests.

The first commitment fee shall be calculated for the period from (i) the first day following the expiry of six (6) month period starting from the Credit Approval Signing Date (excluded) up to

(ii) the immediately following Payment Date (included). Subsequent commitment fees shall be calculated for periods starting on the day immediately following (included) a Payment Date and ending on the next Payment Date (included).

The accrued commitment fee shall be payable (i) on each Payment Date as long as the Available Credit is higher than zero; (ii) on the Payment Date following the last day of the Drawdown Period; (iii) in the event an Available Credit is cancelled in full, on the Payment Date following the effective date of such cancellation and (iv) in the event all Available Credits are cancelled in full, on the effective date of such cancellation.

9.2 Appraisal Fee applicable to each Credit

No later than fifteen (15) days after the Credit Approval Signing Date and prior to the first Drawdown of the Credit, the Borrower shall pay to the Lender an appraisal fee of zero point five per cent (0.5%) calculated on the maximum amount of each Credit.

10 CREDITS REPAYMENT

Following expiry of the Grace Period, the Borrower shall repay the Lender the principal amount of each Credit in several instalments as set out in the Credit Approval and payable on each Payment Date with the last payment date not exceeding 31 December 2048.

At the end of the Drawdown Period, the Lender shall deliver to the Borrower an amortisation schedule in respect of each Credit taking into account, if applicable, any potential cancellation of the Credit pursuant to Clause 11.3 (*Cancellation of a Credit by the Borrower*) of Framework Agreement and Clause 11.4 (*Cancellation of a Credit by the Lender*) of the Framework Agreement.

11 PREPAYMENT AND CANCELLATION OF CREDITS

11.1 Voluntary prepayment under a Credit

No prepayment of the whole or any part of a Credit is allowed until the end of the Grace Period.

As from the day after the end of the Grace Period, the Borrower may prepay the whole or any part of a Credit, subject to the following conditions:

- (a) the Borrower shall notify the Lender of its intention to prepay by not less than thirty (30) Business Days' written and irrevocable notice prior to the contemplated prepayment date;
- (b) the amount to be prepaid shall be equal to one or several instalment(s) in principal;
- (c) the contemplated prepayment date shall be a Payment Date;
- (d) all prepayments shall be made together with the payment of accrued interest, any fees, indemnities and related costs in connection with the prepaid amount as provided under the Finance Documents;
- (e) there is no overdue amount outstanding; and
- (f) in case of a partial prepayment, the Borrower shall have given evidence, satisfactory to the Lender, that it has sufficient committed funding available for the purpose of financing the relevant Project Component as determined in the Financing Plan.

On the Payment Date on which the prepayment is made, the Borrower shall pay the full amount of the Prepayment Indemnities due and payable pursuant to Clause 12.3 (*Prepayment Indemnity under a Credit*) of the Framework Agreement.

11.2 Mandatory prepayment under a Credit

The Borrower shall immediately prepay the whole or part of a Credit or Credits, if applicable, affected by one of any of the following events, upon receipt of a notice from the Lender:

- (a) Illegality: it becomes unlawful for the Lender pursuant to its applicable law to perform any of its obligations as contemplated by the Finance Documents or to fund or maintain the Credit;
- (b) Decisions and instructions of the French State: the French State has announced its intention or has decided to sever, suspend or interrupt all or part of its diplomatic ties and/or cooperation with the Borrower or the Government of the Borrower's country; or the Borrower has severed or announced that it will sever all or part of its diplomatic ties and/or cooperation with France;
- (c) Additional Costs: the amount of any Additional Costs referred to in Clause 12.5 (*Additional Costs*) of the Framework Agreement is significant and the Borrower has refused to pay such Additional Costs;
- (d) Default: the Lender declares an Event of Default in accordance with Clause 16 (*Events of Default under the Credits*) of the Framework Agreement;
- (e) Failure to justify use of funds: the Borrower fails to justify in a manner satisfactory to the Lender the use of the Advances by the expiry date for the use of funds in accordance with Clause 6.4.9 (*Failure to provide justification for the use of Advances*) of the Framework Agreement;
- (f) Prepayment to a Co-Financier: the Borrower prepays whole or part of any amounts owed to a Co-Financier under a Project Component, in which case the Lender shall be entitled to request that the Borrower prepays, as the case may be, the Credit or an amount of the outstanding Credit relating to this Project Component in proportion with the amount prepaid to the Co-Financier.
- (g) Prepayment of another Credit granted in the context of this Framework Agreement: the Borrower prepays whole or part of any amounts owed by it under another Credit granted by the Lender to the Borrower in accordance with the Framework Agreement, in which case the Lender shall be entitled to request that the Borrower prepays, in proportion with the amount so prepaid, the outstanding amounts under the Credit.
- (h) Prepayment in the event of damage loss:
 - (i) [subject to paragraph (ii) below, if the Borrower receives insurance proceeds in an amount in excess of one hundred thousand Euros (100,000 EUR) under the Insurance Policies for any damage loss sustained in connection with the Project Component, the Borrower shall apply such insurance proceeds in prepayment of an equivalent amount of the Credit;
 - (ii) the Borrower shall not be obliged to prepay the Credit pursuant to paragraph (i) above if the Lender approves a reinstatement plan submitted by the Borrower to the Lender; and
 - (iii) the prepayment date shall be the Payment Date immediately following receipt by the Borrower of the insurance proceeds referred to in paragraph (i) above.

In the case of each of the events specified in paragraphs (a), (b) and (c) above, the Lender reserves the right, after having notified the Borrower in writing, to exercise its rights as a creditor in the manner specified in Clause 16.2 (*Acceleration*) of the Framework Agreement.

11.3 Cancellation of a Credit by the Borrower

Prior to the Deadline for Drawdown of Funds, the Borrower may cancel the whole or any part of the Available Credit under a Credit by giving the Lender a three (3) Business Days' prior notice.

Upon receipt of such notice of cancellation, the Lender shall cancel the amount notified by the Borrower, provided that the Eligible Expenses of the Project Component, as specified in the Financing Plan, are covered in a manner satisfactory to the Lender, except in the event that the relevant Project Component is abandoned by the Borrower.

11.4 Cancellation of a Credit by the Lender

The Available Credit under a Credit shall be immediately cancelled upon delivery of a notice to the Borrower which shall be immediately effective, if:

- (a) the Available Credit is not equal to zero on the Deadline for Drawdown of Funds;
- (b) the first Drawdown has not occurred on the Deadline for the First Drawdown;
- (c) an Event of Default has occurred and is continuing; or
- (d) an event referred to in Clause 11.2 (*Mandatory prepayment*) of the Framework Agreement has occurred.

11.5 Restrictions

- (a) Any notice of prepayment or cancellation given by a Party pursuant to Clause 11 (*Prepayment and Cancellation of Credits*) of the Framework Agreement shall be irrevocable, and, unless otherwise provided in a Finance Document, any such notice shall specify the date or dates on which the relevant prepayment or cancellation is to be made and the amount of that prepayment or cancellation.
- (b) The Borrower shall not prepay or cancel all or any part of a Credit except at the times and in the manner expressly provided for in the Finance Documents.
- (c) Any prepayment under a Finance Document shall be made together with payment of (i) accrued interest on the prepaid amount, (ii) outstanding fees, and (iii) the Prepayment Indemnity referred to in Clause 12.3 (*Prepayment Indemnity*) of the Framework Agreement.
- (d) Any prepayment amount will be applied against the remaining instalments in inverse order of maturity.
- (e) The Borrower may not re-borrow the whole or any part of a Credit which has been prepaid or cancelled.

12 **ADDITIONAL PAYMENT OBLIGATIONS**

12.1 Costs and expenses

- 12.1.1 The Borrower shall pay directly or, if applicable, shall reimburse the Lender in case of advance made by the Lender, the amount of all costs and expenses (including legal fees)

incurred by the Lender in connection with the negotiation, preparation and signing of the Finance Documents to which the Lender is party or any other documents referred to in a Finance Document (including any legal opinion).

12.1.2 If an amendment to any of the Finance Documents to which the Lender is party is required, the Borrower shall reimburse to the Lender for all costs (including legal fees) reasonably incurred in responding to, evaluating, negotiating or complying with that requirement.

12.1.3 The Borrower shall reimburse to the Lender all costs and expenses (including legal fees) incurred by it in connection with the enforcement or preservation of any of its rights under any Finance Document to which the Lender is party.

12.1.4 The Borrower shall pay directly or, if applicable, reimburse the Lender in case of an advance payment made by the Lender, the amount of all costs and expenses in connection with the transfer of funds to, or for the account of, the Borrower from Paris to any other place agreed with the Lender, as well as any transfer fees and expenses in connection with the payment of all sums due under a Credit..

12.2 Cancellation Indemnity under a Credit

If a Credit is cancelled in full or in part in accordance with the terms of Clauses 11.3 (*Cancellation of a Credit by the Borrower*) and/or 11.4 (*Cancellation of a Credit by the Lender*) paragraphs (a), (b) and (c) of the Framework Agreement, the Borrower shall pay a cancellation indemnity computed at two point five percent (2.5%) on the cancelled amount of the Credit.

Each cancellation indemnity is payable on the Payment Date immediately following a cancellation of all or part of the Credit.

12.3 Prepayment Indemnity under a Credit

On account of any losses suffered by the Lender as a result of the prepayment of the whole or any part of a Credit in accordance with Clauses 11.1 (*Voluntary prepayment*) or 11.2 (*Mandatory prepayment*) of the Framework Agreement, the Borrower shall pay to the Lender an indemnity equal to the aggregate amount of:

- (a) the Prepayment Indemnity; and
- (b) any costs arising out of the break of any interest rate hedging swap transactions put in place by the Lender in connection with the amount prepaid.

12.4 Taxes and duties

12.4.1 Registration costs

The Borrower shall pay directly, or, if applicable, reimburse the Lender in case of an advance made by the Lender, the costs of all stamp duty, registration and other similar taxes payable in respect of any Finance Document and any potential amendment to the Finance Documents to which the Lender is party.

12.4.2 Withholding Tax

The Borrower undertakes that all payments made to the Lender under the Finance Documents to which the Lender is party shall be free of any Withholding Tax.

If a Withholding Tax is required by law, the Borrower undertakes to gross-up the amount of any such payment to such amount which leaves the Lender with an amount equal to the payment which would have been due if no payment of Withholding Tax had been required.

The Borrower shall reimburse to the Lender all expenses and/or Taxes for the Borrower's account which have been paid by the Lender (if applicable), with the exception of any Taxes due in France.

12.5 Additional Costs

the Borrower shall pay to the Lender, within five (5) Business Days of the Lender's request, all Additional Costs incurred by the Lender as a result of: (i) the coming into force of any new law or regulation, or any amendment to, or any change in the interpretation or application of any existing law or regulation; or (ii) the compliance with any law or regulation which has come into force after the Credit Approval Signing Date.

In this Clause, "**Additional Costs**" means:

- (a) Any reduction in the rate of return from the Credit or on the Lender's overall capital;
- (b) any additional or increased cost; or
- (c) any reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by the Lender to the extent that it is attributable to the Lender having entered into the Finance Documents or funding or performing its obligations under any of the Finance Documents.

12.6 Currency indemnity

If any sum due by the Borrower under the Finance Documents to which the Lender is party, or any order, judgment or award given or made in relation to such a sum, has to be converted from the currency in which that sum is payable into another currency, for the purpose of:

- (a) making or filing a claim or proof against the Borrower; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Borrower shall indemnify, within three (3) Business Days of the Lender's request and as permitted by law, the Lender against the amount of any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between: (A) the exchange rate used to convert the relevant sum from the first currency to the second currency; and (B) the exchange rate or rate(s) available to the Lender at the time of its receipt of that sum. This obligation to indemnify the Lender is independent of any other obligation of the Borrower under the Finance Documents to which the Lender is party.

The Borrower waives any right it may have in any jurisdiction to pay any amount due under the Finance Documents to which the Lender is party in a currency or currency unit other than that in which it is expressed to be payable.

12.7 Due dates

Any indemnity or reimbursement payable by the Borrower to the Lender under Clause 12 (*Additional Payment Obligations*) of the Framework Agreement is due and payable on the

Payment Date immediately following the circumstances which have given rise to the relevant indemnity or reimbursement.

Notwithstanding the above, any indemnity to be paid in connection with a prepayment pursuant to Clause 12.3 (*Prepayment Indemnity*) of the Framework Agreement is due and payable on the date of the relevant prepayment.

13 REPRESENTATIONS AND WARRANTIES UNDER THE FRAMEWORK AGREEMENT AND EACH CREDIT

Save for the representations and warranties given pursuant to the Clause 13.10 (*Project Documents*), 13.11 (*Project Authorisations*) and 13.14 (*Licit Origin of the funds*), all the representations and warranties set out in this Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) are made by the Borrower for the benefit of the Lender on the Credit Approval Signing Date.

All the representations and warranties in this Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) are also deemed to be made by the Borrower on the date on which all of the conditions precedent listed in Part III of Schedule 3 - A (*Conditions precedent to the First Drawdown of a Credit*) of the Framework Agreement are satisfied, on the date of each Drawdown Request, on each Drawdown Date and on each Payment Date, except that the repeating representations contained in Clause 13.9 (*No misleading information*) of the Framework Agreement are deemed to be made by the Borrower in relation to the information provided by the Borrower since the date on which the representation was last made.

13.1 Power and authority

The Borrower has the power to enter into, perform and deliver the Finance Documents and Project Documents and to perform all contemplated obligations. The Borrower has taken all necessary action to authorise its entry into, performance and delivery of the Finance Documents and Project Documents and the transactions contemplated by those Finance Documents and Project Documents.

13.2 Validity and admissibility in evidence

All Authorisations required:

- (a) to enable the Borrower to lawfully enter into, and exercise its rights and comply with its obligations under the Finance Documents and Project Documents; and
- (b) to make the Finance Documents and the Project Documents admissible in evidence in the courts of the jurisdiction of the Borrower or in arbitration proceedings as defined under Clause 20 (*Governing Law, Enforcement and Choice of Domicile*) of the Framework Agreement,

have been obtained and are in full force and effect, and no circumstances exist which could result in the revocation, non-renewal or modification, in whole or in part, of any such Authorisations.

13.3 Binding obligations

The obligations expressed to be assumed by the Borrower under the Finance Documents and the Project Documents comply with all laws and regulations applicable to the Borrower in its jurisdiction and are legal, valid, binding and enforceable obligations which are effective in accordance with their written terms.

13.4 No filing or stamp taxes

Under the laws of the jurisdiction of incorporation of the Borrower, it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority (except for the purposes of obtaining the Ratification of the Framework Agreement) in that jurisdiction or that any stamp, registration or similar taxes or fees be paid on or in relation to the Finance Documents or the transactions contemplated therein.

13.5 Transfer of funds

All amounts due by the Borrower to the Lender under the Finance Documents whether as principal or interest, late payment interest, Prepayment Indemnity, incidental costs and expenses or any other sum are freely transferable to France or to any other country.

This representation shall remain in full force and effect until full repayment of all sums due to the Lender. In the event that the repayment dates of the Credit are extended by the Lender, no further confirmation of this representation shall be necessary.

The Borrower shall obtain Euros necessary for compliance with this representation in due course.

13.6 No conflict with other obligations

The entry into and performance by the Borrower of, and the transactions contemplated by, the Finance Documents and the Project Documents do not conflict with any domestic or foreign law or regulation applicable to it, its constitutional documents (or any similar documents) or any agreement or instrument binding upon the Borrower or affecting any of its assets.

13.7 Governing law and enforcement

- (a) The choice of French law as the governing law of the Finance Documents will be recognised and enforced by the courts and arbitration tribunals in the jurisdiction of the Borrower.
- (b) Any judgment obtained in relation to the Finance Documents in a French court or any award by an arbitration tribunal will be recognised and enforced in the jurisdiction of incorporation of the Borrower.

13.8 No default

No Event of Default is continuing or is reasonably likely to occur.

13.9 No misleading information

All information and documents supplied by the Borrower to the Lender were true, accurate and up-to-date as at the date they were provided or, if appropriate, as at the date at which they are stated to be given and have not been varied, revoked, cancelled or renewed on revised terms, and are not misleading in any material respect as a result of an omission, the occurrence of new circumstances or the disclosure or non-disclosure of any information.

13.10 Project Documents

The Project Documents represent the entire agreement relating to the Project Components and are valid, binding and enforceable against third parties. The Project Documents have not been amended, terminated or suspended without the prior approval of the Lender since the date on

which they were delivered to the Lender and there is no current dispute in connection with the validity of the Project Documents.

13.11 Project Authorisations

All Project Authorisations have been obtained or effected and are in full force and effect and there are no circumstances which may result in any Project Authorisation being revoked, cancelled, not renewed or varied in whole or in part.

13.12 Procurement

The Borrower hereby declares that it (i) has received a copy of the Procurement Guidelines and (ii) understands the terms of the Procurement Guidelines, in particular, those terms relating to any actions which the Lender may take in the case of a breach of the Procurement Guidelines by the Borrower and (iii) has provided a copy of the Procurement Guidelines to the Implementing Agency which has confirmed that it understands the terms of the Procurement Guidelines and in particular, those terms relating to any actions which the Lender may take in the case of a breach of the Procurement Guidelines by the Implementing Agency.

The Borrower is contractually bound by the Procurement Guidelines as if such Procurement Guidelines were incorporated by reference into the Finance Documents. The Borrower confirms that the procurement, allocation and performance of the contracts relating to the implementation of the Project comply with the Procurement Guidelines, including such contracts entered into, and/or for which the procurement process has started, prior to the Signing Date and that are retroactively financed by AFD.

13.13 Pari passu ranking

The Lender's claims under the Finance Documents to which the Lender is party rank at least *pari passu* with the claims of all the other unsecured and unsubordinated creditors of the Borrower.

13.14 Licit Origin of the funds and Prohibited Practices

The Borrower represents and warrants that:

- (a) all the funds which are or will be invested in the Project, if any other than those of the Credit are entirely from the State budget;
- (b) the Project (in particular, the negotiation, award and performance of any contracts financed with the Credit) has not given rise to any Prohibited Practices; and
- (c) it has not committed or participated in any act contrary to any anti-Money Laundering and counter-Terrorist Financing applicable law; and
- (d) to use its best knowledge, that it has not provided direct or indirect material support or other resources to any person or entity that commits, attempts to commit, advocates, facilitates or takes part in Acts of Terrorism, or has committed, attempted to commit, advocated, facilitated or taken part in Acts of Terrorism.

13.15 No Material Adverse Effect

The Borrower represents and warrants that no event or circumstance which is likely to have a Material Adverse Effect has occurred or is likely to occur.

No breach of the Borrower is continuing in relation to any other agreement binding upon it, or affecting any of its assets, which has, or is reasonably likely to have, a Material Adverse Effect.

14 UNDERTAKINGS UNDER THE FRAMEWORK AGREEMENT

Save for the undertakings given pursuant to the Clause 14.7 (Additional financing), 14.10 (*Project Component Account*), 14.11 (*Inspections*), 14.12 (*Project Component evaluation*) that take effect on the Credit Approval Signing Date, the undertakings in this Clause 14 (*Undertakings under the Framework Agreement*) take effect on the Effectiveness Date.

All of the undertakings set out in this Clause 14 (*Undertakings under the Framework Agreement*) remain in full force and effect for as long as any amount is outstanding under the Finance Documents.

14.1 Compliance with laws and regulations

The Borrower shall comply and procure that the Implementing Agency complies:

- (a) in all respects with all laws and regulations to which it and/or the Project is subject, particularly in relation to all applicable environmental protection, safety and labour laws and prevention and fight against Prohibited Practices; and
- (b) with all of its obligations under the Project Documents.

14.2 Authorisations

The Borrower shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect and procure that the Implementing Agency promptly obtains, complies with and does all that it necessary to maintain in full force and effect any Authorisation required under any applicable law or regulation to enable it to perform its obligations under the Finance Documents and the Project Documents and to ensure the legality, validity, enforceability and admissibility in evidence of any Finance Document or Project Document.

14.3 Project Documents

The Borrower shall provide itself or procure that the Implementing Agency provides to the Co-Financier, acting on behalf of the Lender, for no-objection or information, with a copy of any amendment to any Project Documents and shall not (and shall not agree to) make any material amendment to any Project Document without obtaining the Co-Financier's and the Lender's prior consent.

14.4 Implementation and preservation of the Project Component

The Borrower shall and shall procure that the Implementing Agency:

- (a) implement the Project in accordance with the generally accepted safety principles and in accordance with technical standards in force; and
- (b) maintain in good operating condition its assets and the Project assets in accordance with all applicable laws and regulations and, and use such assets in compliance with their purpose and all applicable laws and regulations.

14.5 Procurement

In relation to the procurement, award and performance of contracts entered into for the purposes of implementing the Project or any part thereof, and financed by the Facility, the Borrower shall comply

with, and implement, the provisions of the Applicable Procurement Procedures. The Borrower guarantees that the Implementing Agency will comply with and implement the Applicable Procurement Procedures.

The Borrower shall take all actions and steps necessary for the effective implementation of the Applicable Procurement Procedures.

If the Beneficiary and/or the Implementing Agency does not comply with the Applicable Procurement Procedures, the Agency may consider the costs incurred under such procurement not eligible to the financing under this Agreement. The Beneficiary shall reimburse to the Agency the funds of the Grant used to pay such ineligible costs.

On behalf of the Lender, the Co-Financier shall issue the no-objection letters in accordance with the Applicable Procurement Procedures.

In case of contracts subject to international competition, the Borrower shall publish the request for expressions of interest, the invitation for prequalification or the invitation for bids, as appropriate, on the website <http://afd.dgmarket.com>.

The bidding documents and requests for proposals prepared by the Borrower for a specific procurement will include references to the Lender in the procurement notices (general procurement notice, specific procurement notices, and requests for expression of interest) and all other documentation relating to the contracts co-financed by the Lender.

Due to its specific legal and regulatory obligations, the Lender will not finance its respective part of a contract to a Provider who is on any of the Financial Sanctions List.

A duly signed AFD's Covenant of Integrity, as set out in Schedule 10, shall be required from any applicant, bidder or consultant and shall be deemed to form a part of the contract. In cases of non-competitive procurement processes, the signed AFD's Covenant of Integrity shall be appended to the contract.

In the case of prior review contracts, the Borrower is required to provide the Lender with a copy of the evaluation report of applications (following invitations for prequalification or requests for expression of interest), bids, proposals or quotations at the same time it is submitted to the Co-Financier. If an applicant, bidder or consultant does not meet the Lender's financing eligibility requirements, the Lender will promptly inform the Co-Financier and the Borrower. The Co-Financier and the Lender shall then consult with the Borrower to determine the appropriate course of action.

In the case of post review contracts, the Borrower is required to submit to the Lender for its no-objection the terms of reference of the audits according to the "*Control – audit*" Clause of this Agreement. These terms of reference shall include a review of the Borrower's controls and operating procedures implemented for complying with the Applicable Procurement Procedures and the Lender's financing eligibility requirements.

14.6 Environmental and social responsibility

14.6.1 Implementation of environmental and social measures

In order to promote sustainable development, the Parties agree that it is necessary to promote compliance with internationally recognised environmental and labour standards, including fundamental conventions of the International Labour Organization ("**ILO**") and the international environmental laws and regulations applicable in the Borrower's jurisdiction. For such purpose, the Borrower shall:

With respect to its business activities in the context of the Project:

- (a) comply with international standards for the protection of the environment and labour laws, particularly the fundamental conventions of the ILO and the international environmental conventions, in accordance with the applicable laws and regulations of the country in which the Project is being implemented.

With respect to the Project:

- (a) include in the procurement contracts, and, as the case may be, in the bidding documents, a clause whereby the contracting parties agree, and agree to procure that their sub-contractors (if any) agree, to comply with such standards in accordance with the applicable laws and regulations of the country where the Project is being implemented. The Lender will be entitled to request that the Borrower deliver a report on environmental and social conditions of implementation of the Project;
- (b) put in place appropriate mitigation measures specific to the Project as described within the context of an environmental and social risk management policy, such as:
 - the Environmental and Social Commitment Plan (ESCP) attached as Schedule 11 to the Framework Agreement
- (c) require that the contractors appointed for implementation of the Project, apply the mitigation measures set out in paragraph (b) above and procure that their subcontractors (if any) comply with all such measures and take all appropriate steps in the event of a failure to put in place such mitigation measures; and

14.6.2 Environmental and social (ES) complaints-management

- (a) The Borrower (i) confirms that it has received a copy of the ES Complaints-Management Mechanism's Rules of Procedure and has acknowledged its terms, in particular with respect to actions that may be taken by the Lender in the event that a third party lodges a complaint, and (ii) acknowledges that these ES Complaints-Management Mechanism's Rules of Procedure have, as between the Borrower and the Lender, the same contractually binding effect as this Framework Agreement.
- (b) The Borrower expressly authorises the Lender to disclose to the experts (as defined in the ES Complaints-Management Mechanism's Rules of Procedure) and to parties involved in the compliance review and/or conciliation processes, the Project documents concerning environmental and social matters necessary for processing the environmental and social complaint, including, without limitation, those listed in Schedule 7. (*Non-exhaustive list of environmental and social documents which the Borrower permits to be disclosed in connection with ES complaints-management mechanism's rules of procedure*).

14.6.3 Biodiversity Data Sharing

In order to promote biodiversity data sharing and in accordance with international targets related to biodiversity data knowledge and sharing, the Borrower undertakes to share, or procure that its third party contractors share, the biodiversity data (raw or processed) generated in relation with the Project with the Global Biodiversity Information Facility (GBIF) worldwide database, in order to enable its publication.

For this purpose, the Borrower undertakes to take all appropriate measures towards its third party contractors so that they allow the sharing on the GBIF worldwide database of the processed biodiversity data on which they may have intellectual property rights, regardless of the medium.

The data sharing on the GBIF database shall be carried out in accordance with the terms and conditions set out in Schedule 8 (*Biodiversity Data Sharing*).

The AFD shall be mentioned as “project funder” in the metadata section.

14.7 Additional financing

The Borrower shall not amend or alter any Financing Plan without obtaining the Lender’s prior written consent and shall finance any additional costs not anticipated in the Financing Plan on terms which ensure that the Credit(s) will be repaid.

14.8 Pari passu ranking

The Borrower undertakes (i) to ensure that the claims of the Lender under the Finance Documents rank at all times at least *pari passu* with the other current and future unsecured and unsubordinated obligations of the Borrower; (ii) not to grant prior ranking or guarantees to any other lenders except if the same ranking or guarantees are granted by the Borrower in favour of the Lender, if so requested by the Lender.

14.9 Assignment

Unless the Lender agrees otherwise in writing, the Borrower shall:

- (a) amend the Insurance Policies to include the Lender as sole beneficiary in respect of any insurance indemnity until all sums due under the Finance Documents have been re-paid in full; and
- (b) assign to the Lender the benefit of the Provider’s Guarantees.

14.10 Project Component Accounts

The Borrower shall procure that the Implementing Agency opens, maintains and funds each Project Component Account in accordance with the terms and conditions of the Co-Financier Loan Agreement and this Agreement.

14.11 Inspections

The Borrower hereby authorizes the Lender and its representatives to carry out inspections the purpose of which will be to assess the implementation and operations of each Project Component as well as the impact and the achievement of the objectives of the Project Component.

The Borrower shall co-operate and provide all reasonable assistance and information to the Lender and its representatives when carrying out such inspections, the timing and format of which shall be determined by the Lender following consultation with the Borrower.

The Borrower shall reimburse the Lender for any costs incurred by the Lender in respect of one inspection per year.

The Borrower shall procure that the Implementing Agency retains and makes available for inspection by the Lender, all documents relating to the Eligible Expenses of each Project Component for a period of ten (10) years from the Deadline for Drawdown of Funds.

14.12 Project Component evaluation

The Borrower acknowledges that the Lender may carry out, or procure that a third party carries out on its behalf, an evaluation of each Project Component.

Feedback from this evaluation will be used to produce a report containing information on the Project, such as: total amount and duration of the funding, objectives of the Project, expected and achieved quantified outputs of the Project, assessment of the relevance, effectiveness, impact and viability/sustainability of the Project, main conclusions and recommendations.

The main objective of the evaluation will be the articulation of credible and independent judgement on the key issues of relevance, implementation (efficiency) and effects (effectiveness, impact and sustainability).

Evaluators will need to take into account in a balanced way the different legitimate points of view that may be expressed and conduct the evaluation impartially.

The Borrower will be involved as closely as possible in the evaluation, from the drafting of the Terms of Reference to the delivery of the final report.

The Borrower agrees to the publication of this report, in particular on the Lender's website.

14.13 Financial Sanctions Lists and Embargo

The Borrower shall undertake :

- (a) that no funds or economic resources of the Project are made available, directly or indirectly, to or for the benefit of persons, groups or entities listed on any Financial Sanctions List; and
- (b) not finance, acquire or provide any supplies or intervene in sectors which are subject to an Embargo by the United Nations, the European Union or France.

14.14 Licit Origin, absence of Prohibited Practices

The Borrower undertakes, and ensure that the Implementing Agency undertakes:

- (a) to use the funds of the Credit in accordance with the AFD Group's policy to prevent and combat Prohibited Practices as available on its Website;
- (b) to ensure that the funds, other than those of State origin, invested in the Project will not be of an Illicit Origin;
- (c) to use its best efforts not to provide direct or indirect material support or other resources to any person or entity that commits, attempts to commit, advocates, facilitates or takes part in Acts of Terrorism, or has committed, attempted to commit, advocated, facilitated or taken part in Acts of Terrorism;
- (d) to ensure that the Project (in particular during the negotiation, entry into and performance of the contracts funded out of the Credit) shall not give rise to any Prohibited Practice;
- (e) as soon as it becomes aware of, or suspects, any Prohibited Practice, to inform the Lender without any delay;
- (f) in the event referred to in paragraph (e) above or at the Lender's request if the Lender suspects any Prohibited Practice has occurred, take all necessary actions to remedy the situation in a manner satisfactory to the Lender and within the time period determined by the Lender; and
- (g) to notify the Lender without any delay if it has knowledge of any information which leads it to suspect any Illicit Origin of any funds invested in the Project.

- (h) to implement the Project in accordance with the Anti-Corruption Guidelines.

14.15 Investigations

The Borrower shall[, and shall procure that the Implementing Agency undertakes, to allow the Lender or any third party mandated by the Lender, to carry out an investigation in the event of an allegation of Prohibited Practice. To this end, the Lender or any third party mandated by it is authorized to:

- (a) interview anyone who may have information about an alleged Prohibited Practice;
- (b) conduct audits and controls, both documentary and on-site, as the Lender may deem appropriate, including access to the accounting books and records or any other documentation relating to the Project held by the Borrower or any person or entity connected with the Project;
- (c) carry out visits of the sites, facilities and works related to the Project; and
- (d) achieve all the steps and actions necessary for these investigations.

The Borrower shall, and shall procure that the Implementing Agency undertakes, to ensure that the tender documents, contracts and sub-contracts financed through the Credit allow the implementation of this Clause.

Non-compliance with this Clause by the Borrower could, at the discretion of the Lender, constitute a Non-Cooperative Practice.

14.16 Visibility and Communication

The Borrower shall implement visibility and communication actions related to the implementation of the Project in accordance with the terms of the Visibility and Communication Guide, and acknowledges having fully read and understood the aforementioned guide.

According to the Visibility and Communication Guide, the Project is subject to communication and visibility obligations of LEVEL 1.

15 INFORMATION UNDERTAKINGS UNDER THE FRAMEWORK AGREEMENT AND EACH CREDIT

Save for the undertakings given pursuant to the Clause 15.2 (*Progress Report*), that will take effect on the Credit Approval Signing Date, the undertakings in this Clause 15 (*Information Undertakings under the Framework Agreement and each Credit*) take effect on the Effectiveness Date. All of the undertakings in this Clause 15 (*Information Undertakings under the Framework Agreement and each Credit*) remain in full force and effect for as long as any amount is outstanding under the Finance Documents.

15.1 Financial Information

The Borrower shall supply to the Lender any information that the Lender may reasonably require in relation to the Borrower's foreign and domestic debt as well as the status of any guaranteed loans.

15.2 Progress Report

- (a) Until the Technical Completion Date, the Borrower shall provide directly to the Lender through the Co-Financier (for the WISE component), in form and substance satisfactory to the Lender and the Co-Financier, in the format and content defined in the Project Operational Manual, and on a half-yearly basis a technical and financial progress report in relation to the implementation of each Project Component, including, in the event that an ESMP is required, an annual report on the implementation of the ESMP.
- (b) Within three (3) months after the Technical Completion Date, the Borrower shall supply to the Lender a general progress report.
- (c) Within three (3) months after the Technical Completion Date, the Borrower shall supply to the Lender a report in relation to the impact indicators of each Project Component in the form set out in Schedule 4 of the Framework Agreement.

15.3 Co-Financing

The Borrower shall promptly inform the Lender of any cancellation (in whole or in part) or any prepayment by a Co-Financier.

15.4 Information - miscellaneous

The Borrower shall supply to the Lender and the Co-Financier:

- (a) promptly upon becoming aware of them, details of any event or circumstance which is or may be an Event of Default or which has or may have a Material Adverse Effect, the nature of such an event and all the actions taken or to be taken to remedy it (if any);
- (b) promptly upon becoming aware of them, details of any incident or accident directly related to the implementation of a Project Component which might have a significant impact on this Project Component site, the working conditions of its employees or contractors' employees, the nature of such incident or accident, together with details of any action taken or proposed to be taken, as applicable, by the Borrower to remedy it;
- (c) promptly, details of any decision or event which might affect the organisation, completion or operation of a Project Component;
- (d) promptly but in any event within five (5) Business Days after becoming aware of them, details of any notification of default, termination, dispute or material claim made against it under a Project Document or affecting a Project Component, together with details of any action taken or proposed to be taken by the Borrower to remedy it;
- (e) during the completion of services (including but not limited to services related to studies and monitoring where a Project Component involves the provision of such services), the interim and final reports drafted by any service provider, and after full completion of such services an overall execution report;
- (f) promptly, any further information regarding its financial condition, assets and operations or any documents or other communications given or received by it under any Project Document that the Lender may reasonably request.

16 EVENTS OF DEFAULT UNDER THE CREDITS

16.1 Events of Default

Each of the events or circumstances set out in this Clause 16.1 (*Events of Default*) is an Event of Default under a Credit, or Credits if applicable.

(a) Payment Default

The Borrower does not pay on the due date any amount payable by it under a Finance Document in the manner required under the Finance Documents. However, without prejudice to Clause 7.3 (*Late payment and default interest*) of the Framework Agreement, no Event of Default will occur under this paragraph (a) if such payment is made in full by the Borrower within five (5) Business Days of the due date.

(b) Project Documents

Any Project Document, or any of the rights and obligations set out therein, ceases to be in full force and effect, is subject to a notice of termination or its validity, legality or enforceability is challenged.

No Event of Default will occur pursuant to this paragraph (b) if (i) the challenge or notice of termination is withdrawn within thirty (30) calendar days after the date on which the Lender informed the Borrower of such challenge or notice or the Borrower became aware of such challenge or notice; and (ii), according to the opinion of the Lender, such dispute or request has not had a Material Adverse Effect during such thirty (30) day period.

(c) Undertakings and Obligations

The Borrower does not comply with any term of the Finance Documents, including, without limitation, any of the undertakings it has given pursuant to Clause 14 (*Undertakings under the Framework Agreement*) of the Framework Agreement and Clause 15 (*Information Undertakings under the Framework Agreement and each Credit*) of the Framework Agreement.

Save for the undertakings given pursuant to Clauses 14.6 (*Environmental and social responsibility*), 14.13 (*Financial Sanctions Lists and Embargo*) and 14.14 (*Licit Origin, absence of Prohibited Practices*) of the Framework Agreement in respect of which no grace period is permitted, no Event of Default will occur under this paragraph (c) if the non-compliance is capable of remedy and is remedied within five (5) Business Days of the earlier of (A) the date of the Lender' notice of failure to the Borrower; and (B) the Borrower becoming aware of the breach, or within the time limit determined by the Lender in the case referred to in subparagraph (f) of Clause 14.14 (*Licit Origin, absence of Prohibited Practices*) of the Framework Agreement.

(d) Misrepresentation

A representation or warranty made by the Borrower in the Finance Documents, including under Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) of the Framework Agreement, or in any document delivered by or on behalf of the Borrower under or in relation to the Finance Documents, is incorrect or misleading when made or deemed to be made.

(e) Cross Default

- (i) Subject to paragraph (iii), any Financial Indebtedness of the Borrower is not paid on its due date or, if applicable, within any grace period granted pursuant to the relevant documentation.
- (ii) Subject to paragraph (iii), a creditor has cancelled or suspended its commitment towards the Borrower pursuant to any Financial Indebtedness, or has declared the Financial Indebtedness due and payable prior to its specified maturity, or requested prepayment in full of the Financial Indebtedness, in each case, as a result of an event of default or any provision having a similar effect (howsoever described) pursuant to the relevant documentation.
- (iii) No Event of Default will occur under this Clause 16.1(e) if the relevant amount of Financial Indebtedness or the commitment for Financial Indebtedness falling within paragraphs (i) and (ii) above is less than forty millions Euros (EUR 40.000.000) (or its equivalent in any other currency(ies)).

(f) Unlawfulness

It is or becomes unlawful for the Borrower to perform any of its obligations under the Finance Documents.

(g) Material adverse change

Any event (including a change in the political situation of the country of the Borrower) or any measure which is likely, according to the Lender's opinion, to have a Material Adverse Effect occurs or is likely to occur.

(h) Withdrawal or suspension of a Project Component

Any of the following occurs:

- (i) the implementation of a Project Component is suspended or postponed for a period exceeding six (6) months; or
- (ii) a Project Component has not been completed in full by the Technical Completion Date; or
- (iii) the Borrower withdraws from, or ceases to participate in, a Project Component.

(i) Authorisations

Any Authorisation required for the Borrower in order to perform or comply with its obligations under the Finance Documents or its other material obligations under any Project Documents or required in the ordinary course of a Project Component is not obtained within the required timeframe or is cancelled or becomes invalid or otherwise ceases to be in full force and effect.

(j) Judgments, rulings or decisions having a Material Adverse Effect

Any judgment or arbitral award or any judicial or administrative decision affecting the Borrower has or is reasonably likely, according to the opinion of the Lender, to have a Material Adverse Effect, occurs or is likely to occur.

(k) Suspension of free convertibility and free transfer

Free convertibility and free transfer of any of the amounts due by the Borrower under the Finance Documents, or any other facility provided by the Lender to the Borrower or any other borrower of the jurisdiction of the Borrower, is challenged.

(l) Event of default under a Credit granted by the Lender to the Borrower under the Framework Agreement

An event of default occurs under a finance document entered into in relation to another Credit made available by the Lender to the Borrower in accordance with the Framework Agreement.

16.2 Acceleration

On and at any time after the occurrence of an Event of Default, the Lender may, without providing any formal demand or commencing any judicial or extra-judicial proceedings, by written notice to the Borrower:

- (a) cancel the Available Credit under the relevant Credit, or Credits if applicable, which will be immediately reduced to zero; and/or
- (b) declare that all or part of the relevant Credit, or Credits if applicable, together with any accrued or outstanding interest and all other amounts outstanding under the Finance Documents, are immediately due and payable.

Without prejudice to the above, in the event that an Event of Default occurs as set out in Clause 16.1 (*Events of Default*) of the Framework Agreement, the Lender reserves the right to, upon written notice to the Borrower, (i) suspend or postpone any Drawdown under the relevant Credit, or Credits if applicable; and/or (ii) suspend the finalisation of any Finance Document under the Framework Agreement or the agreements relating to other possible financial offers which have been notified by the Lender to the Borrower; and/or (iii) suspend or postpone any drawdown under any credit granted by the Lender to the Borrower under the Framework Agreement or any loan agreement entered into between the Borrower and the Lender.

If any drawdowns are postponed or suspended by a Co-Financier under an agreement between such Co-Financier and the Borrower or if the delegation of services is suspended or cancelled under the Cofinancing Agreement, the Lender reserves the right to postpone or suspend any Drawdowns under the relevant Credit.

16.3 Notification of an Event of Default

In accordance with Clause 15.4 (*Information - miscellaneous*) of the Framework Agreement, the Borrower shall promptly notify the Lender upon becoming aware of any event which is or is likely to be an Event of Default and inform the Lender of all the measures contemplated by the Borrower to remedy it.

17 ADMINISTRATION OF CREDITS

17.1 Payments

All payments received by the Lender under the Finance Documents shall be applied towards the payment of expenses, fees, interest, principal amounts or any other sum due under the Finance Documents in the following order:

- (a) incidental costs and expenses;

- (b) fees;
- (c) late-payment interest and default interest;
- (d) accrued interest;
- (e) principal repayments.

Any payments received from the Borrower shall be applied first in or towards payment of any sums due and payable under the Credit or under other loans extended by the Lender to the Borrower, should it be in the Lender's interest to apply these sums to such other loans, in the order set out above.

17.2 Set-off

Without prior approval of the Borrower, the Lender may, at any time, set-off due and payable obligations owed by the Borrower against any amounts held by the Lender on behalf of the Borrower or any due and payable obligations owed by the Lender to the Borrower. If the obligations are in different currencies, the Lender may convert either obligation at the prevailing currency exchange rate for the purpose of the set-off.

All payments made by the Borrower under the Finance Documents shall be calculated and made without set-off. The Borrower is prohibited from making any set-off.

17.3 Business Days

Without prejudice to the calculation of the Interest Period which will remain unchanged, any payment is due on a day which is not a Business Day, the due date for that payment shall be the next Business Day if the next Business Day is in the same calendar month, or the preceding Business Day if the next Business Day is not in the same calendar month.

17.4 Currency of payment

The currency of each amount payable under a Finance Document is Euros, except as provided in Clause 17.6 (*Place of payment*) of the Framework Agreement.

17.5 Day count convention

Any interest, fee or expense accruing under a Finance Document will be calculated on the basis of the actual number of days elapsed and a year of three hundred and sixty (360) days in accordance with European interbank market practice.

17.6 Place of payment

- (a) Any funds to be transferred by the Lender to the Borrower under the Credit will be paid to the corresponding Project Component Account.
- (b) Any payment to be made by the Borrower to the Lender shall be paid on the due date by no later than 11:00 am (Paris time) to the following bank account:

RIB Code: 30001 00064 00000040235 03

IBAN Code: FR76 3000 1000 6400 0000 4023 503

Banque de France SWIFT code (BIC): BDFEFRPPCCT

opened by the Lender at the Banque de France (head office/main branch) in Paris or any other account notified by the Lender to the Borrower.

- (c) The Borrower shall request from the bank responsible for transferring any amounts to the Lender that it provides the following information in any wire transfer messages in a comprehensive manner and in the order set out below:
 - (i) Principal: name, address, bank account number
 - (ii) Principal's bank: name and address
 - (iii) Reference: name of the Borrower, name of the Project Component, reference number of the Framework Agreement and relevant Credit Approval.
- (d) Applicable exchange rates will be the exchange rates obtained by the Lender through a Reference Financial Institution on the date of the Drawdown.
- (e) All payments made by the Borrower shall comply with this Clause 17.6 (*Place of payment*) in order for the relevant payment obligation to be deemed discharged in full.

17.7 Payment Systems Disruption

If the Lender determines (in its discretion) that a Payment Systems Disruption Event has occurred or the Borrower notifies the Lender that a Payment Systems Disruption Event has occurred, the Lender:

- (a) may, and shall if requested by the Borrower, enter into discussions with the Borrower with a view to agreeing any changes to the operation and administration of the Credit as the Lender may deem necessary in the circumstances;
- (b) shall not be obliged to enter into discussions with the Borrower in relation to any of the changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, it has no obligation to agree to such changes; and
- (c) shall not be liable for any cost, loss or liability arising as a result of its taking, or failing to take, any actions pursuant to this Clause 17.7 (*Payment Systems Disruption*).

18 MISCELLANEOUS

18.1 Certifications and determinations

In any litigation or arbitration arising out of or in connection with any Finance Document, entries made in the accounts maintained by the Lender are *prima facie* evidence of the matters to which they relate.

Any certification or determination by the Lender of a rate or amount under a Finance Document will be, in the absence of manifest error, conclusive evidence of the matters to which it relates.

18.2 Assignment

The Borrower may not assign or transfer, in any manner whatsoever, all or any of its rights and obligations under a Finance Document without the prior written consent of the Lender.

The Lender may assign or transfer any of its rights and/or obligations under the Finance Documents to any other third party and may enter into any sub-participation agreement relating thereto.

18.3 Confidentiality - Disclosure of information

- (a) Each Party shall not disclose the content of any Finance Document to any third party without the prior consent of the other Party except to any person to whom the Party has a disclosure obligation under any applicable law, regulation or judicial ruling; or
- (b) Furthermore, the Lender may disclose any information or documents in relation to the Project Component to: (i) its auditors, rating agencies, legal advisers or supervisory bodies; (ii) any person or entity to whom the Lender may assign or transfer all or part of its rights or obligations under the Finance Documents; (iii) the French State, and in particular the ministries to which the Lender reports, for the purposes of the Lender's activity[; and] (iv) any person or entity for the purpose of taking any protective measures or preserving the rights of the Lender under the Finance Documents and (v) any Co-Financier.
- (c) Furthermore, the Borrower hereby expressly authorizes the Lender:
 - (i) to exchange with the French Republic for publication on the French government website pursuant to any request from International Aid Transparency Initiative; and
 - (ii) to publish on the Lender's Website;

information relating to the Project and its financing as listed in Schedule 6 (*Information that may be published on the French Government Website and the Lender's Website*).

18.4 Limitation

The statute of limitations of any claims under the Finance Documents shall be ten (10) years, except for any claim of interest due under the Finance Documents.

18.5 Hardship

Each Party hereby acknowledges that the provisions of article 1195 of the French *Code civil* shall not apply to it with respect to its obligations under the Agreement and it shall be not entitled to make any claim under article 1195 of the French *Code civil*.

18.6 Free transfer of funds: Not Applicable

18.7 Language

The language of the Framework Agreement is English. If the Framework Agreement is translated into another language, the English version shall prevail in the event of any conflicting interpretation or in the event of a dispute between the Parties.

All notices given or documents provided under, or in connection with, any Finance Document shall be in English.

AFD may request that a notice or document provided under, or in connection with, a Finance Document which is not in English is accompanied by a certified English translation, in which case, the English translation shall prevail unless the document is a statutory document of a company, legal text or other official document.

18.8 Partial invalidity

If, at any time, a term of a Finance Document is or becomes illegal, invalid or unenforceable, neither the validity, legality nor enforceability of the remaining provisions of such Finance Document will in any way be affected or impaired.

18.9 No waiver

Failure to exercise, or a delay in exercising, on the part of AFD of any right under a Finance Document shall not operate as a waiver of that right.

Partial exercise of any right shall not prevent any further exercise of such right or the exercise of any other right or remedy under the applicable law.

The rights and remedies of AFD under a Finance Document are cumulative and not exclusive of any rights and remedies under the applicable law.

18.10 Legal effect

The Schedules annexed to the Framework Agreement, the Procurement Guidelines and the recitals hereof form part of the Framework Agreement and have the same legal effect.

The Schedules of each Credit Approval form part of the Credit Approval and have the same legal effect.

Credit Approvals within the scope of this Framework Agreement are not subject to ratification by the Armenian Parliament (National Assembly) and will be signed by on behalf of the Borrower by the Minister of Finance

18.11 Entire agreement

As of the Signing Date, the Framework Agreement represents the entire agreement between the Parties in relation to the matters set out herein, and supersedes and replaces all previous documents, agreements or understandings which may have been exchanged or communicated as part of the negotiations in connection with the Framework Agreement.

18.12 Amendments

No amendment may be made to the Framework Agreement or a Credit Approval unless expressly agreed in writing between the Parties.

Any amendment to the Framework Agreement which will not cause change in the financial or property obligations of the Borrower may be made by mutual written agreement and enter into force at the day of signature by both Parties without requiring further Ratification.

19 NOTICES

19.1 Communications in writing and addresses

Any notice, request or other communication to be given or made under or in connection with the Framework Agreement shall be given or made in writing and, unless otherwise stated, may be given or made by fax or by letter sent by the post office to the address and number of the relevant Party set out below:

For the Borrower:

THE MINISTRY OF FINANCE OF THE REPUBLIC OF ARMENIA

Address: Yerevan, 0010, Melik-Adamyane str. 1

Telephone: +374 11 800 333

Attention: Head of International Cooperation Department

Head of Public Debt Management Department

For the Lender:

AFD – REGIONAL REPRESENTATIVE OFFICE FOR SOUTH CAUCASUS

Address: 34 I. Chavchavadze Street – BC pixel Fl. 8th - 0179 – TBILISGEORGIA

Telephone: +995 32 2 500 277

Attention: Director of the AFD Regional Representative Office for South Caucasus

With a copy to:

AFD – PARIS HEAD OFFICE

Address: 5, rue Roland Barthes – 75598 Paris Cedex 12, France

Telephone: + 33 1 53 44 31 31

Facsimile: + 33 1 44 87 39 65

Attention: AFD Director for Eastern Europe, Middle East and Asia

or such other address, fax number, department or officer as one Party notifies to the other Party.

19.2 Delivery

Any notice, request or communication made or any document sent by a Party to the other Party in connection with the Framework Agreement will only be effective:

- (a) if by fax, when received in a legible form; and
- (b) if by letter, when delivered to the correct address, and, where a particular person or a department is specified as part of the address details provided under Clause 19.1 (*Communications in writing and addresses*), if such notice, request or communication has been addressed to that person or department.

19.3 Electronic communications

- (a) Any communication made by one person to another under or in connection with the Framework Agreement may be made by electronic mail or other electronic means if the Parties:
 - (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

- (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (iii) notify each other of any change to their address or any other such information supplied by them.
- (b) Any electronic communication made between the Parties will be effective only when actually received in a readable form.

20 GOVERNING LAW, ENFORCEMENT AND CHOICE OF DOMICILE

20.1 Governing Law

The Framework Agreement is governed by French law.

20.2 Arbitration

Any dispute arising out of or in connection with the Framework Agreement shall be referred to and finally settled by arbitration under the Rules of Conciliation and Arbitration of the International Chamber of Commerce applicable on the date of commencement of arbitration proceedings, by one or more arbitrators to be appointed in accordance with such Rules.

The seat of arbitration shall be Paris and the language of arbitration shall be English.

This arbitration clause shall remain in full force and effect if the Framework Agreement is declared void or is terminated or cancelled and following expiry of the Framework Agreement. The Parties' contractual obligations under the Framework Agreement are not suspended if a Party initiates legal proceedings against the other Party.

The Parties expressly agree that, as from the Effectiveness Date of the Framework Agreement, the Borrower irrevocably waives all rights of immunity in respect of jurisdiction or performance on which it could otherwise rely.

20.3 Election of domicile

Without prejudice to any applicable law, for the purposes of serving judicial and extrajudicial documents in connection with any action or proceedings referred to above, the Borrower irrevocably elects domicile at the address set out in Clause 19.1 (*Communications in writing and addresses*) for service of process, and AFD chooses the address "AFD SIEGE" set out in Clause 19.1 (*Communications in writing and addresses*) for service of process.

21 ELECTRONIC SIGNATURE

In the case this Framework Agreement shall be executed by use of electronic signature:

- (a) Each Party accepts and acknowledges that the use of the electronic signature solution proposed by CEGEDIM France, as well as the associated process, constitutes an electronic signature within the meaning of the provisions of Article 1367 of the Civil Code.
- (b) Each Party acknowledges and accepts that the storage by CEGEDIM France of the Framework Agreement and all related information recorded and/or signed electronically, complies with the requirement of integrity according to the provisions of Article 1379 of the Civil Code.

- (c) Each Party acknowledges and accepts that the date and timestamping considered of the Framework Agreement as well as the electronic signatures are binding and shall prevail between the Parties.
- (d) Each Party acknowledges and accepts that the electronic signature of the Framework Agreement, as proposed by CEGEDIM France, has a sufficient level of reliability to identify its signatory and guarantee its link with the Framework Agreement to which its signature is attached.
- (e) Therefore, the Parties agree that the electronic signature solution proposed by CEGEDIM France carries a presumption of reliability, until proven otherwise, equivalent to the presumption of reliability granted to the qualified electronic signature referred to in Article 1367 paragraph 2 of the Civil Code and in Article 1 of Decree 2017-1416 of 28 September 2017 on electronic signatures, so that it will be up to the Party contesting the reliability of the electronic signature solution proposed by CEGEDIM France, to prove the unreliability of the process used. Thus, each of the Parties acknowledges and expressly accepts that the Framework Agreement signed by using the electronic signature solution proposed by CEGEDIM France:
 - (i) has the same probative value as a hard-copy written document signed and/or dated;
 - (ii) is valid and enforceable against it and the other Parties; and
 - (iii) is admissible before the courts and/or any authority as literal evidence of their existence and the content of the legal act attached to them.
- (f) This Article constitutes an evidentiary agreement in accordance with Article 1368 of the French Civil Code.

Signed electronically on 18 December 2025.

THE BORROWER

THE GOVERNMENT OF THE REPUBLIC OF ARMENIA

Represented by :

Name: Mr. Vahe HOVHANNISYAN

Capacity: Minister of Finance of the Republic of Armenia

THE LENDER

AGENCE FRANCAISE DE DEVELOPPEMENT

Represented by :

Name: Ms Fanny DELPEY

Capacity: Director of the AFD Regional Office for South Caucasus

Co-signatory, His Excellency M Olivier DECOTTIGNIES, Ambassador of France to Armenia

SCHEDULE 1 – PROJECT DESCRIPTION

Water and Agriculture Integrated Development programme for Armenia (WAIDA)

The WAIDA programme aims to (i) improve the sustainability and efficiency of water resource management in Armenia by supporting the rehabilitation and modernization of irrigation infrastructure (and access to drinking water) and institutional strengthening of the sector as a whole (ii) and to support, on a pilot basis, the inclusive and integrated development of the Syunik region and the strengthening of its resilience. AFD's financing is structured in the form of a €100 million Multi-Tranche Facility (MTF) in 3 tranches, the first 2 tranches of €30 million each to be granted in 2025. This support will be supplemented by a delegated grant from the European Union of €12.456m (including AFD's remuneration costs).

Context and strategic challenges

Although Armenia has a good level of renewable freshwater resources, their distribution in time and space remains very uneven. These resources are also increasingly vulnerable to the combined effects of climate change and growing pressure on demand. The agricultural sector, which is closely linked to the development of irrigation - which accounts for 80% of agricultural production - is of strategic importance in a context where food security and sovereignty represent a challenge. A quarter of the Armenian population depends on low-quality water and sanitation services provided by unreliable local networks.

Because of its economic, social and environmental importance, the water sector is receiving particular attention from the Armenian authorities. Its governance is relatively complex and, until now, has lacked clear leadership. In the field of irrigation, all the institutions involved in water management, including programme of measures of Southern river basin management plan, from the central to the local level, need to be supported in order to carry out their activities effectively. A review of the pricing system is needed to ensure the sustainability of the sector. Given the dilapidated state of the infrastructure and the under-utilization of the irrigable potential, it is essential to invest heavily in the rehabilitation and modernization of the networks.

Located in the south of Armenia, the Syunik marz is an economically important and geopolitically strategic region. The area is characterized by a wide variety of agro-climatic zones and has significant agricultural potential, but is under-exploited due to a lack of irrigation. The development of irrigated agriculture in this area would be a lever for improving productivity and boosting regional development.

Objectives and content of the programme

The programme will aim to: (i) to improve, at national level, the sustainability and efficiency of water resource management for irrigation, drinking water supply and sanitation in a context of climate change; (ii) to support, based on the revitalization of the irrigation sector, the inclusive and integrated development of the Syunik territory and to strengthen its resilience; (iii) to encourage the maintenance of decent jobs in rural areas and (iv) to strengthen Armenia's food security and sovereignty.

The programme has two main components:

- A first component (WISE - at national level - co-financed with the World Bank in lead) dedicated to investment, using a programme approach, in irrigation infrastructure and access to drinking water and to strengthening the institutional capacities of the sector
- A second component (at local level), on a pilot basis, for the inclusive and integrated development of the Syunik region, comprising investment in the rehabilitation and modernization of irrigation systems using a phased approach and support in the form of technical assistance and investment grants to improve water management and develop resilient, sustainable and inclusive agriculture.

Stakeholders and modus operandi

The Beneficiary of the programme will be the Republic of Armenia represented by its Ministry of Finance. The Water Committee of the Ministry of Territorial Administration and Infrastructures (MTAI) will be in charge of the two components. A Project Management Unit (PMU) will be mobilized to supervise the programme. For the management of the Syunik pilot component, a deconcentrated unit of the PMU will be set up at local level to ensure supervision as close as possible to the territory.

Cost and financing

The overall cost of the WAIDA programme is estimated at around € 200m, financed as follows:

- for the 'investments' in the WISE component: via a sovereign loan from AFD of up to €70m in two tranches (€30m for the 1st tranche, which is the subject of this grant, and a maximum of €40m for the second tranche, which is scheduled to be granted in 2027), a loan from the World Bank of USD 80M (lead) and a counterpart funding from the Republic of Armenia of USD 31 M.
- for the Syunik component's 'investments': via an AFD sovereign loan of up to €30M in a single tranche covered by the current allocation.
- for the technical support programme for the two components: via a delegated grant of €12M. These will be delegated funds from the European Union's Neighbourhood Investment Platform (DG NEAR).

AFD's sovereign loan financing, for a maximum overall amount of €100m, will be provided in the form of a Multi-Tranche Facility comprising three tranches.

Main expected impacts

It is expected that the institutional strengthening of the irrigation sector, coupled with investment in infrastructure and the quest for greater efficiency in its use - whether on a national scale or on a pilot basis in Syunik - will lead to an increase in agricultural productivity and income, with a knock-on effect on the economy as a whole. The programme will help to achieve the country's food security objectives and revitalise its rural areas. Strong impacts are therefore expected on the four dimensions of sustainable development: governance, sustainable and resilient economy, resilience to climate change and biodiversity.

SCHEDULE 2 – DEFINITIONS & CONSTRUCTION¹

PART I - DÉFINITIONS

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| Account Bank | has the meaning given to it in Clause 6.4.1 (<i>Opening of each Project Component Account</i>) of the Framework Agreement. |
| Act of Corruption | means any of the following: (a) the act of promising, offering or giving, directly or indirectly, to a Public Official or to any person who directs or works, in any capacity, for a private sector entity, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity; or (b) the act of a Public Official or any person who directs or works, in any capacity, for a private sector entity, soliciting or accepting, directly or indirectly, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity. |
| Act(s) of Terrorism | means: (i) any act prohibited by the United Nations Conventions and Protocols related to the fight against terrorism (which may be consulted on the following website: https://legal.un.org/ola/Default.aspx); (ii) any of the offences referred to in articles 3 to 10 of Directive (EU) 2017/541 of the European Parliament of 15 March 2017 on combating terrorism; or (iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organisation to do or abstain from doing any act. |
| Advance | has the meaning given to it in Clause 6.4 (<i>Drawdown of the Credit through revolving Advances</i>) of the Framework Agreement. |
| AFD's Covenant of Integrity | means the statement, to be signed by each of the Contractors, as provided in Schedule 10 (AFD's Covenant |

¹ Supprimer les définitions optionnelles non-utilisées.

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| | of integrity) and the Lender can update the content of which when appropriate. |
| Anti-Competitive Practices | means: (a) any concerted or implicit action having as its object and/or as its effects to impede, restrict or distort fair competition in a market, including without limitation when it tends to: (i) limit market access or the free exercise of competition by other companies; (ii) prevent price setting by the free play of markets by artificially favouring the increase or decrease of such prices; (iii) limit or control any production, markets, investment or technical progress; or (iv) share out markets or sources of supply; (b) any abuse by a company or group of companies of a dominant position within a domestic market or in a substantial part thereof; or (c) any bid or predatory pricing having as its object and/or its effect to eliminate from a market, or to prevent a company or one of its products from accessing the market. |
| Anti-Corruption Guidelines | means the applicable version of the Co-Financier's Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IRBD Loans and IDA Credits and Grants dated October 15, 2006, and revised in January 2011 and as of July 1, 2016. |
| Applicable Co-financier Procurement Guidelines | means those procurement policies, guidelines and procedures referred to in the Co-Financier Loan Agreement. |
| Authorisation(s) | means any authorisation, consent, approval, resolution, permit, licence, exemption, filing, notarisation or registration, or any exemptions in respect thereof, obtained from or provided by an Authority, whether granted by means of an act, or deemed granted if no answer is received within a defined time limit, as well as any approval and consent given by the Borrower's creditors. |
| Authority(ies) | means any government or statutory entity, department or commission exercising a public prerogative, or any administration, court, agency or State or any governmental, administrative, tax or judicial entity. |
| Availability Period | means the period from and including the Credit Approval Signing Date up to the Deadline for Drawdown of Funds. |
| Available Credit | means, at any given time, the maximum principal amount of the Credit specified in the relevant Credit Approval less: (i) the aggregate amount of the Drawdowns drawn by the Borrower; (ii) the amount of any Drawdown to be made pursuant to any pending Drawdown Request; and (iii) any portion of the Credit which has been cancelled pursuant to Clauses 11.3 (<i>Cancellation of a Credit by the Borrower</i>) and/or 11.4 (<i>Cancellation of a Credit by the Lender</i>) of the Framework Agreement. |
| Business Day | means a day (other than a Saturday or Sunday) on which banks are open for general business in Paris. |
| Certified | means for any copy, photocopy or other duplicate of an original document, the certification by any duly authorised |

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| | person, as to the conformity of the copy, photocopy or duplicate with the original document. |
| Co-Financier(s) | means the World Bank, co-financier of the Project Component as set out in the Credit Request. |
| Co-financier Loan Agreement | means the agreement and all the related financing documentations to be entered into between the Co-financier and the Borrower providing terms and conditions under which the Co-financier will make available a loan to the Borrower |
| Co-Financing | means the loan provided by the Co-Financiers in a maximum aggregated amount of in order to finance in part the Project. |
| Co-Financing Agreement | means the agreement entered into between the Lender and the Co-financier, providing terms and conditions under which, among others, the Lender and the Co-financier shall co-finance the Project and under which the Lender delegates to the Co-financier certain services concerning the Facility and the Project implementation. |
| Credit | means any credit that the Lender may make available to the Borrower in accordance with the terms and conditions of a Credit Approval entered into between the Borrower and the Lender. |
| Credit Approval | means an approval related to a Credit substantially in the form set out in Part III (<i>Form of Credit Approval</i>) of the Schedule 4 (<i>Form for the Availability of a Credit</i>) of the Framework Agreement. |
| Credit Approval Signing Date | means the date of execution of the Credit Approval by the Borrower. |
| Credit Request | means a request substantially in the form set out in Part I (<i>Form of Credit Request</i>) of the Schedule 4 (<i>Form for Credit Availability</i>) of the Framework Agreement. |
| Deadline for Drawdown of Funds | means the date after which no further Drawdown may occur, as set out in the Credit Approval. |
| Deadline for the First Drawdown | means the deadline before which the first Drawdown shall occur, as set out in the Credit Approval.. |
| Drawdown | means a drawdown of all or part of the Credit made, or to be made, available by the Lender to the Borrower pursuant to the terms and conditions set out in Clause 6 (<i>Drawdown of Funds</i>) of the Framework Agreement or the principal amount outstanding of such Drawdown which remains due and payable at a given time including any Advance. |
| Drawdown Date | means the date on which a Drawdown is made available by the Lender. |
| Drawdown Period | means the period from the first Drawdown Date up to the day following immediately the earlier of the following dates: (a) the date on which the Available Credit is zero; and (b) the Deadline for Drawdown of Funds. |
| Drawdown Request | means a request substantially in the form set out in Part I (<i>Form for a Drawdown Request</i>) of Schedule 5 (<i>Forms for the Drawdowns under a credit</i>) of the Framework Agreement. |

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| Effectiveness Date | means the date upon which all the internal procedures necessary for the entry into force of the Framework Agreement are met, as notified by Ministry of Foreign Affairs of the Republic of Armenia. |
| Eligible Expense(s) of the Project Component | means the expense(s) relating to the Project Component as set out in the schedule to the Credit Approval. |
| Embargo | means any sanction of a commercial nature aiming at prohibiting any import and/or export (supply, sale or transfer) of one or several goods, products or services going to and/or coming from a country for a given period as published and amended from time to time by the United Nations, the European Union or France. |
| Environmental and Social Commitment Plan | means the plan set out in Schedule 11 of the present Framework Agreement. The Borrower commits to enforce the measures of the ESCP throughout the Project. |
| ES Complaints-Management Mechanism's Rules of Procedure | means the contractual terms contained in the Environmental and Social Complaints-Management Mechanism's Rules of Procedure, which is available on the Website, as amended from time to time. |
| EURIBOR | means the inter-bank rate applicable to Euro for any deposits denominated in Euro for a period comparable to the relevant period, as determined by the European Money Markets Institute (EMMI), or any successor administrator, at 11:00 am Brussels time, two (2) Business Days before the first day of the Interest Period. |
| Euro(s) or EUR | means the single currency of the member states of the European Economic and Monetary Union, including France, and having legal tender in such Member States. |
| Event of Default | means any event or circumstance set out in Clause 16.1 (<i>Events of Default</i>) of the Framework Agreement. |
| Final Date | has the meaning given to that term in Clause 3 (<i>Duration of the Framework Agreement</i>) of the Framework Agreement. |
| Financial Conditions Proposal | means a proposal substantially in the form set out in Part II (<i>Form of Financial Conditions Proposal</i>) Schedule 4 (<i>Form for the Availability of a Credit</i>) of the Framework Agreement. |
| Financial Indebtedness | means any financial indebtedness in relation to: <ul style="list-style-type: none"> (a) any amount borrowed at short, medium or long term; (b) any amount raised pursuant to the issue of bonds, notes, commercial paper or any other similar instrument; (c) any amount raised under any other transaction (including any forward sale or purchase agreement, operations on promissory notes or receivables, factoring) having the commercial effect of a borrowing; (d) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or |

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| | <p>close-out of that derivative transaction, that amount) shall be taken into account) ; or</p> <p>(e) the amount of any liability in respect of any guarantee, indemnity or other commitment.</p> |
| Financial Sanctions List | <p>means the list(s) of persons, groups or entities which are subject to financial sanctions by the United Nations, the European Union and/or France.</p> <p>For information purposes only and for the convenience of the Borrower, who may rely on, the following references or website addresses:</p> <p>For the lists maintained by the United Nations, the following website may be consulted: https://www.un.org/securitycouncil/fr/content/un-sc-consolidated-list</p> <p>For the lists maintained by the European Union, the following website may be consulted: https://eeas.europa.eu/headquarters/headquarters-homepage/8442/consolidated-list-sanctions_en</p> <p>For the lists maintained by France, the following website may be consulted: https://www.tresor.economie.gouv.fr/services-aux-entreprises/sanctions-economiques/dispositif-national-de-gel-des-avoirs</p> |
| Finance Documents | means, the Framework Agreement and each Credit, the Credit Request, the Financial Conditions Proposal, the Credit Approval and any other document in relation thereto and defined as such by the Parties. |
| Financing Plan | means the financing plan of the Project Component set out in the schedule to the Credit Approval. |
| Fixed Reference Rate | means a percentage as set out in the Credit Approval. |
| Framework Agreement | means the framework agreement for an uncommitted credit facility entered into between the Borrower and AFD, including its recitals, Schedules and, if applicable, any amendments made in writing thereto. |
| Fraud | means any unfair practice (acts or omissions) deliberately intended to mislead others, to intentionally conceal elements there from, or to betray or vitiate his/her consent, to circumvent any legal or regulatory requirements and/or to violate internal rules and procedures of the Borrower or a third party in order to obtain an illegitimate benefit. |
| Fraud against the Financial Interests of the European Union | means any intentional act or omission intended to damage the European Union budget and involving (i) the use or presentation of false, inaccurate or incomplete statements or documents, which has as effect the misappropriation or wrongful retention of funds or any illegal reduction in resources of the general budget of the European Union; (ii) the non-disclosure of information with the same effect; and (iii) misappropriation of such funds for purposes other than those for which such funds were originally granted. |
| Grace Period | means the period from the Credit Approval Signing Date up to and including the date of the first repayment in principal of the Credit. This period is of 6 years for the Syunik Credit and the first WISE Credit. |
| Illicit Origin | <p>means funds obtained through:</p> <p>(a) the commission of any predicate offence as designated in the FATF 40 recommendations</p> |

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| | <p>Glossary under "<i>Designated categories of offences</i>" (http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF_Recommendations.pdf);</p> <p>(b) any Act of Corruption; or</p> <p>(c) any Fraud against the Financial Interests of the European Community, if or when applicable.</p> |
| Implementing Agency | means the person unit in charge of implementing the Project Component on behalf of the Borrower and duly appointed for such purpose, as set out in the Credit Request. |
| Index Rate | means the TEC 10 daily index, the ten-year constant maturity rate displayed on a daily basis on the relevant quotation page of the Reference Financial Institution or any other index which may replace the TEC 10 daily index. The Index Rate as at the Credit Approval signing is set out in the Credit Approval. |
| Insurance Policies | means the insurance policies that the Borrower is required to subscribe and maintain in connection with the implementation of the Project Component, in a form acceptable to the Lender. |
| Interest Period(s) | means each period from a Payment Date (exclusive) up to the next Payment Date (inclusive). For each Drawdown under the relevant Credit, the first interest period shall start on the Drawdown Date (exclusive) and end on the next successive Payment Date (inclusive). |
| Interest Rate | means the interest rate expressed as a percentage and determined in accordance with Clause 7.1 (<i>Interest Rate applicable to each Credit</i>) of the Framework Agreement. |
| Margin | <p>For the credit approval regarding the Syunik component of 30 000 000€ : means one point twenty percent (1,20 %) per annum.</p> <p>For the credit approval regarding the first tranche of the WISE component of 30 000 000€ : means one point twenty percent (1,20 %) per annum.</p> <p>For the credit approval regarding the second tranche of the WISE component: means the rate as set out in the Credit Approval.</p> |
| Market Disruption Event | <p>means the occurrence of one of the following events:</p> <p>(a) EURIBOR is not determined by the European Money Markets Institute (EMMI), or any successor administrator, at 11:00am Brussels time, two (2) Business Days before the first day of the relevant Interest Period or on the Rate Setting Date; or</p> <p>(b) before close of business of the European interbank market, two (2) Business Days prior to the first day of the relevant Interest Period or on the Rate Setting Date, the Borrower receives notification from the Lender that (i) the cost to the Lender of obtaining matching resources in the relevant interbank market would be in excess of EURIBOR for the relevant Interest Period; or (ii) it cannot or will not be able to obtain matching resources on the relevant interbank</p> |

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| | market in the ordinary course of business to fund the relevant Drawdown for the relevant time period. |
| Material Adverse Effect | means a material and adverse effect on: <ul style="list-style-type: none"> (a) the relevant Project Component, insofar as it would jeopardise its implementation and operation in accordance with the Finance Documents and/or the Project Documents; (b) the business, assets, financial condition of the Borrower or its ability to perform its obligations under the Finance Documents and the Project Documents; (c) the validity or enforceability of any Finance Document and any Project Documents; or (d) any right or remedy of the Lender under any Finance Document. |
| Misuse of AFD's Funds or Assets | means the non-compliant, inappropriate and/or abusive use of the resources, property or assets belonging to the Lender, made knowingly, recklessly or negligently. |
| Money Laundering | means: <ul style="list-style-type: none"> (i) the act of facilitating by any means, the false justification of the origin of the assets or proceeds of the perpetrator of a felony or a misdemeanour which brought him a direct or indirect benefit; or (ii) the act of assisting in investing, concealing or converting the direct or indirect proceeds of a felony or a misdemeanour |
| Non-Cooperative Practices | means: <ul style="list-style-type: none"> (i) the act of destroying, falsifying, altering, concealing or unreasonably withholding evidence or any other information, documents or records sought to be disclosed in connection with an investigation by the Lender of an allegation of Prohibited Practices to materially obstruct the investigation; or the act of making false statements to materially obstruct the investigation of an allegation of Prohibited Practices; or (ii) the act of threatening, harassing or intimidating any party in order to prevent it from disclosing information relating to an investigation conducted by the Lender, or the continuation of the investigation; or (iii) any acts carried out in order to materially obstruct the Lender in exercising its contractual rights to audit, inspect or access to information in the context of an investigation based on an allegation of Prohibited Practices. |
| Outstanding Principal | means, in respect of any Drawdown, the outstanding principal amount due by the Borrower in respect of such Drawdown. |
| Payment Dates | means payment dates specified in Schedule 4(Form for the availability of a credit) |
| Payment Systems Disruption Event | means either or both of: |

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| | <p>(a) a material disruption to the payment or communication systems or to the financial markets which are, in each case, required to operate in order for payments to be made in connection with the Credit (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out), provided that the disruption is not caused by, and is beyond the control of, any of the Parties; or</p> <p>(b) the occurrence of any other event which results in a disruption (of a technical or system-related nature) to the treasury or payment operations of a Party preventing that, or any other Party:</p> <ul style="list-style-type: none"> (i) from performing its payment obligations under the Finance Documents; or (ii) from communicating with the other Parties in accordance with the terms of the Finance Documents, <p>and which (in either case) is not caused by, and is beyond the control of, either Party.</p> |
| Prepayment Indemnity | <p>means the indemnity calculated by applying the following percentage to the amount of the Credit or the Credits which is repaid in advance:</p> <ul style="list-style-type: none"> (i) if the repayment occurs between the Signing Date and the 6th anniversary (exclusive) of the Signing Date: three per cent (3%); (ii) if the repayment occurs between the 6th anniversary (inclusive) and the 10th anniversary (exclusive) of the Signing Date: two point five per cent (2.5%); (iii) if the repayment occurs between the 10th anniversary (inclusive) and the 15th anniversary (exclusive) of the Signing Date: two per cent (2%); (iv) if the repayment occurs between the 5th anniversary (inclusive) and the 18^h anniversary (exclusive) of the Signing Date: one point five per cent (1.5%); (v) if the repayment occurs after the 18th anniversary (inclusive): one per cent per cent (1%). |

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| Procurement Guidelines | means the contractual provisions contained in the document entitled "Procurement Guidelines for AFD-Financed Contracts in Foreign Countries" in effect on the Signing Date, which is available on the Lender's Website. |
| Prohibited Practice(s) | means Anti-Competitive Practices, Acts of Corruption, Fraud, Fraud against the Financial Interests of the European Union, Non-Cooperative Practices, Misuse of AFD's Funds or Assets, as well as any breach of any applicable anti-Money Laundering and counter-Terrorist Financing laws. |
| Project | has the meaning given to that term in the recitals of the Framework Agreement. |
| Project Authorisations | means the Authorisations necessary in order for (i) the Borrower to implement the Project Component and execute all Project Documents to which it is a party, and to exercise its rights and perform its obligations under the Project Documents to which it is a party; and (ii) the Project Documents to which the Borrower is a party, to be admissible as evidence before courts in the jurisdiction of the Borrower or before a competent arbitral tribunal. |
| Project Component | means any part or Component of the Project, financed or to be financed by a Credit for the financing of which the Borrower requests that the Lender makes it a Credit available and as described in the schedule to the applicable Credit Approval. |
| Project Documents | means all documents, and in particular agreements (including the Project Operational Manual), delivered or executed by the Borrower in relation to the implementation of the relevant Project Component, as defined in the Co-Financier Loan Agreement and or listed in the Credit Request. |
| Project Component Account | has the meaning given to that term in Clause 6.4.1 (<i>Opening of each Project Component Account</i>) of the Framework Agreement. |
| Project Operational Manual | means the manual in form and substance satisfactory to the Co-Financier and AFD containing detailed guidelines and procedures for the implementation of the Project. |

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| Provider(s) | means a natural or legal person that has signed a contract with the Borrower or the Implementing Agency, which may include a supplier, a works company or a contractor, a consultant or a service provider. |
| Provider's Guarantee(s) | means any guarantee provided to the Borrower directly or indirectly by any of its Providers in charge of the performance of contracts entered into for the purposes of implementing the Project or any part thereof, such as, for example, a performance security or an advance payment security. |
| Public Official | means any holder of legislative, executive, administrative or judicial office whether appointed or elected, serving on permanent basis or otherwise, paid or unpaid, regardless of rank, or any other person defined as a public official under the domestic law of the Borrower's jurisdiction, and any other person exercising a public function, including for a public agency or organisation, or providing a public service. |
| Rate Conversion | means the conversion of the floating rate applicable to all or part of the Credit into a fixed rate pursuant to Clause 7.1 (<i>Interest Rate applicable to each Credit</i>) of the Framework Agreement. |
| Rate Conversion Request | means a request substantially in the form attached as Part III (<i>Form of rate conversion request</i>) of the Schedule 5 (<i>Forms for the Drawdowns under a credit</i>) of the Framework Agreement. |
| Rate Setting Date | means, for each fixed rate Drawdown or Rate Conversion, the Tuesday or Thursday (or, if that date is not a Business Day, the immediately following Business Day) following the date of receipt by the Lender of the Drawdown Request or Rate Conversion Request, provided that this request is received by the Lender at least two (2) full Business Days prior to said Tuesday or Thursday. |
| Ratification | Means the law of the Republic of Armenia adopted by the National Assembly (Parliament) of the Republic of Armenia on ratification of the Framework Agreement as binding for the Republic of Armenia. |
| Reference Financial Institution | means a financial institution chosen as a suitable reference financial institution by the Lender and which regularly publishes quotations of financial instruments on one of the international financial information networks according to the practices recognised by the banking industry. |
| Restructuring | means any debt restructuring, and more generally any debt treatment operation, initiated by and/or organised, adopted within a formal or informal framework such as the Paris Club. |
| Schedule(s) | means any schedule or schedules to the Framework Agreement, as the case may be. |
| Signing Date | means the date of execution of the Framework Agreement by all the Parties. |
| Signing Rate Setting Date | means the date set out in the Credit Approval. |
| Syunik Component | means the Syunik component of the Program, as described in Schedule 1 (<i>Program Description</i>) of the Framework Agreement. |

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| Syunik Credit | means a Credit the purpose of which is to finance the Syunik Component, as set out in the relevant Credit Request and Credit Approval. |
| Syunik Steering Committee | means the steering committee established both for the management of the Syunik Component and for the management of the grant from European Union that will be responsible for high-level strategic decision-making, facilitating inter-agency cooperation and coordination, and overseeing and monitoring the overall progress of the Syunik Component as well as the technical support programme for both the WISE and the Syunik Components. |
| Syunik Territorial Development Committee | means a committee composed of representatives of all stakeholders from the territories affected by the Syunik Component. It will serve as regional consultation framework, under the mandate of the Governorate, without a legal structure, and is intended to be sustained beyond the end of the Project. |
| Tax(es) | means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with a failure to pay or any delay in the payment of any such amounts). |
| Technical Completion Date | means the date for the technical completion of the Project Component as set out in the Credit Request. |
| Termination Date | has the meaning given to that term in Clause 3 (<i>Duration of the Framework Agreement</i>). |
| Terrorist Financing | means providing or collecting, directly or indirectly, funds or managing funds with the intention that they should be used, or in the knowledge that they are to be used, for the purpose of committing an Act of Terrorism. |
| Visibility and Communication Guide | Means all contractual provisions binding on the Borrower relating to the communication and visibility of projects financed by AFD and contained in the document entitled " Visibility guide for projects supported by AFD - Level 1 " or " Communication guide for projects supported by AFD - Level 2 " as the case may be, a copy of which has been given to the Borrower before the Signing Date. |
| Website | means the website of AFD (http://www.afd.fr/) or any other such replacement website. |
| WISE Component | means the WISE component of the Program, as described in Schedule 1 (<i>Program Description</i>) of the Framework Agreement. |
| WISE Credit | means a Credit the purpose of which is to finance the WISE Component, as set out in the relevant Credit Request and Credit Approval. |
| WISE Steering Committee | means the steering committee established for the implementation of the WISE Component which shall : (a) be chaired by the Borrower's Deputy Prime Minister, (b) include representative of the Ministry of Finance, Ministry of Territorial Administration and Infrastructure, Water Committee, Ministry of Economy, Ministry of Environment, and other relevant line ministries, government agencies, and local and regional bodies, as needed; and (c) be responsible for high-level strategic decision-making, facilitating inter-agency cooperation and |

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| | coordination, and overseeing and monitoring the overall progress of the WISE Component. |
| Withdrawal Application | means a disbursement request in the form defined in the Co-financier Loan Agreement. |
| Withholding Tax | means any deduction or retention in respect of a Tax on any payment made under or in connection with the Finance Documents. |

PART II – INTERPRETATION

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) any reference to the “**Borrower**”, a “**Party**”, “**AFD**” or a “**Lender**” includes its successors in title, permitted assigns and permitted transferees;
- (c) any reference to a Finance Document or other document or security is a reference to such Finance Document or to such other document or security as amended, restated or supplemented and includes, if applicable, any document which replaces it through novation, in accordance with the Finance Documents;
- (d) a “**guarantee**” includes any *cautionnement*, *aval* and any *garantie* which is independent from the debt to which it relates;
- (e) “**indebtedness**” means any obligation of any person whatsoever (whether incurred as principal or as surety) for the payment or repayment of money, whether present, future, actual or contingent;
- (f) a “**person**” includes any person, company, corporation, partnership, trust, government, state or state agency or any association, or group of two or more of the foregoing (whether or not having separate legal personality);
- (g) a “**regulation**” includes any legislation, regulation, rule, decree, official directive, instruction, request, advice, recommendation, decision or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, supervisory authority, regulatory authority, independent administrative authority, agency, department or any division of any other authority or organisation (including any regulation issued by an industrial or commercial public entity) having an effect on any of the Finance Documents or on the rights and obligations of a Party;
- (h) a “provision of law” is a reference to that provision as amended;
- (i) unless otherwise provided, a time of day is a reference to Paris time;
- (j) the Section, Clause and Schedule headings are for ease of reference only and do not affect the interpretation of a Finance Document;
- (k) unless otherwise provided, words and expressions used in any other document relating to the Framework Agreement or in any notice given in connection with the Framework Agreement have the same meaning in that document or notice as in the Framework Agreement;
- (l) an Event of Default is “continuing” if it has not been remedied or if the Lender has not waived any of its rights relating thereto; and
- (m) words importing the plural shall include the singular and vice-versa.

SCHEDULE 3 – CONDITIONS PRECEDENT

The following applies to all documents delivered by the Borrower as a condition precedent:

- (a) if the document which is delivered is not an original but a photocopy, the original Certified copy shall be delivered to the Lender;
- (b) supporting documents, such as memoranda or receipted invoices, may be provided in the form of copies or duplicates certified as true copies by the Lender or the Implementing Agency and must include the references and dates of the payment orders;
- (c) the final version of a document which draft was previously sent to, and agreed upon by the Lender, shall not materially differ from the agreed draft;
- (d) documents not previously sent and agreed upon, shall be in form and substance satisfactory to the Lender.

A – CONDITIONS PRECEDENT TO THE SIGNING AND DRAWDOWNS

PART I – CONDITIONS PRECEDENT TO THE SIGNING OF THE FRAMEWORK AGREEMENT

- (a) Delivery by the Borrower to the Lender of the following documents:
 - (i) A Certified Copy of the relevant decision(s) in compliance with the legislation of the jurisdiction of the Borrower:
 - approving the terms and conditions of the Framework Agreement;
 - approving the execution of the Framework Agreement and all other documents in relation to the Framework Agreement such as in particular the Credit Approvals;
 - authorising the Borrower to enter into the Framework Agreement and all other necessary documents in relation to the Framework Agreement, and to borrow any amount under the Credits that AFD may accept to make available to the Borrower in accordance with the Framework Agreement; and
 - authorising a specified person or persons to execute the Framework Agreement on its behalf.
 - (ii) A Certified copy of a power of attorney to specified persons to execute the Framework Agreement on behalf of the Borrower, along with a certified translation thereof
 - (iii) A certificate issued by a duly authorised representative of the Borrower listing the person(s) authorised to sign, on behalf of the Borrower, the Credit Requests, the Notices of Financial Conditions, the Credit Approvals and any certificate in connection with the Framework Agreement or to take all other measures and/or sign all other necessary documents (such as, as the case may be, the Drawdown Requests) on behalf of the Borrower under the Finance Documents.
 - (iv) A specimen of the signature of each person referred to under paragraphs (i) to (iii) above.
 - (v) A finalized draft of a legal opinion drafted by the Lender's legal counsel that will be satisfactory in form and substance to the AFD, certifying (i) the legal capacity of the Borrower to sign the Framework Agreement and the Credit Approval and the execution of the related obligations, (ii) the applicability of the French law for the Framework

Agreement and the Credit Approval and (iii) the enforceability of an arbitral award given by an arbitral court under a dispute arising during the execution of the Framework Agreement or the Credit Approval (the “**Legal Opinion**”).

- (b) Award by the European Union and the AFD of the grant related to the program from European delegated funds.

PART II – CONDITIONS PRECEDENT TO THE SIGNING OF THE APPROVALS OF EACH CREDIT

Delivery by the Borrower to the Lender of the following documents:

- (i) A Certified copy of the required decisions in application of the legislation of the country of the Borrower authorising the Borrower to borrow any amount under a Credit that the AFD may grant in accordance with the provisions of the Framework Agreement, or alternatively a certificate issued by a duly authorised representative of the Borrower explicitly confirming that no decisions are required under the legislation of the country of the Borrower for this purpose;
- (ii) A draft of the Legal Opinion substantially in the form of the draft given pursuant to (v) of the Part I of this Schedule 3 (*Conditions Precedent*) in the event amendments to this draft would be required;
- (iii) Evidence that the Credit will not breach any borrowing limit, or any other similar limit binding on the Borrower.
- (iv) Updated versions of documents mentioned in Part I (a) (i) to (iv) of this Schedule if any of the authorized signatories have changed since the signing of the Framework Agreement.
- (v) A certificate issued by a duly authorised representative of the Borrower confirming that all conditions set forth by the legislation of the country of the Borrower necessary to borrow the corresponding amount of Credit that the AFD may grant in accordance with the provisions of the Framework Agreement are met, and confirming which government organ and official are authorized to sign documents mentioned the Part I (a) (iii) in accordance with the legislation of the country of the Borrower as then in effect.

PART III – CONDITIONS PRECEDENT TO THE FIRST DRAWDOWN UNDER A CREDIT

- (a) First Drawdown under the Syunik Credit

1. Delivery by the Borrower to the Lender of the following documents:

- (i) Evidence of any filing or registration, deposit, ratification or publication requirements of the Finance Documents and payment of any stamp duty, registration fees or similar duties in connection with the Finance Documents, as applicable.
- (ii) The written notice from the Ministry of Foreign Affairs confirming the completion of all internal procedures of the Republic of Armenia necessary for the entry into force of the Framework Agreement;

- (iii) The following Project Document :

– The Program operational and financial manual

and for the listed Project Document:

- a Certified copy of the Project Document duly signed by each party thereto;
 - evidence that all formalities required under the Project Document for the entry into, performance and enforceability against third parties of such Project Document have been satisfied; and
 - evidence that any Authorisation which the Lender considers necessary or desirable for the entry into and performance of, and the transactions contemplated by, any Project Document, has been duly obtained and delivery of a Certified copy of any such Authorisation.
- (iv) A Procurement Plan, as defined in the Procurement Guidelines, having prior received the Lender's no-objection.
 - (v) A Certified copy of the mandate granted by the Borrower to the Implementing Agency having received the Lender's no-objection, duly executed by the Borrower and the Implementing Agency and, where applicable, accompanied by evidence that the all formalities required for the entry into, performance and enforceability against third parties of such have been satisfied.
 - (vi) A certificate of the Account Bank certifying that the corresponding Project Component Account has been opened in the name of the Project Component and providing account details for such Project Component Account.
 - (vii) A provisional forecast of expenditure for the duration of the Project Component.
2. Delivery to the Lender of the duly executed Legal Opinion satisfactory to the Lender in the form of the draft given pursuant to (v) of Part I or (ii) of Part II, as applicable, by the legal advisers of the Lender in the jurisdiction of the Borrower.
 3. Delivery to the Lender of a duly executed legal opinion, in form and substance satisfactory to the Lender, by the Ministry of Justice of the Republic of Armenia, confirming in particular (i) the capacity of the Borrower to execute and enter into the Framework Agreement and the relevant Credit Approval, (ii) that the Framework Agreement and the relevant Credit Approval are valid and binding upon the Borrower, (iii) the applicability of French law for the Framework Agreement and the relevant Credit Approval ; and the enforceability of arbitral awards issued in connection with a dispute arising under the Financing Documents, and (iv) the completion of all internal procedures of the Republic of Armenia necessary to the entry into force of the Framework Agreement and the relevant Credit Approval.
 4. Payment by the Borrower to the Lender of all fees and expenses due and payable under the Finance Documents.
 5. Evidence of the appointment of the Syunik Territorial Development Committee
 6. Evidence of the appointment of the Syunik Steering Committee.
 7. Satisfactory taking into account of the issue of cross-border cooperation on river water in the light of the international standards in force (concept note having received AFD's No Objection)

(b) First Drawdown under the WISE Credit

1. Delivery by the Borrower to the Lender of the following documents:

- (i) Evidence of any filing or registration, deposit, ratification or publication requirements of the Finance Documents and payment of any stamp duty, registration fees or similar duties in connection with the Finance Documents, as applicable.
- (ii) The written notice from the Ministry of Foreign Affairs confirming the completion of all internal procedures of the Republic of Armenia necessary for the entry into force of the Framework Agreement.
- (iii) Signature of the Co-Financing Agreement between AFD and the World Bank.
- (iv) A Procurement Plan, as defined in the Procurement Guidelines, having prior received the Lender's no-objection.
- (v) Documents evidencing that the competent organs of the Co-Financiers have agreed to extend their financing in the manner specified in the Financing Plan and that the conditions precedent to the first disbursement in respect of such financing have been fulfilled.
- (vi) A Certified copy of the mandate granted by the Borrower to the Implementing Agency having received the Lender's no-objection, duly executed by the Borrower and the Implementing Agency and, where applicable, accompanied by evidence that the all formalities required for the entry into, performance and enforceability against third parties of such have been satisfied.
- (vii) A certificate of the Account Bank certifying that the corresponding Project Component Account has been opened in the name of the Project Component and providing account details for such Project Component Account.
- (viii) A provisional forecast of expenditure for the duration of the Project Component.

2. Delivery to the Lender of the duly executed Legal Opinion, satisfactory to the Lender, in the form of the draft given pursuant to (vi) of Part I or (ii) of Part II, as applicable, by the legal advisers of the Lender in the jurisdiction of the Borrower.

3. Delivery to the Lender of a duly executed legal opinion, in form and substance satisfactory to the Lender, by the Ministry of Justice of the Republic of Armenia, confirming in particular (i) the capacity of the Borrower to execute and enter into the Framework Agreement and the relevant Credit Approval, (ii) that the Framework Agreement and the relevant Credit Approval are valid and binding upon the Borrower, and (iii) the completion of all internal procedures of the Republic of Armenia necessary to the entry into force of the Framework Agreement and the relevant Credit Approval.

4. Payment by the Borrower to the Lender of all fees and expenses due and payable under the Finance Documents.

5. Notification, by the World Bank of the achievement of the conditions precedent to disbursement under the financing agreement signed between the World Bank and the Borrower.

6. AFD's No Objection relating to the proposed dedicated team for the follow-up of the project implementation.

7. Evidence of the appointment of the WISE Steering Committee

8. Satisfactory taking into account of the issue of cross-border cooperation on river water in the light of the international standards in force (concept note having received AFD's No Objection).

B – CONDITIONS PRECEDENT TO ALL DRAWDOWNS UNDER A CREDIT OTHER THAN THE FIRST DRAWDOWN

Delivery by the Borrower to the Lender of the following documents:

- (ix) a certificate signed by a duly authorised representative of the Borrower certifying that at least eighty per cent. (80%) of the Advance immediately preceding the Advance requested in the Drawdown Request and one hundred per cent. (100%) of the penultimate Advance have been utilised, including a detailed breakdown of the payment with respect to Eligible Expenses of the Project Component during the relevant period;
- (x) all contracts and order forms together with any plans and quotes (if applicable) previously provided to the Lender in accordance with, and as defined in, the Procurement Guidelines, in connection with the utilisation of the amounts of the Advance made available prior to the Drawdown Request;
- (xi) evidence, in form and substance satisfactory to the Lender, that all relevant Eligible Expenses of the Project Component have been paid.
- (xii) the provisional forecast of expenses for the duration of the Project Component, updated on the relevant Drawdown Date;
- (xiii) a revised estimate of the Project Component costs as well as the Eligible Expenses of the Project Component;
- (xiv) the latest annual audit report prepared in accordance with Clause 6.4.8 (*Control – Audit*) of the Framework Agreement.

SCHEDULE 4 – FORM FOR THE AVAILABILITY OF A CREDIT

PART I – Form of Credit Request

(On the Borrower's letterhead)

From: *Borrower* (the “**Borrower**”)

To: Agence Française de Développement (the “**Lender**”)

On: *[date]*

Subject: Credit Request

Name of the Borrower – framework agreement n°[●]

We refer to the framework agreement n°[●] entered into between the Borrower and the Lender on [●] (the “**Framework Agreement**”). Capitalised words and expressions used but not defined herein have the meaning given to them in the Framework Agreement.

We request that Lender makes a Credit available to us on the following terms:

Amount of the Credit: *[insérer montant en lettres]* ([●])

Project Component subject of the Credit: *[WISE Component / Syunik Component]*

[Implementing Agency: [●]]²

Technical Completion Date: [●]

[Co-Financier(s): [●] for an amount (known or contemplated) of *[insérer montant en lettres]* ([●])] ³

[Co-Financing(s): [●]]⁴

Project Documents: [●]

This Credit Request is irrevocable.

On the date hereof, the Borrower represents that the provisions given pursuant to Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) [save for the representation given pursuant to Clause 13.14 (*Licit Origin of the funds*)] are accurate.

We attach to this Credit Request the following documents specified in Clause 5 (*Conditions precedent*) the Framework Agreement:

[Liste des documents]

Yours sincerely,

.....
Authorised signatory of *the Borrower*

² A supprimer si pas de Maître d'Ouvrage Délégué et garder la référence à Bénéficiaire Final.

³ A supprimer si pas de Co-Financiers.

⁴ A supprimer si pas de Co-Financement.

PART II – Form of Financial Conditions Proposal

(On AFD letterhead)

From: Agence Française de Développement (the “**Lender**”)

To: *Borrower* (the “**Borrower**”)

On: *[date]*

Subject: Financial Conditions Proposal

Name of the Borrower – framework agreement n°[●]

We refer to the framework agreement n°[●] entered into between the Borrower and the Lender on [●] (the “**Framework Agreement**”). Capitalised words and expressions used but not defined herein have the meaning given to them in the Framework Agreement.

Under a Credit Request dated [●], the Borrower has requested that the Lender makes available to it a Credit in an amount of *[insérer montant en lettres]* Euros (*[insérer le montant en chiffres]* EUR), subject to the conditions set out in the Framework Agreement.

In accordance with Clause 4 (*Availability of a Credit*) of the Framework Agreement, provided that this shall in no case be considered as a commitment from AFD to grant the Credit requested under the Credit Request, if AFD accepted to make the Credit available to the Borrower, the financial terms of such Credit would be as follows:

- Amount : *[insérer montant en lettres]* Euros (*[insérer le montant en chiffres]* EUR)
- 6 months EURIBOR plus Margin: *[insérer pourcentage en lettres]* ([●]%) per annum]
- *[indicative Fixed Interest Rate]*⁵ : *[insérer pourcentage en lettres]* ([●]%) per annum.

[In addition, if AFD accepted to make the Credit available to the Borrower, the Framework Agreement applicable to the Credit would be amended as follows:

*(indiquer la référence de l'article et la modification proposée).]*⁶

Yours sincerely,

.....
Authorised signatory of *Agence Française de Développement*

⁵ Ce taux fixe indicatif est donné à la date de cette notification à titre d'information pour l'Emprunteur. Ce taux sera amené à varier à la hausse comme à la baisse et ne pourra être fixé pour un Crédit qu'à la date de l'Accord d'Octroi de Crédit.

⁶ A supprimer si l'AFD ne souhaite pas modifier de clause des Conditions Générales.

We hereby accept the terms and conditions of this Financial Conditions Proposal.

.....
Authorised signatory of *the Borrower*
Date: [●]

PART III – Form of Credit Approval

(On AFD letterhead)

From: Agence Française de Développement (the “**Lender**”)

To: [Borrower] (the “**Borrower**”)

On: [date]

Subject: Credit Approval

Name of the Borrower – framework agreement n°[●]

We refer to the framework agreement n°[●] entered into between the Borrower and the Lender on [●] (the “**Framework Agreement**”). Capitalised words and expressions used but not defined herein have the meaning given to them in the Framework Agreement.

1. Whereas

We understand that the Borrower intends to implement the [WISE Component / Syunik Component] as further described in the schedule to this Credit Approval.

Under a Credit Request dated [●], the Borrower has requested that the Lender makes available to it a Credit for the purposes of the financing [in full/in part] ⁷ of the above mentioned Project Component in accordance with the Framework Agreement.

In accordance with Clause 4 (*Availability of a Credit*) of the Framework Agreement, on [●], the Lender has delivered to the Borrower a Financial Conditions Proposal, which has been accepted by the Borrower on [●].

2. Credit

Subject to the acceptance by the Borrower of the terms and conditions of this Credit Approval and as from the date of such acceptance by the Borrower, the Lender, pursuant to a resolution n° [●insérer le numéro de la résolution] of the [●insérer l’instance de décision de l’AFD] dated [●insérer la date de la résolution], makes a Credit available to the Borrower in a total maximum amount in principal of [insérer montant en lettres] Euros (EUR [insérer le montant en chiffre]), subject to the provisions of the Finance Documents.

3. Availability of the Credit and repayment

The Deadline for the First Drawdown applicable to the Credit is [●]⁸

The Deadline for Drawdown of Funds applicable to the Credit is [●]⁹.

The deadline for use of funds referred to under Clause 6.4.7 (*Deadline for use of funds*) of the Framework Agreement is [●]¹⁰.

⁷ Choisir l’option adaptée à la Composante du Projet.

⁸ Insérer la date d’expiration d’une période de quatorze (14) mois commençant à courir à la date de décision d’octroi du Crédit.

⁹ La Date Limite de Versement des fonds doit être antérieure d’au moins (i) 3 mois à la date de la première échéance pour les échéances de remboursement en capital constant ou (ii) d’une durée correspondant à la Période d’Intérêts pour les échéances à principal plus intérêts constants.

¹⁰ Cette date doit correspondre à la date de Versement de la dernière Avance plus six (6) mois. Il est possible d’aménager ce délai, au cas par cas, en fonction des projets.

For fixed rate Drawdowns, each Drawdown shall be of a minimum amount of three million Euros (EUR 3 000 000) or an amount equal to the Available Credit if such amount is less than three million Euros (EUR 3 000 000).

For floating interest rate Drawdowns, each Drawdown shall be of a minimum amount of one-hundred thousand Euros (EUR 100 000) or an amount equal to the Available Credit if such amount is less than one-hundred thousand Euros (EUR 100 000).

The amount of the initial Advance referred to under Clause 6.4.2 (*Initial Advance*) of the Framework Agreement will be [*insérer le montant en lettres*] Euros ([*insérer le montant en chiffres*] EUR).

The Grace Period terminates on [●].

In accordance with Clause 10 of the Framework Agreement, the Borrower shall repay the Lender the principal amount of the Facility in [●nombre d'échéances en lettres] ([●nombre d'échéances en chiffres]) equal semi-annual instalments, due and payable on each Payment Date.

The first instalment shall be due and payable on [●] and the last instalment shall be due and payable on [●].”

Payment Dates are [●] and [●] of each year.

4. Financial terms

The financial terms of the Credit are as follows:

- Amount : [*insérer montant en lettres*] Euros ([*insérer le montant en chiffres*] EUR)
- 6 months EURIBOR plus Margin: [*insérer pourcentage en lettres*] ([●]%) per annum¹¹
- Fixed Reference Rate¹² : [*insérer pourcentage en lettres*] ([●]%)
- Signing Rate Setting Date [*insérer la date*] ([●])
- Index Rate as at the Signing Rate Setting Date: [*insérer pourcentage en lettres*] ([●]%).

5. Effective Global Rate (*Taux Effectif Global*)

In order to comply with Articles L. 314-1 to L.314-5 and R.314-1 *et seq.* of the French Consumer Code and L. 313-4 of the French Monetary and Financial Code, the Lender informs the Borrower, which the Borrower recognizes and accepts, that the effective global rate (*taux effectif global*) applicable to the Credit may be evaluated at an annual rate of [*insérer le taux en lettres*]

¹¹ A supprimer si taux fixe uniquement.

¹² Pour information et à titre indicatif, le Taux Fixe de Référence est le taux fixe de marché équivalent à EURIBOR, ajusté de la Marge. Le Taux Fixe de Référence est ainsi déterminé par le Prêteur en prenant comme référence le taux d'un emprunt théorique, dont les caractéristiques sont les suivantes :

- son échéance finale est la date de la dernière échéance de remboursement en capital du Crédit,
- son différé d'amortissement est égal à la durée, arrondie au semestre le plus proche, qui sépare la Date de Fixation de Taux de la date de la première échéance de remboursement en capital du Crédit,
- sa périodicité d'amortissement est semestrielle.

Le taux d'équilibre appliqué à l'emprunt théorique sera le taux qui, appliqué à l'emprunt théorique décrit ci-dessus, permet que la valeur actuelle des flux futurs d'intérêts et de remboursements en capital soit égale au montant de cet emprunt. Dans ce calcul, l'actualisation se fait à partir des taux de la courbe zéro coupon du marché des swaps de taux en Euros, établie à la Date de Fixation de Taux précédant la Date de Signature de l'Accord d'Octroi de Crédit, sur la base des cotations de l'Etablissement Financier de Référence à partir de 11h00, heure de Paris. Le Taux Fixe de Référence correspond au taux d'équilibre ci-dessus mentionné, ajusté de la Marge.

per cent (*insérer le taux en chiffres %*) on the basis of a three hundred and sixty-five (365) day year, and an Interest Period of six (6) months¹³ at a period rate of [*insérer le taux semestriel en lettres*] per cent (*insérer le taux en chiffres %*), subject to the following:

- (a) the above rates are given for information purposes only.
- (b) the above rates are calculated on the basis that:
 - (i) drawdown of the Credit in full at fixed rate on the Signing Date;
 - (ii) the fixed rate for the duration of the facility should be equal to [●]per cent. ([●]%) per annum ;
- (c) the above rates take into account the fees and costs payable by the Borrower under this Credit Approval, assuming that such fees and costs will remain fixed and will apply until the repayment in full of the Credit.

6. Representations

On the Signing Date of the Credit Approval, the Borrower represents that the representations and warranties given pursuant to Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) are accurate.

7. [Amendment to the Framework Agreement under a Credit]¹⁴

[For the purpose of this Credit Approval, the following provisions of the Framework Agreement are amended as follows:]

8. Governing law, enforcement and election of domicile

(a) Governing Law

The Framework Agreement is governed by French law.

(b) Arbitration

Any dispute arising out of or in connection with the Credit Approval shall be referred to and finally settled by arbitration under the Rules of Conciliation and Arbitration of the International Chamber of Commerce applicable on the date of commencement of arbitration proceedings, by one or more arbitrators to be appointed in accordance with such Rules.

The seat of arbitration shall be Paris and the language of arbitration shall be English.

This arbitration clause shall remain in full force and effect if the Credit Approval is declared void or is terminated or cancelled and following expiry of the Credit Approval. The Parties' contractual obligations under the Credit Approval are not suspended if a Party initiates legal proceedings against the other Party.

The Parties expressly agree that, by signing the Credit Approval, the Borrower irrevocably waives all rights of immunity in respect of jurisdiction or performance on which it could otherwise rely.

(c) Election of domicile

¹³ A modifier si les échéances ne sont pas semi-annuelles.

¹⁴ A supprimer si pas de modification des Conditions Générales.

Without prejudice to any applicable law, for the purposes of serving judicial and extrajudicial documents in connection with any action or proceedings referred to above, the Borrower irrevocably elects domicile at the address set out in Clause 19.1 (*Communications in writing and addresses*) of the Framework Agreement for service of process, and AFD chooses the address “AFD SIEGE” set out in Clause 19.1 (*Communications in writing and addresses*) of the Framework Agreement for service of process.

Yours sincerely,

.....
Authorised signatory of *Agence Française de Développement*

We hereby accept the terms and conditions of this Credit Approval

.....
Authorised signatory of *the Borrower*

Date: [●]

Schedule to the Credit Approval

Description of the Project Component

- Logical Framework

Financing Plan

- Financing Plan
- Eligible Expenses of the Project Component
- Non-Eligible Expenses

SCHEDULE 5 – FORM FOR THE DRAWDOWNS UNDER A CREDIT

PART I – Form for a Drawdown Request

[on the Borrower's letterhead]

To: Agence Française de Développement
[insert the name of the AFD office set out in Clause 8.1 of the Framework Agreement] office
[insert the address of the AFD office set out in Clause 19.1 of the Framework Agreement]

Attention: AFD Director

From: *[name and address of the Borrower set out in Clause 8.1 of the Framework Agreement]*

On: *[date]*

Ref.: Drawdown Request

Borrower's Name – Framework Agreement n° [●]

Dear Sirs,

1. We refer to the framework agreement n° [●] entered into between the Borrower and the Lender dated [●] (the “**Framework Agreement**”) and the credit approval dated [●] (the “**Credit Approval**”). Capitalised words and expressions used but not defined herein have the meaning given to them in the Framework Agreement or the Credit Approval.
2. This letter is a Drawdown Request.
3. We irrevocably request that the Lender makes a Drawdown available on the following terms:

Amount: EUR [●] or, if less, the Available Credit.

Interest Rate: *[fixed / floating]*
4. The Interest Rate will be determined in accordance with the provisions of Clause 7 (*Interest applicable to each Credit*) and Clause 8 (*Change to the calculation of Interest*) of the Framework Agreement and Clause 4 (*Availability of a Credit*) of the Credit Approval. The Interest Rate applicable to the requested Drawdown will be provided to us in writing and we accept this Interest Rate [(subject to the paragraph below, if applicable)], including when the Interest Rate is determined by reference to a Replacement Benchmark plus any Adjustment Margin as notified by the Lender following the occurrence of a Screen Rate Replacement Event.

For fixed Interest Rate only: If the Interest Rate applicable to the requested Drawdown is greater than [● *insérer pourcentage en lettres*] ([●]%), we request that you cancel this Drawdown Request.
5. We confirm that each condition specified in Clause 5.5 (*Conditions Precedent*) of the Framework Agreement is satisfied on the date of this Drawdown Request and that no Event of Default is continuing or is likely to occur. We agree to notify the Lender immediately if any of the conditions referred to above is not satisfied on or before the Drawdown Date.
6. The proceeds of this Drawdown should be credited to the Project Component Account:

- (a) Name [of the Borrower/the Final Beneficiary/the Implementing Agency]: [●]
- (b) Address [of the Borrower/the Final Beneficiary/the Implementing Agency]: [●]
- (c) IBAN Account Number: [●]
- (d) SWIFT Number: [●]
- (e) Bank and bank's address: [●]
- (f) [if currency other than Euro] correspondent bank and account number of the Borrower's bank: [●]

7. This Drawdown Request is irrevocable.

8. We have attached to this Drawdown Request all relevant supporting documents specified in Schedule 3 (*Conditions Precedent*) to the Framework Agreement [*and in the Credit Approval*]¹⁵:

[List of supporting documents]

Yours sincerely,

.....

Authorised signatory of Borrower

¹⁵ A insérer le cas échéant si de nouvelles conditions suspensives aux versements sont prévues dans l'Accord d'Octroi de Crédit ou supprimer si pas applicable.

PART II – Form of Confirmation of Drawdown and Rate

[on Agence Française de Développement letterhead]

To: [name and address of the Borrower set out in Clause 19.1 of the Framework Agreement]

Attention: [name set out in Clause 19.1 of the Framework Agreement]

From: Agence Française de Développement

Date: [●]

Ref: Drawdown Request dated [●]

Borrower's Name – Framework Agreement n° [●]

Dear Sirs,

1. We refer to the framework agreement n° [●] entered into between the Borrower and the Lender dated [●] (the “**Framework Agreement**”) and the credit approval dated [●] (the “**Credit Approval**”). Capitalised words and expressions used but not defined herein have the meaning given to them in the Framework Agreement or the Credit Approval.
2. By a Drawdown Request Letter dated [●], the Borrower has requested that the Lender makes available a Drawdown in the amount of EUR [●], pursuant to the terms and conditions of the Framework Agreement and the Credit Approval.
3. The Drawdown which has been made available(g according to your Drawdown Request is as follows:

- Amount: [●*amount in words*] ([●])

[Option: floating Interest Rate:

- Applicable interest rate: equal to the aggregate of the six-month EURIBOR¹⁶ and the Margin¹⁷

[Option: fixed Interest Rate:

- Applicable interest rate: [●*percentage in words*] ([●]%)¹⁸

For information purposes only:

- Rate Setting Date: [●]
- Fixed Reference Rate: [●*percentage in words*] ([●]%) per annum
- Index Rate on the Signing Rate Setting Date: [●*percentage in words*] ([●]%)

¹⁶ If the six-month EURIBOR is not available on the date of confirmation of drawdown due to the occurrence of a Screen Rate Replacement Event, the Replacement Benchmark, the precise terms and conditions of replacement of such Screen Rate with a Replacement Benchmark and the related total effective rates will be communicated to the Borrower in a separate letter.

¹⁷ To be deleted in case of fixed Interest Rate.

¹⁸ Issu de la fixation du taux

- Index Rate on the Rate Setting Date: [●]
- Effective global rate (for a 6 month period): [●percentage in words] ([●]%)
- Effective global rate (per annum): [●percentage in words] ([●]%)

[It being specified that the above Interest Rate may vary in accordance with the provisions of clauses 7.1.1(a) (*Floating Interest Rate*) and 8.2 (*Replacement of Screen Rate*) of the Framework Agreement.]¹⁹

Yours sincerely,

.....

Authorised signatory of *Agence Française de Développement*

¹⁹ To be deleted in case of fixed Interest Rate.

PART III – Form of Rate Conversion Request

[on the Borrower's letterhead]

To: Agence Française de Développement
[insert the name of the AFD office set out in Clause 19.1 of the Framework Agreement] office
[insert the address of the AFD office set out in Clause 19.1 of the Framework Agreement]

Attention: AFD Director

From: *[name and address of the Borrower set out in Clause 19.1 of the Framework Agreement]*

On: *[date]*

Ref.: Rate Conversion Request

Borrower's Name – Framework Agreement n° [●]

Dear Sirs,

1. We refer to the framework agreement n° [●] entered into between the Borrower and the Lender dated [●] (the “**Framework Agreement**”) and the credit approval dated [●] (the “**Credit Approval**”). Capitalised words and expressions used but not defined herein have the meaning given to them in the Framework Agreement or the Credit Approval.
2. Pursuant to Clause 7.1.3 (*Conversion from a floating Interest Rate to a fixed Interest Rate*) of the Framework Agreement, we hereby request that you convert the floating Interest Rate of the following Drawdowns:

[list the relevant Drawdowns],

into a fixed Interest Rate in accordance with the terms of the Framework Agreement.
3. This rate conversion request will be deemed null and void if the applicable fixed Interest Rate exceeds *[insérer pourcentage en lettres]* [●%].

On the date hereof, we represent that the provisions given pursuant to Clause 13 (*Representations and warranties under the Framework Agreement and each Credit*) are accurate.

Yours sincerely,

.....

Authorised signatory of Borrower

PART IV – Form of Rate Conversion Confirmation

[on Agence Française de Développement letter head]

To: [name and address of the Borrower set out in Clause 19.1 of the Framework Agreement]

Attention: [name set out in Clause 19.1 of the Framework Agreement]

From: Agence Française de Développement

Date: [●]

Ref: Rate Conversion Request dated [●]

Borrower's Name – Framework Agreement n° [●]

Dear Sirs,

1. We refer to the framework agreement n° [●] entered into between the Borrower and the Lender dated [●] (the “**Framework Agreement**”) and the credit approval dated [●] (the “**Credit Approval**”). Capitalised words and expressions used but not defined herein have the meaning given to them in the Framework Agreement or the Credit Approval.
2. We refer also to your Rate Conversion Request dated [●]. We confirm that the fixed Interest Rate applicable to the Drawdown(s) referred to in your Rate Conversion Request delivered in accordance with Clause 7.1.3 (Conversion from a floating Interest Rate to a fixed Interest Rate) of the Framework Agreement is

[●]% per annum.
3. This fixed Interest Rate, calculated in accordance with Clause 7.1.1 (*Selection of Interest Rate*) of the Framework Agreement will apply to the Drawdown(s) referred in your Rate Conversion Request from [●] (effective date).
4. Further, we notify you that:

the effective global rate per annum of the Credit is [●]%; and

the [semi-annual *OR* quarterly] effective global rate of the Credit is [●]%.

Yours sincerely,

.....

Authorised representative of *Agence Française de Développement*

SCHEDULE 6 - INFORMATION THAT MAY BE PUBLISHED ON THE FRENCH GOVERNMENT WEBSITE AND THE LENDER'S WEBSITE

1. Information regarding the Project

- Number and name in AFD's book;
- Description;
- Operating sector ;
- Place of implementation ;
- Expected starting date ;
- Expected Technical Completion Date;
- Status of implementation updated on a semi-annual basis ;

2. Information regarding the financing of the Project

- Kind of financing (loan, grant, co-financing, delegated funds) ;
- Principal amount of the Credit ;
- Amount of the facility which has been drawn down (updated as the implementation of the Project goes) ;
- Designation of the Borrower

3. Other information

- Transaction information notice and/or sheet presenting the transaction attached to this Schedule;
- The report of the Project evaluation, the content of which is defined in Clause 14.12 (*Project Component evaluation*).



ARMENIA

Water and Agriculture Integrated Development for Armenia (WAIDA)



The program finances the rehabilitation of irrigation and drinking water infrastructure, the institutional strengthening of the sector, and the integrated development of the Syunik region in Armenia. It is supported by a €100 million loan (multi-tranche facility) and a €12 million EU grant.

CONTEXT

Armenia has renewable water resources, but they are unevenly distributed across time and space, and are increasingly vulnerable to climate change and growing demand pressures. Irrigated agriculture, which accounts for 80% of total production, is strategic for food sovereignty. One quarter of the population remains served by unreliable drinking water supply and sanitation networks. The irrigation sector suffers from complex governance, outdated infrastructure, and inadequate pricing.

Located in the south of Armenia, the Syunik marz is an economically important region. Characterized by a wide range of agro-climatic zones, it holds significant—yet underexploited—agricultural potential due to insufficient hydro-agricultural infrastructure. The development of irrigated agriculture in this area would serve as a lever to improve productivity and stimulate territorial development dynamics.

DESCRIPTION

The programme aims to: (i) improve, at the national level, the sustainability and efficiency of water management for irrigation, drinking water, and sanitation; (ii) support, through the revitalisation of irrigation, the inclusive and integrated development of the Syunik region and strengthen its resilience; (iii) promote the preservation of decent rural employment; and (iv) reinforce the country's food security and sovereignty.

The programme includes two main components:

- A first, national component (WISE – co-financed with the World Bank), dedicated to investments in irrigation and drinking water infrastructure (90%) and to institutional strengthening of the sector (10%);

- A second, local and pilot component, focused on the inclusive and integrated development of the Syunik region, including investments in the rehabilitation of irrigation systems, technical assistance, and grants to improve water management and to develop a resilient, sustainable, and inclusive agriculture.

COUNTRY ARMENIA



Agreement signature date
JJ/MM/AAAA



Sectors
Water and Agriculture



Location
Nation/Local (Syunik)

Maturity
8 year



Financing tool
Multi-Tranche Facility (sovereign loans)
EU Delegated Grant



Amount
EUR 100 m (loans)
EUR 12 m (grant)

Beneficiary
Republic of Armenia

Project Owner
Water Committee

Main sustainable development
objectives targeted



Project code : CAM 1029



RESULTS

The institutional strengthening of the irrigation sector, combined with investments in infrastructure and a more efficient use of water resources—both at the national level and in Syunik as a pilot—should lead to a significant increase in agricultural productivity and income. This lever is key to stimulating the local economy, enhancing the resilience of rural areas, and contributing to food security and sovereignty objectives.

The programme will also support climate change adaptation and the preservation of natural resources. It is therefore expected to generate impacts across the four dimensions of sustainable development: improved governance, revitalisation of a resilient rural economy, increased climate resilience, and contribution to biodiversity protection.

STAKEHOLDERS AND OPERATING PROCEDURES

The programme's beneficiary will be the Republic of Armenia, represented by its Ministry of Finance. The implementation of both components will be overseen by the Water Committee under the Ministry of Territorial Administration and Infrastructure. A Project Management Unit (PMU) will be mobilised to supervise the programme. For the management of the pilot Syunik component, a decentralised unit of the PMU will be established at the local level to ensure close supervision on the ground.

FINANCING PLAN

The total cost of the WAIDA programme is estimated at approximately €210 million, financed as follows:

- For the "investment" component of WISE: through a sovereign loan from AFD of up to €70 million in two tranches (€30 million for the first tranche, which is the subject of the present approval, and €40 million for the final tranche, whose approval is planned for 2027), and a loan from the World Bank of USD 80 million;
- For the "investment" component of Syunik: through a sovereign loan from AFD of up to €30 million in a single tranche, which is the subject of the present approval;
- For the technical assistance programme covering both components: through a delegated grant from the European Union amounting to €12 million.

AFD's sovereign loan financing, for a total maximum amount of €100 million, will be provided in the form of a Multi-Tranche Facility comprising three tranches.

**SCHEDULE 7 - NON-EXHAUSTIVE LIST OF ENVIRONMENTAL AND SOCIAL
DOCUMENTS WHICH THE BORROWER PERMITS TO BE DISCLOSED IN
CONNECTION WITH ES COMPLAINTS-MANAGEMENT MECHANISM'S RULES OF
PROCEDURE**

[to be completed by the project team leader and AES depending on the Project]

- E&S Scoping Report
- Environmental and Social Impact Assessment (ESIA)
- Environmental and Social Management Plan (ESMP)
- Environmental and Social Management Framework (ESMF)
- Resettlement Action Plan (RAP)
- Resettlement Policy Framework (RPF)
- Environmental and Social Engagement Plan (ESEP)
- Limited environmental and social assessment
- Limited environmental and social action plan
- Chapter from the environmental and social feasibility study
- Chapters from the environmental and social monitoring reports
- ESEP implementation monitoring reports

SCHEDULE 8 - BIODIVERSITY DATA SHARING

Nature of the data

The biodiversity data covered by the Biodiversity Data Sharing clause of this Agreement are the flora and fauna observation data collected as part of naturalist field inventories dedicated to the Project. These data may result from visual sightings, auditory observations, recordings or even specimen collections.

Each published item of data shall, at the least, include information pertaining to: the type of observation, the taxon's scientific name, the date and location of observation.

Unless the data may be deemed sensitive, observations shall be published using the same location accuracy as that collected in the field.

Data that may be deemed sensitive are, in particular, observations of native fauna and flora whose survival within the local population is threatened due to the intentional removal or destruction of specimens. The data provider shall deliberately downgrade the accuracy of location details for so-called sensitive species. The extent of the downgrading of location details shall be adapted to the species' sensitivity so as to prevent any risk of further pressure on the populations of those species concerned.

Procedures for data sharing

The Project's biodiversity data shall be published using the GBIF's framework www.gbif.org.

Information about the Project in relation with which the data was collected shall be provided in addition to the mandatory metadata required by the GBIF. A short description of the Project followed by the names of the contractors and funders, including the AFD, shall be included.

As to the conditions regarding data use, the data provider must opt for one of the two least restrictive rights levels, that is: the Public Domain (CC0) Licence or the Creative Commons Attribution (CC-BY) Licence.

In addition to this appendix, the Contractor and its co-contractors may rely on the Practical Recommendations Guide for the Publication of Biodiversity Data published by the AFD, which can be downloaded at: <https://www.afd.fr/en/ressources/data4nature-practical-recommendations-guide-publishing-primary-biodiversity-data>

SCHEDULE 9 - AFD's COVENANT OF INTEGRITY²⁰

Invitation of Bids/Proposals/Contract [Name] No. _____

To: _____

We declare and undertake that neither we nor anyone, including any member of our joint venture or any of our suppliers, contractors, sub-contractors, consultants, sub-consultants, where these exist, acting on our behalf with due authority or with our knowledge or consent, or facilitated by us, has engaged, or will engage, in any activity prohibited under AFD Group's Policy to prevent and combat Prohibited Practices²¹ in connection with the present procurement process and (in case of award) the execution of the above-referenced contract ("Contract"), including any amendments thereto.

We agree to preserve all accounts, records, and other documents (whether in hard copy or electronic format) related to the procurement and execution of the Contract.

We, any party acting on our behalf, the members of our joint venture, our sub-contractors, our direct or indirect shareholders, and our subsidiaries, authorize AFD to conduct investigations and, in particular, inspect the documents and accounting records relating to the procurement and performance of the Contract, including, but not limited to, our internal processes and rules related to the respect of international sanctions pronounced by the United Nations, the European Union and/or France and to have them verified by auditors appointed by AFD.

We declare that we have paid, or that we shall pay, the commissions, benefits, fees, gratuities or charges relating to the procurement procedure or the performance of the Contract to the following third party/parties (for example, an intermediary/agent)(*):

| Name of beneficiary | Contact details | Purpose | Amount (indicate the currency) |
|---------------------|-----------------|---------|--------------------------------|
| | | | |
| | | | |

(*): If no amount has been paid or is to be paid, indicate "None".

We acknowledge that AFD's participation in the financing of the Contract is subject to AFD Group's Policy to prevent and combat Prohibited Practices.

We acknowledge that AFD will not be able to participate in the financing of the Contract if we, including any party acting on our behalf,²² any member of our joint venture, any of our suppliers, contractors, subcontractors, consultants or sub-consultants, any of our direct or indirect shareholders, or any of our subsidiaries acting:

²⁰Drafting note: In case of competitive procurement processes, this document shall be annexed to the bid/proposal submission form. In case of non-competitive process, this document shall be annexed to the respective contract.

²¹ Available at <https://www.afd.fr/en>

²² Directors, (including any person who is a member of the administrative management or supervisory body, or with powers of representation, decision or control), employees, or agents (be them declared or not).

- are directly or indirectly subject to, controlled by a person or an entity subject to, or acting in the name or on behalf of a person or entity subject to individual sanctions measures adopted by the United Nations, the European Union and/or France²³.
- are directly or indirectly subject to, controlled by a person or an entity subject to, or acting in the name or on behalf of a person or entity subject to sectoral sanctions measures adopted by the United Nations, the European Union²⁴ and/or France.
- In connection with the execution of the Contract, acquire or supply goods that are subject to embargoes adopted by the United Nations, European Union and/or France.

We undertake to promptly inform the Contracting Authority, which shall inform AFD, of any change of circumstance regarding the sections above after we have signed the present Covenant.

Name: _____ In the capacity of: _____

Duly empowered to sign in the name and on behalf of²⁵: _____

Signature _____

Dated: _____

²³ For information purposes only, the following references or website addresses are provided:

For the list maintained by the United Nations, the European Union and France, the following website may be consulted:
<https://gels-avoirs.dgtresor.gouv.fr/List>

²⁴ For information only, UE sectorial sanctions are available at: <https://www.sanctionsmap.eu/#/main>

²⁵ In case of joint venture, the name of the joint venture shall be inserted here, and the person duly authorized to sign the application, bid or proposal on behalf of the applicant, proposer, bidder or consultant shall sign the Covenant.

SCHEDULE 10 – ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

| MATERIAL MEASURES AND ACTIONS | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
|--|--|---|----------------|--|
| <p>A</p> <p>REGULAR REPORTING</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will prepare and submit to the AFD regular monitoring reports on the Environmental, Social, Health and Safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, including follow-up of commitments made in various E&S documents as Environmental and Social Management Framework (ESMF), Stakeholder Engagement Plan (SEP), Resettlement Policy Framework (RPF) and implementation of E&S instruments required under the ESCP, stakeholder engagement activities, and functioning of the grievance mechanism.</p> | <p>Submit reports every six months to the AFD throughout Project implementation. Submit each report to the AFD no later than 15 days after the end of each reporting period.</p> | <p><i>Water Committee / Project Implementation Unit</i></p> | <p>Project</p> | <p>Semiannual reports of ESCP execution, approved by the World Bank (as far as WISE Component is concerned) and AFD (Syunik Component)</p> |
| <p>B</p> <p>INCIDENTS AND ACCIDENTS</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will promptly notify the AFD of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury.</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.</p> <p>Subsequently, at the AFD's request, the Water Committee of the Ministry of Territorial Administration and Infrastructure will prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.</p> | <p>Notify the AFD no later than 48 hours after learning of the incident or accident.</p> <p>Provide subsequent report to the AFD within 5 days to the AFD.</p> | <p><i>Water Committee / Project Implementation Unit</i></p> | <p>N/A</p> | <p>Written notification to AFD</p> <p>Reports deemed satisfactory by AFD including applied and planned measures, when requested</p> |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
|-------------------------------|---|--|--|----------------|---|
| C | <p>CONTRACTORS' MONTHLY REPORTS</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will require contractors and supervising firms to provide monthly monitoring reports on ESHS performance in accordance with the metrics specified in the respective bidding documents and contracts and submit such reports to the AFD.</p> | Submit the monthly reports to the AFD upon request and as annexes to the report to be submitted under action A above. | <i>Water Committee / Project Implementation Unit</i> | <i>Project</i> | <i>Reports deemed satisfactory by AFD</i> |
| | ESS N 1 - WB | | | | |
| 1.1 | <p>ORGANIZATIONAL STRUCTURE</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will establish an E&S unit within the Project Implementation Team, that is tasked with ESHS management with qualified staff and resources to support management of ESHS risks and impacts of the Project. This unit will include an international Environmental and Social specialist, a national environmental specialist and a national social specialist. The international E&S specialist and the national social specialist will have specific skills and experiences on gender challenges. They will have operational support and funding to operate as described in the ESMF. They will build the capacities of the project stakeholders on E&S topics.</p> | The E&S unit will be established at the start of the Project activities and before the implementation of any activities on the field. The unit will be maintained until the end of the project's activities. | <i>Water Committee</i> | <i>Project</i> | <i>PIU final structure</i> |
| 1.2 | <p>ENVIRONMENTAL AND SOCIAL INSTRUMENTS</p> <p>1. The Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement the Environmental and Social Management Framework (ESMF) and Resettlement Policy Framework (RPF) for</p> | Adopt the ESMF and RPF at the date of the signature of the financing agreement, and thereafter implement the E&S screening, ESIA, ESMP, RAP, GAP, SEP and biodiversity management plan throughout Project | <i>Water Committee / Project Implementation Unit / Contractors and supervising companies</i> | <i>Project</i> | <i>Reports deemed satisfactory by AFD</i> |

| MATERIAL MEASURES AND ACTIONS | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| <p>the Project, consistent with the relevant ESSs and prepared by the AFD as part of the preparation phase of the project. The Water Committee of the Ministry of Territorial Administration and Infrastructure will ensure that the activities described in the exclusion list set out in the ESMF shall be ineligible to receive financing under the Project. The Water Committee of the Ministry of Territorial Administration and Infrastructure will also adopt for the E&S screening methodology presented in annex 1 of the ESMF for analyze and categorize subprojects of the program.</p> <p>2. As a consequence of the adoption of the ESMF and use of the E&S screening, the Water Committee of the Ministry of Territorial Administration and Infrastructure will conduct, when relevant, an Environmental and Social Impact Assessment (ESIA), and adopt and implement corresponding Environmental and Social Management Plan (ESMP) for the Project, consistent with the relevant ESSs.</p> <p>3. The Water Committee of the Ministry of Territorial Administration and Infrastructure will prepare, in case of needs, resettlement action plans and will ensure that individuals affected by land acquisition or displacement (included economic) are properly compensated and their livelihoods are restored or improve.</p> <p>4. The Water Committee of the Ministry of Territorial Administration and Infrastructure will prepare, adopt and implement a gender action plan for the project, as well as a</p> | <p>implementation and whenever relevant.</p> <p>Before launching the works for each selected irrigation scheme</p> <p>Before launching the works for each selected irrigation scheme</p> <p>Within one year of the signature of the financing agreement</p> <p>Within one year of the signature of the financing agreement</p> | | | |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| | <p>stakeholder engagement plan.</p> <p>5. The Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement a biodiversity management plan.</p> | | | | |
| 1.3 | <p>MANAGEMENT OF CONTRACTORS</p> <p>The Project Implementation Unit will incorporate the relevant aspects of the ESCP, including, inter alia, the relevant E&S instruments, the Labor Management Procedures, and code of conduct, into the ESHS specifications of the procurement documents and contracts with contractors and supervising firms. The Project Implementation Unit will ensure that the contractors and supervising firms comply and cause subcontractors to comply with the ESHS specifications of their respective contracts.</p> <p>The Project Implementation Unit will require the contractors the preparation of a contractor ESMP that will be reviewed and validated by the PIU.</p> | <p>As part of the preparation of procurement documents and respective contracts.</p> <p>Supervise contractors throughout Project implementation.</p> | <p><i>Water Committee / Project Implementation Unit</i></p> | <p><i>Project</i></p> | <p><i>Procurement documents deemed satisfactory by AFD</i></p> |
| 1.4 | <p>TECHNICAL ASSISTANCE</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will ensure that the consultancies, studies (including detailed design studies), capacity building, training, and any other technical assistance activities under the Project, including the biodiversity baseline and monitoring are carried out in accordance with terms of reference acceptable to the AFD, that are consistent with the ESSs. Thereafter the Water Committee of the Ministry of Territorial Administration and Infrastructure will ensure that the outputs of such activities comply with the terms of reference.</p> | <p>Throughout Project implementation.</p> | <p><i>Water Committee / Project Implementation Unit</i></p> | <p><i>Project</i></p> | <p><i>TORs deemed satisfactory by AFD</i></p> |
| 1.5 | <p>PERMIT, CONSENTS AND AUTHORIZATIONS</p> | | <p><i>Water Committee / Project</i></p> | <p><i>Projects</i></p> | <p><i>Permits, consents and authorizations</i></p> |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| | <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure shall obtain and ensure obtaining as appropriate, the permits, consents and authorizations that are applicable to the Project from relevant national authorities, pursuant to applicable national laws including as follows: 1. Project approval from Environmental authorities following submission of ESIA report and associated documents/ frameworks. 2. Way leave rights and consent from project affected participants 3. Identification of site for borrow pits and obtaining borrow pit permit for relevant activities. All suppliers of raw materials and other relevant construction materials should be authorized with legal documents to operate. 4. Obtain permits for dumping sites 5. Agreement with utility providers for relocation of utilities. The project will comply or cause to comply, as appropriate, with the conditions established in these permits, consents and authorizations throughout Project implementation.</p> | Before any implementation of field activities | Implementation Unit | | |
| | ESS No 2 - WB | | | | |
| 2.1 | <p>LABOR MANAGEMENT PROCEDURES</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will ensure that Labor Management Procedures (LMP) based on best international standards are implemented under the Project, including, inter alia, provisions on working conditions, management of workers relationships, Occupational Health and Safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.</p> <p>Regular trainings on Occupational, Health and Safety issues are performed throughout project implementation</p> | Before any commencement of activities of the project and throughout project implementation | Water Committee / Project Implementation Unit / Contractors | Project | Reports on project implementation deemed satisfactory by AFD |
| 2.2 | <p>GRIEVANCE MECHANISM FOR PROJECT WORKERS</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will establish and operate a</p> | Two months after the establishment of the Project Implementation Unit and before commencement of field activities of the project and | Water Committee / Project Implementation Unit | Project | Report on grievance mechanism established deemed satisfactory by AFD |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| | grievance mechanism for Project workers, as described in the ESMF and consistent with ESS2. | throughout project implementation | | | |
| | ESS No 3 - WB | | | | |
| 3.1 | WASTE MANAGEMENT PLAN The Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement a Waste Management Plan (WMP), to manage hazardous and non-hazardous wastes, consistent with ESS3. This waste management plan will be part of the ESMP. | Same timeframe as for the adoption and implementation of the ESMP | <i>Water Committee / Project Implementation Unit</i> | <i>Project</i> | <i>Waste Management Plan deemed satisfactory by AFD</i> |
| 3.2 | RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT The Water Committee of the Ministry of Territorial Administration and Infrastructure will incorporate resource efficiency and pollution prevention and management measures in the ESMP to be prepared under action 1.2 above. | Same timeframe as for the adoption and implementation of the ESMP | <i>Water Committee / Project Implementation Unit</i> | <i>Project</i> | <i>ESMP update deemed satisfactory by AFD</i> |
| | ESS No4 - WB | | | | |
| 4.1 | TRAFFIC AND ROAD SAFETY The Water Committee of the Ministry of Territorial Administration and Infrastructure will incorporate measures to manage traffic and road safety risks as required in the ESMP to be prepared under action 1.2 above. | Same timeframe as for the adoption and implementation of the ESMP | <i>Water Committee / Project Implementation Unit</i> | <i>Project</i> | <i>ESMP update deemed satisfactory by AFD</i> |
| 4.2 | COMMUNITY HEALTH AND SAFETY The Water Committee of the Ministry of Territorial Administration and Infrastructure will assess and manage specific risks and impacts to the community arising from Project activities and include mitigation measures in the ESMPs to be prepared in accordance with the ESMF. | Same timeframe as for the adoption and implementation of the ESMP | <i>Water Committee / Project Implementation Unit</i> | <i>Project</i> | <i>ESMP update deemed satisfactory by AFD</i> |
| 4.3 | SECURITY MANAGEMENT The Water Committee of the Ministry of Territorial Administration and Infrastructure will assess and implement measures to manage the security risks of the Project. These measures will be included in the ESMP to be prepared under action 1.2 above. | Same timeframe as for the adoption and implementation of the ESMP | <i>Water Committee / Project Implementation Unit</i> | | |
| | ESS No 5 – WB | | | | |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| 5.1 | RESETTLEMENT POLICY FRAMEWORK As indicated in the action 1.2, the Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement the Resettlement Policy Framework (RPF) prepared by the AFD for the Project, consistent with ESS5. | Adopt the RPF at the date of the signature of the financing agreement, and thereafter implement the RPF throughout Project implementation. | Water Committee / Project Implementation Unit | National counterpart | RPF deemed satisfactory by AFD |
| 5.2 | RESETTLEMENT PLANS As indicated in the action 1.2, the Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement a resettlement action plan (RAP) as set out in the RPF and consistent with ESS5. | Adopt and implement the respective RAP, including ensuring that before taking possession of the land and related assets, full compensation has been provided and displaced people have been resettled and moving allowances have been provided. | Water Committee / Project Implementation Unit | National counterpart | Resettlement Plans deemed satisfactory by AFD (whenever needed) |
| 5.3 | GRIEVANCE MECHANISM The Water Committee of the Ministry of Territorial Administration and Infrastructure will ensure that the grievance mechanism (GM) to address resettlement related complaints is described in the RPF, RAPs and SEP, and operational throughout the project implementation. | Before the start of the field activities and throughout the project implementation | Water Committee / Project Implementation Unit | Project | RPFs, RAPs and SEP deemed satisfactory by AFD |
| | ESS No 6 – WB | | | | |
| 6.1 | BIODIVERSITY RISKS AND IMPACTS The Water Committee of the Ministry of Territorial Administration and Infrastructure will establish a biodiversity baseline, consistent with the recommendations of the ESMF. Based on the findings of the biodiversity baseline and if relevant, the Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement a Biodiversity Management Plan (BMP), consistent with ESS6. In case a critical habitat, AZE site, KBA site or protected areas overlap with the program intervention area, specific studies on the application of article 17 of the AFD exclusion list will have to be developed by the counterpart to demonstrate that the project is eligible for funding. | Adopt the BMP and establish the biodiversity baseline prior to any field activities and thereafter implement the BMP throughout Project implementation | Water Committee / Project Implementation Unit | Project | Biodiversity Management Plan deemed satisfactory by AFD |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| | ESS No 8 – WB | | | | |
| 8.1 | CULTURAL HERITAGE RISKS AND IMPACTS The Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement a Cultural Heritage Management Plan (CHMP), as part of the ESMP, and consistent with ESS8 whenever relevant. | Adopt the CHMP prior to field activities, and thereafter implement the CHMP throughout Project implementation | Water Committee / Project Implementation Unit | National counterpart | Cultural Heritage Management Plan deemed acceptable by AFD whenever relevant. |
| 8.2 | CHANCE FINDS The Water Committee of the Ministry of Territorial Administration and Infrastructure will describe and implement the chance finds procedures, as part of the ESMP of the Project. | Describe the chance find procedures in the ESMP. Implement the procedures throughout Project implementation; | Water Committee / Project Implementation Unit | National counterpart | ESMP update deemed satisfactory by AFD |
| | ESS No 10 - WB | | | | |
| 10.1 | STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION The Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement a Stakeholder Engagement Plan (SEP) for the Project, consistent with ESS10. The Water Committee of the Ministry of Territorial Administration and Infrastructure will provide stakeholders with timely, relevant, understandable and accessible information, and consult with them in a culturally appropriate manner, which is free of manipulation, interference, coercion, discrimination and intimidation. | Adopt the SEP no later than one month after the establishment of the PIU and thereafter implement the SEP throughout Project implementation. | Water Committee / Project Implementation Unit | National counterpart | SEP deemed satisfactory by AFD |
| 10.2 | PROJECT GRIEVANCE MECHANISM As indicated in the action 1.2, the Water Committee of the Ministry of Territorial Administration and Infrastructure will establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances | Establish the grievance mechanism no later than two months after the establishment of the PIU and prior any field activities, and thereafter maintain and operate the mechanism throughout Project implementation. | Water Committee / Project Implementation Unit | National counterpart | Grievance mechanism deemed satisfactory by AFD |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| | <p>filed anonymously, in a manner consistent with ESS10.</p> <p>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p> | | | | |
| 10.3 | <p>COMMUNICATION</p> <p>The Water Committee of the Ministry of Territorial Administration and Infrastructure will adopt and implement a communication plan aiming to ensure the visibility of the financing and implementing entities, the good engagement of stakeholders, the good understanding of the activities and benefits of the projects.</p> | Adoption of a communication plan no later than four months after the establishment of the PIU and implementation throughout the project's duration. | <i>Water Committee / Project Implementation Unit</i> | <i>Project</i> | <i>Communication plan deemed satisfactory by AFD</i> |
| CS1 | <p>To ensure the successful implementation of the ESMF, ESIA's, ESMP, RPF, RA, GAP, SEP and compliance with E&S standards, the Water Committee of the Ministry of Territorial Administration and Infrastructure will ensure that targeted capacity-building efforts are effectively provided to all key stakeholders, including:</p> <p>To the Water Committee / Project Implementation Unit (PIU):</p> <ul style="list-style-type: none"> ● Training on E&S Screening, including the implementation of E&S assessment instruments such as ESIA and ESMP. ● Trainings on biodiversity issues (including critical habitats, residual impact assessments and risk management on protected areas) ● Workshops on consultation and disclosure processes to ensure transparent and inclusive stakeholder engagement. ● Guidance on integrating ESIA/ESMP, RAP and SAP requirements into project documentation, as well as supervision, monitoring, and reporting on E&S performance. <p>To Beneficiaries (Farmers and Local Communities):</p> | <p>Definition of a Capacity building plan no later than two months after the establishment of the PIU</p> <p>Throughout the project implementation</p> | <i>Water Committee / Project Implementation Unit</i> | <i>Project and national counterpart</i> | <i>Capacity building plan deemed satisfactory by AFD</i> |

| MATERIAL MEASURES AND ACTIONS | | TIMEFRAME | RESPONSIBLE ENTITY | FUNDING | INDICATOR |
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| | <ul style="list-style-type: none"> ● Capacity building on sustainable agricultural practices to promote climate-smart farming and minimize environmental impacts. ● Training on efficient water management practices to ensure the sustainable use of water resources and protect local ecosystems. ● Awareness programs on grievance mechanisms and the role of local communities in holding the project accountable through stakeholder engagement. • These capacity-building initiatives are essential to ensure that all stakeholders are informed and equipped to manage the environmental and social aspects of the project effectively, ensuring long-term sustainability and compliance with international standards. | | | | |