



BANQUE D'INVESTISSEMENT ET DE DEVELOPPEMENT DE LA CEDEAO
ECOWAS BANK FOR INVESTMENT AND DEVELOPMENT
BANCO DE INVESTIMENTO E DE DESENVOLVIMENTO DA CEDEAO

**GENERAL CONDITIONS APPLICABLE TO
LOAN, GUARANTEE AND COUNTER-
GUARANTEE AGREEMENTS
NON-SOVEREIGN ENTITIES**

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PREAMBLE

These General Conditions Applicable to Loan, Guarantee and Counter-Guarantee Agreements were adopted by the Board of Directors of the ECOWAS Bank for Investment and Development in accordance with its Articles of Association and the Statement of General Policy and Regulations for Loans, Investments and Guarantees.

These General Conditions stipulate a number of rules relating to Loan, Guarantee and Counter-Guarantee Agreements pertaining private sector projects.

The General Conditions are the fundamental text for Loan, Guarantee and Counter-Guarantee Agreements to be concluded by EBID. They were adopted by EBID, by virtue of its status and in its full legal capacity as an international organisation.

Consequently, non-sovereign entities which conclude Loan, Guarantee and Counter-Guarantee Agreements with EBID on the basis of the General Conditions shall be deemed to have accepted them unreservedly and shall accord them the same value as the international treaties and/or other agreements to which they are parties.

Chapter 1

Purpose, Application to Loan, Guarantee and Counter Guarantee Agreements

Article 1– Purpose

The purpose of these General Conditions is to set forth certain terms and conditions generally applicable to loan, guarantee and counter guarantee agreements made by EBID.

Article 2 - Application of the general conditions

1. The General Conditions shall be the framework document and fundamental reference for Loan, Guarantee and Counter-Guarantee Agreements that EBID shall sign; it shall define the essential conditions of intervention of EBID, especially with respect to interest and commissions, and determine the modalities, conditions for the coming into being, exercising and extinguishment of the rights and obligations of EBID, the Borrowers, Guarantors and Counter-Guarantors, as well as the conditions and modalities for the settlement of disputes that may arise among the parties.
2. Each loan, guarantee or Counter-Guarantee agreement may include additional conditions adapted to its specific case.

Article 3 – Inconsistency with Loan, Guarantee and Counter Guarantee Agreements

In the event of conflict or contradiction between any provision of a loan, guarantee or Counter-Guarantee agreement and a provision of these General Conditions, the provision of the General Conditions shall prevail.

Chapter 2

Definitions and Interpretation

Article 4 - Definitions

The following terms shall have the following meanings whenever used in these General Conditions:

- a) « Counter-Guarantee Agreement », means the agreement by virtue of which one or several persons or legal entities called Counter-Guarantor(s) shall undertake to pay to EBID a given amount payable or likely to be paid by EBID to one or several other persons or legal entities called Creditor(s) by virtue of a Guarantee Given to the Creditor(s) by EBID for an investment or financing made on behalf of one or several Guaranteed Entities; this expression shall also

- include all agreements supplementing the Counter-Guarantee Agreement and all the annexes and amendments to the said Agreement;
- b) « Financing Agreement », means the agreement between the Guaranteed Entity and the Creditor or the investor benefiting from the Guarantee Given by the Bank;
 - c) « Guarantee Given Agreement » or « Indirect Commitment Agreement », mean the agreement concluded, irrespective of its name (backing, security, letter of guarantee, etc.), between, EBID on the one hand, and a Borrower or investor and / or the Guaranteed Entity, on the other, under which EBID undertakes to honour the commitments of the Guaranteed Entity; this expression shall include all agreements supplementing the Agreement on Guarantee Provided and all the annexes and amendments to the said Agreement;
 - d) « Guarantee Received Agreement », means the agreement irrespective of its name (backing, security, letter of guarantee, etc), under which one or several persons or legal entities called Guarantor(s) undertakes to pay to EBID a given amount payable or likely to be paid to EBID by one or several Borrowers, the said agreement being accompanied or not by one or several tangible securities; this expression also includes all agreements supplementing the Guarantee Received Agreement and all the annexes and amendments to the said Agreement;
 - e) « Loan Agreement », means the particular Loan Agreement to which these General Conditions shall have been made applicable; this expression shall also include all agreements supplementing the Loan Agreement and all the annexes and amendments to the said Agreement;
 - f) « Assets », mean income and assets of any kind;
 - g) « EBID », means the ECOWAS Bank for Investment and Development created by the new Article 21 of the Revised Treaty as amended by Supplementary Act A/SA 9/01/07 of 19 January 2007;
 - h) « Community » or « ECOWAS », mean the Economic Community of West African States reaffirmed by Article 2-1 of the Revised Treaty;
 - i) « General Conditions », means these General Conditions applicable to Loan, Guarantee, Counter-Guarantee Agreements of EBID, including the preamble, as well as all subsequent amendments that would be made to them by the Board of Directors of EBID;
 - j) « Creditor » or « Investor », means the party which has concluded a Financing Agreement with the Guaranteed Entity and which, as a result of the financing it has thus granted, benefits from the Guarantee Given by the Bank;

- k) « Date of the Agreement », means the date on which the Loan, Guarantee or Counter- Guarantee Agreement as the case may be, shall have been signed;
- l) « Statement of General Policy », means the Statement of General Policy and Procedures for Loans, Investments and Guarantees of EBID;
- m) « Borrower », means the party to the Loan Agreement to which the loan is granted;
- n) «Indebtedness», means assuring of liability for, or guaranteeing, as well as any prorogation, extension or modification of the terms and conditions of the said debt, of the liability for it or of the guarantee relating to it;
- o) « Guaranteed Entity », means any State or any entity in the territory of a State, whose commitments EBID guarantees;
- p) « Local Currency », means the currency which, as at the agreed date is legal tender for the payment of public and private debts in a country;
- q) « Maximum Amount of the Guarantee », means the amount specified in the Guarantee Given agreement as the ceiling up to which the Bank shall agree to be held liable for the commitments of the Guaranteed Entity;
- r) « Maximum Amount of the Loan », means the amount specified in the Loan Agreement as the ceiling up to which the Bank shall agree to make disbursements to the Borrower;
- s) « Project(s) », means the project or projects or the programme or programmes for which the loan or guarantee is given;
- t) « Articles of Association », means the Articles of Association of EBID;
- u) « Securities », means mortgages, pledges, collaterals, charges, privileges and preferential rights of any nature;
- x) « Revised Treaty », means the Revised Treaty of ECOWAS signed in Cotonou on 24 July 1993, including subsequent amendments;
- y) « Unit of Account » or «UA », means the unit of account of ECOWAS, equivalent to the Special Drawing Rights of the International Monetary Fund.

Article 5 – Interpretation

Except where the context otherwise requires:

- a. a reference to the incurring of debt includes the assumption and guarantee of debt;
- b. references in these General Conditions to Articles or Chapters are to Articles or

- Chapters of these General Conditions;
- c. the headings of the Articles and Chapters and the Table of Contents are inserted for convenience of reference only and are not a part of these General Conditions;
 - d. singular may include plural and vice versa; and
 - e. a reference to any gender includes any other gender.

Chapter 3 – Purpose of the Loans and Guarantees Given

Article 6 – Purpose of the loans and indirect commitments of the Bank

1. EBID shall grant a loan or guarantee only for the financing of the acquisition of goods and services by Member-States of the Community or by legal entities located in their territory, and this, in accordance with the procedures for the procurement of goods and services adopted or approved by EBID.
2. The Bank shall not provide a general guarantee covering all the commitments of a Guaranteed Entity in respect of one or several Creditors. Any Indirect Commitment of the Bank shall be specific to the investment or the particular commitment to be borne by the Guaranteed Entity in the Guarantee Given Agreement; it shall under no circumstances be construed as covering one or several past, present or future commitments other than the one specifically mentioned in the Guarantee Given Agreement, even when the amount of the said commitments shall not attain the maximum amount of the guarantee given.

Article 7 – Loan account

The amount of the Loan shall be entered in the books of the Bank and such amount may be disbursed to the Borrower as provided in the Loan Agreement and in these General Conditions.

Article 8 – Commitment Charge

The Bank may charge a Commitment Charge on terms and conditions to be provided in the Loan Agreement.

Article 9 – Interest

1. The Borrower shall pay interest at the rate specified in the Loan Agreement, on the outstanding loan, in conformity with the scale of interest rates in force in EBID.
2. The interest rates in respect of every portion of the loan shall start accruing with effect from the date of the disbursement of the said portion.
3. The interest shall be calculated per due date, on the successive outstanding amounts of the loan according to an annual rate applied, on a daily basis, to the maturity period, each year being considered as having three hundred and sixty (360) days.
4. The interest rates to be applied to loans shall be calculated as determined by Management from time to time in accordance with the following elements :
 - a) Premium for operating expenses;

- b) Credit risk premium;
 - c) Maturity premium;
 - d) Exchange premium if necessary;
 - e) Profit margin equivalent to shareholder return.
5. The interest shall be payable notwithstanding any grace period granted for the repayment of the principal of the loan.
 6. When it falls due because of delays in payment, the interest shall be increased in conformity with the provisions of these General Conditions.
 7. The Bank may establish an alternate interest rate which shall be applicable if for any reason, including, but not limited to, financial market disruption, the Bank determines that it has become impossible to calculate the interest rate in the manner agreed upon in the Loan Agreement. In such case, the Borrower shall have the right to prepay the Loan without thereby incurring any penalty or prepayment costs.
 8. In establishing such alternate interest rate, the Bank shall consult with the Borrower, in order to decide on a substitution formula allowing the Bank to keep the same margin as the margin defined in the Loan Agreement. This formula shall apply retroactively from the first day of the Interest Period during which this impossibility to compute the interest rate has been notified, up to the total reimbursement of the principal of the Loan, interests, prepayment costs, Special Commitment Charge, Commitment Charge and other charges due under the Loan Agreement, or up to the date of notification by the Bank of the cessation of the event which caused the application of the alternate interest rate.

Article 10 - Computation of Interest and Commitment Charge

Interest and Commitment Charge shall be computed on a daily basis in accordance with the provisions of the Loan Agreement.

Article 11 – Loan Arrangement Fee

1. The Borrower shall, as at the date of signing of the Loan Agreement, pay a flat Loan Arrangement Fee the rate of which shall be specified in the Loan Agreement, in conformity with the scale of interest rates in force in EBID.
2. The Loan Arrangement Fee shall be calculated on the maximum amount of the loan.
3. When it falls due because of delays, the Loan Arrangement Fee shall be increased in conformity with the provisions of Article 40 (cancellation by the Bank) of the General Conditions.

Article 12 – Indirect Commitment or Guarantee Given Document Processing Fee

1. The Guaranteed Entity or the Creditor shall, within the period specified in the Guarantee Given Agreement and in any event, before the issuing or entry into

force of the guarantee, pay a flat Indirect Commitment Document Processing Fee the rate of which shall be specified in the Guarantee or Counter-Guarantee Agreement, in conformity with the scale of commission rates in force in EBID.

2. In any event, the payment of the Indirect Commitment Document Processing Fee shall be a suspensive condition for the validity of the Guarantee Given by EBID.
3. The Indirect Commitment Document Processing Fee shall be calculated on the maximum amount of the guarantee given.
4. When it falls due because of delays, the Indirect Commitment Document Processing Fee shall be increased in conformity with the provisions of Article 43 of these General Conditions.

Article 13 – Loan Commitment Charge

1. The Bank shall be paid in respect of the undisbursed portion of all loans to a private project, a Commitment Charge the rate of which shall be set forth in the Loan Agreement.
2. The Commitment Charge earned on loans to private projects shall begin to accrue ninety (90) days after the signing of the Loan Agreement in the case of medium or long term loans and thirty (30) days after the signing of the Loan Agreement in the case of short term loans.
3. The commitment charge earned on private project loans financed from resources mobilised on special conditions shall begin to accrue within the period fixed in the agreement relating to the mobilisation of these resources.
4. When it falls due because of delays, the loan commitment charge shall be increased in conformity with the provisions of Article 43 of the General Conditions.

Article 14 – Indirect Commitment Charge or Guarantee Given Charge

1. The Guaranteed Entity or the Creditor, as the case may be, shall pay an Indirect Commitment Charge or a Guarantee Given Charge the rate of which shall be specified in the Guarantee Agreement, in conformity with the scale of commission rates in force in EBID.
2. The Indirect Commitment Charge shall be calculated on the maximum amount of the guarantee.
3. When it falls due because of delays, the Indirect Commitment Charge shall be increased in conformity with the provisions of Article 43 of the General Conditions.

Article 15 – Special Commitment Charge

1. The Bank shall be paid a special charge on any special or supplementary commitment entered into at the instance of the Borrower or the Guaranteed Entity within the framework of the Loan or Financing Agreement.
2. The Special Commitment Charge shall be calculated on the amount of the special commitment, at a rate payable quarterly and in full.
3. When the Special Commitment Charge is in respect of a letter of credit opened or guaranteed by EBID, it shall be determined without prejudice to the commission for modification, extension, increase, cancelation or use of the letter of credit, the document processing fees, Swift and other charges related to the various transactions.
4. When it falls due because of delays, the Special Commitment Charge shall be increased in conformity with the provisions of Article 43 of the General Conditions.

Article 16 – Repayment and Prepayment

1. The principal of the loan and the interest accruing thereon shall be repayable in successive, regular and constant instalments as provided for in the Loan Agreement.
2. Loans granted by the Bank may be repaid ahead of time, subject to the full payment of interest and commissions due and other costs incurred, after giving at least thirty (30) calendar days notice to the Bank which shall levy on the Borrower an early payment fee.
3. For purposes of calculating the early payment fee, account shall be taken of the cost of redeployment of the amounts repaid ahead of time, prevailing interest rates, the rate of interest of the loan and all other relevant factors.
4. The repayments ahead of time mentioned in number 2 above may concern:
 - a) the total amount of the principal of the loan still outstanding, or;
 - b) the total amount of any one or more amounts due for repayment provided that as at the date of the repayment ahead of time there shall be no outstanding portion of the loan maturing before the portion to be repaid ahead of time.
5. Notwithstanding the provisions of number 4 (b) above, where bills, securities or stocks have been submitted in respect of any portion of the loan to be repaid ahead of time, the modalities and conditions of repayment of that portion of the loan shall be those set forth in such bills, securities or stocks.

Article 17 – Place of payments received

Repayment of the principal of the loan and payment of interest and other charges on the loan as well as payment of commissions shall be effected at such places as the Bank shall indicate.

Article 18 – Application of payments received

1. Unless the Bank agrees on other modalities, all payments it shall receive in respect of loans shall be applied in descending order of priority to the settlement of:
 - a. loan arrangement fee;
 - b. commitment charge, if any;
 - c. special commitment charge, if any;
 - d. interest on arrears;
 - e. interest; and;
 - f. principal.

2. Unless the Bank agrees on other modalities, all payments it shall receive in respect of Indirect Commitments shall be applied in descending order of priority to the settlement of:
 - a. Indirect Commitment document processing fee;
 - b. special commitment charge, if any;
 - c. interest on arrears of commission;
 - d. Indirect Commitment charge.

Article 19 – Value date of payments received

1. In calculating the interest, payments made by the Borrower, the Creditor, the Guaranteed Entity or the Counter-Guarantor shall be considered as having been made on the day after the date of recording the said payments in the credited account of the Bank.

2. If the day after the date of crediting the account is a non-working day or a public holiday according to the local legislation of the place of EBID's account, the payment made by the Borrower, the Creditor, the Guaranteed Entity or the Counter-Guarantor shall be considered as having been made on the first working day following the date on which it was made.

Article 20 – Promissory notes and other negotiable instruments

1. At the request of the Bank, the Borrower or the Guaranteed Entity shall, within a specified period deliver to the Bank promissory notes or any other guaranteed or non-guaranteed negotiable instruments representing the obligation of the Borrower or the Guaranteed Entity vis-à-vis the Bank up to the amount indicated

by the Bank.

2. The promissory notes or other negotiable instruments mentioned in the previous paragraph 1 and their guarantees shall be drafted in such a form as the Bank shall reasonably prescribe.

Article 21 - Restrictions

1. The repayment of the principal and payment of interest, commissions and other charges in respect of the loan, guarantee or Counter-Guarantee shall be exempt from regulatory restrictions of any kind imposed under the laws in force in the territory of the Borrower, the Guarantor, the Guaranteed Entity or the Creditor.
2. In any event, all regulatory restrictions, controls or authorisations relating to the repayment of the loan and payment of interest, commissions and other charges relating to the loan, guarantee, or counter-guarantee, shall be waived before any loan disbursement or any issuance of guarantee by the Bank.

Article 22 - Budgetary provisions

1. The Borrower or the Guarantee Entity shall, as the case may be, undertake to make budgetary provisions required for:
 - a) Providing the counterpart funding in the execution of the project;
 - b) The payment as at when due of the loan maturities and this, until the said loan is fully repaid;
 - c) Financing of all overrun on the estimated cost of the project;
 - d) Regular maintenance of the investment that may have been made within the framework of the project.
2. The Guarantor or the Counter-Guarantor, as the case may be, shall undertake to make budgetary provisions required for the payment, on due date, of the loan maturities, and this, until the said loan is fully repaid.

Article 23 – Rebate

1. Following any announcement by the Bank that Fixed Spread to new Loans shall be reduced, the Bank shall provide a Rebate to any Borrower with an outstanding Loan on which a higher Fixed Spread is applicable.
2. The amount of the Rebate shall be determined by multiplying (i) the difference between the Fixed Spread applicable to the outstanding Loan and the Fixed Spread that will be applied to new Loans (expressed as a percentage per annum), by (ii) the principal amount of the outstanding Loan on which the Borrower shall pay interest for all interest periods commencing on or after the effective date of the lower Fixed Spread that will be applied to new Loans.

3. Following any announcement by the Bank that the Funding Cost Margin calculations with respect to the Loan Currency in any Semester resulted in achieving savings, the Bank shall provide a Rebate to the Borrower. The amount of the Rebate shall be determined by multiplying (i) the Funding Cost Margin (expressed as a percentage per annum) by (ii) the principal amount of the Loan on which the Borrower shall pay interest for the Interest Period commencing immediately after the Semester for which the Funding Cost Margin was calculated.
4. The Bank shall apply the amount of the Rebate against the interest payable by the Borrower for the Interest Period commencing immediately after the Semester for which the Funding Cost Margin was calculated.

Chapter 4 – Currency of the Operations

Article 24 - Currency of loans

1. The currency of the loan shall be expressed in Units of Account.
2. Funds shall be disbursed in the various currencies in which the cost of goods and services has been paid or is payable, or in such other currency or currencies as EBID shall determine from time to time.
3. The value in Units of Account of the portions of the loan disbursed by the Bank in one or several currencies shall be determined by the Bank at the prevailing rate on the date of each disbursement.
4. The principal shall be repayable in the currency or currencies of the disbursements made by the Bank.
5. The amount repayable in each currency on the day of repayment shall be equal in value to the amount in units of account corresponding to the payment made in that currency on the day of the disbursement.
6. The loans of EBID may be expressed in other currencies if the corresponding resources other than the capital of EBID are mobilised in the said currencies. Disbursements and repayments for loans expressed in a currency other than the unit of account shall be effected in the same currency.
7. EBID may, at the request of the Borrower, waive the conditions spelt out under number 6, above, and effect disbursements in a currency different from that of the loan. In such situation the Borrower shall bear the foreign exchange fee and other charges arising from the purchase of the currency requested, as well as the fee for the service rendered.

Article 25 – Currency of guarantees

1. The amounts of the guarantees issued or received by EBID shall be expressed in the currency of the transaction guaranteed.

2. Where the amount of the Indirect Commitment is expressed in Units of Account, the value in Units of Account of payments effected by the Bank for the purpose of the executing its guarantee shall be determined by the Bank at the prevailing rate on the date of the repayment effected by the Guaranteed Entity.
3. Where the amount of a guarantee received is expressed in Units of Account, the value in Units of Account of the proceeds from the execution of the guarantee shall be determined by the Bank at the prevailing rate as at the date of receipt of the said proceeds.

Article 26 – Currency of commissions and interest

1. Commissions and interest shall be expressed and payable in the currency of the Loan, Guarantee or Counter-Guarantee Agreement, as the case may be.
2. Where the commissions and interest are expressed in Units of Account, the value in Units of Account of the payments received or effected in one or several currencies shall be determined by the Bank at the prevailing rate as at the date of each payment.

Chapter 5 – Disbursement of Loans – Issuing and execution of Guarantee Given

Article 27 – Application of the amounts disbursed

The Borrower shall be entitled to request from the Bank the disbursement of funds for amounts expended or to be expended for purposes of the Project, in accordance with the provisions of the Loan Agreement and these General Conditions, provided that, except with the consent of the Bank, no disbursements shall be made: (a) on account of expenditures procured in violation of the Bank's procurement rules; or (b) subject to the terms of the Loan Agreement, to finance expenditures incurred prior to the date of the Loan Agreement.

Article 28 – Entry into force of the Loan Agreement and the Guarantee Agreement and Conditions precedent to first disbursement - Issuing or validity of Guarantee Given

1. The Loan Agreement and the Guarantee Agreement shall enter into force on the date of their signature by the Bank and the Borrower or Guarantor.
2. Notwithstanding number 1 above, the Bank shall be under no obligation to make the first disbursement or provide its guarantee until the conditions set forth hereinafter have been met, namely:
 - a. one or more legal opinions satisfactory to the Bank by counsel acceptable to the Bank, or if the Bank so wishes, a certificate acceptable to the Bank,

from an official of the Borrower or the Guarantor, establishing:

- i. that the Loan Agreement has been signed on behalf of the Borrower, by a duly authorized representative and that it has, in accordance with its internal legal rules, in particular its statutory provisions, been approved or accepted, or as the case may be, authorized, and that it constitutes for the Borrower a valid and enforceable obligation without any restriction or reservation; or
 - ii. that the Guarantee Agreement has been signed on behalf of the Guarantor, by a duly authorized representative and that it has, in accordance with its internal legal rules, in particular its statutory provisions, been approved or accepted, or as the case may be, authorized, and that it constitutes for the Guarantor a valid and enforceable obligation without any restriction or reservation; and
 - iii. any other matter specified in the Loan Agreement or the Guarantee Agreement or reasonably requested by the Bank in connection with the Loan Agreement or the Guarantee Agreement for the purpose of this article; and
 - b. An original or certified copy of the instrument authorising the conclusion of, the Loan Agreement, and the Guarantee Agreement shall be transmitted to the Bank along with the legal opinions; and
 - c. Any other legal document to be provided to the Bank in accordance with the provisions of the Loan Agreement or the Guarantee Agreement.
3. In addition, the Loan Agreement may provide for certain operational conditions to be satisfied by the Borrower and/or Guarantor and the Bank shall, in such event, be at liberty to withhold the first disbursement and/or any other disbursement unless and until such operational conditions have been satisfied and, in the case of continuing obligations, no disbursements may be forthcoming for the duration of default in compliance with any such operational conditions.
 4. The Bank may also request the Borrower to represent and warrant before each disbursement that there has been no material adverse change in the condition of the Borrower since the Date of the Loan Agreement.
 5. When the Loan is accompanied with a Guarantee Agreement from a Member State or with any other guarantee or security, no disbursement of the Loan shall be made in the absence of an entry into force of the Guarantee Agreement or the transmission to the Bank of an evidence of the validity of the guarantee or of such other security given by the Borrower.

Article 29 – Disbursement deadlines

1. The Bank shall maintain the loan amount at the disposal of the Borrower for a reasonable drawdown period.
2. For the purposes of paragraph 1 of this Article, a deadline making it possible for the Borrower to fulfil the suspensive conditions for utilizing the loan and requesting the first disbursement and a final date on which the drawdown of the loan resources should be completed, shall be fixed in the Loan Agreement,

taking into consideration the period of execution of the Project.

3. Unless it is extended by the President of the Bank in view of certain circumstances, the deadline for first disbursement of private project loans shall be ninety (90) days, effective from the date of signing of the Loan Agreement in the case of long or medium term loans and thirty (30) days, effective from the date of signing of the Loan Agreement in the case of short term loans.
4. The deadline for the completion of disbursements shall be six (6) months after the estimated date of completion of the Project for which the loan is given, unless the deadline is extended by the President of the Bank in view of certain circumstances.

Article 30 – Modalities for the disbursement of loans and execution of guarantees given

1. The Bank shall make disbursements on the maximum amount of the loan, either for the purpose of replacing amounts already disbursed by the Borrower, or providing for the expenses to be made, in conformity with the provisions of the Loan Agreement and the General Conditions;
2. Except with the consent of the Bank, no disbursements shall be made in respect of expenses made prior to the signing of the Loan Agreement.
3. The amounts to be disbursed under the loan, shall be payable by the Bank to the Borrower or to his order;
4. The amounts payable on the execution of the guarantee shall be payable to the Creditor or to his order.

Article 31 – Value date of disbursements

1. With regard to the calculation of interest, the disbursements made by EBID shall be considered as having been made on the eve of the date on which EBID's account had been debited.
2. Where the eve of the debit date is a non-working day or public holiday according to the local legislation of the place of EBID's account, the disbursement shall be considered as having been made on the last working day preceding the date on which it was effected.

Article 32 – Application for disbursement and execution of the Bank's guarantee

1. When the Borrower or the Creditor, as the case may be, wishes to be paid an

amount out of the maximum amount of the loan or wishes to have the guarantee of the Bank executed, he shall submit to the Bank a written application in such form as the Bank shall reasonably prescribe.

2. Applications for disbursement or execution of the Guarantee Given shall be submitted within the deadlines stipulated in the Loan or Guarantee Agreement, together with all the documentation confirming to the satisfaction of the Bank that the Borrower or Creditor, as the case may be, is entitled to the payment of the amount requested and that the said amount shall be used solely for the purpose stipulated in the Loan or Guarantee Agreement.
3. The Bank, may notwithstanding approval or any payment in respect of a loan or guarantee given, demand from the Borrower, Creditor or Guaranteed Entity, any justification it may deem appropriate, depending on the circumstances.

Article 33 – Reallocation and Loan Savings

1. The Bank may, at the request of the Borrower, and in accordance with its policies as applicable from time to time, modify the allocation of expenditures of the project to be financed from the Loan.
2. The reallocation of the Loan funds from one category of expenditures to another, or within the same category of expenditures, shall not, however, be made if such reallocation would, in the opinion of the Bank, (i) compromise the execution of the Project, or (ii) substantially modify the nature or objectives of the project.
3. Loan savings may be allocated in accordance with the policy of the Bank as determined from time to time.

Article 34 – Evidence of Authority to Sign Requests for Disbursements

The Borrower shall provide the Bank with evidence of the authority of the person or persons authorized to sign requests for disbursement and the authenticated specimen signature(s) of any such persons.

Article 35 – Supporting Evidence

The Borrower shall provide the Bank with such documents and other evidence as the Bank shall request in support of any request for disbursement, in accordance with its disbursement rules and procedures.

Article 36 – Sufficiency of Requests and Documents

Each request for disbursement and the accompanying documents and other evidence shall be sufficient in form and substance to satisfy the Bank that the Borrower is entitled to obtain the disbursement of the amount requested for and that the said amount is to be used only for the purposes specified in the Loan Agreement.

Article 37 – Treatment of Taxes

1. If permitted by the Loan Agreement, the use of any proceeds of the Loan to pay for Taxes levied by, or in the territory of, the Member State in respect of the importation, manufacture, procurement or supply of any goods, works or consultancy services is subject to the Bank's policy of requiring economy and efficiency in the use of the proceeds of its loans.

2. For the purpose of the previous paragraph, if the Bank at any time determines that the amount of any such Tax is excessive, or that such Tax is discriminatory or otherwise unreasonable, the Bank may, by notice to the Borrower, decline to finance any such amount, as required to ensure consistency with such policy of the Bank.

Chapter 6 – Cancellation, Suspension, acceleration of maturity, Penalties

Article 38 – Cancellation by the Borrower

1. The Borrower may by notice to and after consultation with the Bank, cancel the whole or part of the Loan which has not been disbursed, except that the Borrower may not so cancel any amount of the Loan in respect of which the Bank has entered into a Special Commitment.
2. For purposes of the previous paragraph, the Borrower shall give sixty (60) days notice to the Bank of its intention to cancel all or part of the Loan and its reasons for so doing. The Bank shall notify the Borrower of the date of receipt of such notice and shall consult with the Borrower on the reasons for its request for cancellation.
3. Unless the parties otherwise agree, the cancellation shall take effect sixty (60) days from the date of receipt by the Bank of the Borrower's cancellation notice.

Article 39 - Suspension by the Bank

1. The Bank may by a notice to the Borrower or the Guarantor suspend in whole or in part all the payments to which the Borrower shall be entitled should any of the following events occur and persist:
 - a) the Borrower, the Guarantor, the Counter-Guarantor or the Guaranteed Entity failing to fulfil their obligation to repay the principal of the loan, pay interest or fees or their obligations in respect of any other payment (even where the amount is payable by a third party) due under:
 - (i) the Loan, Guarantee or Counter-Guarantee Agreement;
 - (ii) any other agreement concluded with the Bank;
 - b) the Borrower, the Guarantor, the Counter-Guarantor or the Guaranteed Entity failing to perform any other obligation under the Loan, Guarantee or Counter-Guarantee Agreement, or any other commitment of interest to the Bank;
 - c) the Bank suspends in whole or in part the right of the Borrower to the disbursement provided for under any Loan Agreement concluded with the Bank following the failure by the Borrower or the Guarantor to perform any obligations under any agreement entered into with the Bank;
 - d) an extraordinary situation arises which makes the execution of the Project improbable or prevents the Borrower, the Guarantor or the Counter-

Guarantor from performing all his obligations or achieving the purposes for which the Loan, Guarantee, or Counter-Guarantee Agreement were concluded;

- e) the Borrower or the Guarantor is suspended from performing its activities;
 - f) prior to the date of first disbursement, the Borrower's situation as represented by the Borrower, has deteriorated significantly;
 - g) one of the declarations made by the Borrower, Guarantor, Counter-Guarantor or Guaranteed Entity in the Loan, Guarantee or Counter-Guarantee Agreement or in connection therewith, or any other claim relied upon by the Bank in granting the loan or the guarantee is tainted by a serious incorrect information;
 - h) The Borrower may by notice to and after consultation with the Bank, cancel the whole or part of the Loan which has not been disbursed, except that the Borrower may not so cancel any amount of the Loan in respect of which the Bank has entered into a Special Commitment.
 - i) For purposes of paragraph (a) of this Article, the Borrower shall follow the prescribed in the previous article in regards to cancellation.
 - j) occurrence of one of the events specified in Article 42-1 (e) of these General Conditions;
 - k) any other event specified in the Loan, Guarantee or Counter-Guarantee Agreements for the purposes of this Article.
2. In any event, the right of the Borrower to disbursements from the loan shall remain suspended in whole or in part, as the case may be, until the date on which the event or events which gave rise to such suspension shall cease to exist or until the Bank notifies the Borrower that its right to disbursement has been restored, whichever is earlier.
3. It should be understood that the Borrower's right to disbursements shall be restored only to the extent and subject to the conditions specified in the notice, and no such notice shall modify or curtail any right, power or remedy which the Bank may have as a result of any other present or future event provided for in this Article.

Article 40 – Cancellation by the Bank

The Bank may cancel the loan in whole or in part, in the event of the occurrence of any of the following situations:

- a) the Loan Agreement is not signed within ninety (90) days following the authorisation given by the Board of Directors, unless this deadline is extended by

the Chairman of the Board of Directors;

- b) the right of the Borrower to the disbursement of any given amount of the loan is suspended for more than thirty (30) consecutive days;
- c) the Bank decides at any given moment, after consultation with the Borrower, that a part of the loan will not be required to defray the expenditure relating to the Projects financed with the loan resources;
- d) as at the closing date specified in the Loan Agreement, or at the expiry of the extension of that date, a portion of the loan has not been disbursed.

Article 41 – Relative effect of the suspension or cancellation

- 1. The suspension or cancellation of a non-disbursed portion of a loan shall affect only the said portion;
- 2. Notwithstanding any cancellation or suspension, the provisions of the Loan, Guarantee or Counter-Guarantee Agreements and the provisions of the General Conditions shall remain in force and be effective until the full payment of all amounts due to the Bank.

Article 42 – Acceleration of maturity

- 1. The Bank shall at any moment have the option to declare due and payable immediately upon notification of the Borrower and Guarantor, the outstanding portion of the loan and all the obligations stipulated as well as the interest, commissions and other charges, should one of the following events occur and persist after the prescribed period:
 - a) default on commitments in respect of repayment of the principal or payment of interest and commissions or any other amount due under the Loan Agreement for a period of more than thirty (30) days, in the case of a short term loan, and for more than ninety (90) days in the case of a medium or long term loan;
 - b) default on commitments in respect of the repayment of the principal or payment of interest and commissions or any other amount due under any other Loan, Guarantee or Counter-Guarantee Agreement signed by the Bank and the Borrower or in respect of any bill, security or statement of debt underwritten in conformity with such an agreement extending for a period of more than thirty (30) days, in the case of a short term commitment and for more than ninety (90) days, in the case of a medium or long term commitment;

- c) default on commitments in respect of the Loan Agreement or any bill, security or statement of debt underwritten in conformity with such an agreement, under conditions which make it improbable for the Guarantor to honour his obligations to the Bank where such a default extends for a period of more than thirty (30) days in the case of a short term loan and for more than ninety (90) days in the case of a medium or long term loan;
 - d) failure by the Borrower or the Guarantor to honour any other obligation resulting from the Loan Agreement or the Guarantee Received Agreement for a period of more than thirty (30) days after notification of the Borrower and the Guarantor by the Bank;
 - e) insolvency, restructuring under judicial control or liquidation of the assets of the Borrower or Guarantor or any measure taken or proceedings initiated by the Borrower or the Guarantor or a third party resulting or likely to result in dissolution, suspension of operations or distribution of the price of the assets of the Borrower or Guarantor among his creditors;
 - f) any other situation provided for in the Loan Agreement for the purposes of this Article, which extends beyond the period set forth in the said agreement, as the case may be.
2. Notwithstanding the decision to accelerate the loan repayment, the Bank may, if the developments incite it to do so, grant the Borrower a moratorium or a debt rescheduling on mutually agreed terms and conditions.

Article 43 – Penalties

1. If the Borrower defaults in his obligations in respect of repayment of the loan, payment of interest and charges, or obligations in respect of any other payment due under the Loan Agreement at the end of a deadline of thirty (30) days, if this concerns a short term loan, or ninety (90) days, if this concerns a medium or long term loan, the Bank shall, after giving notice to the Borrower, apply one or more of the following measures:
- a) levy, on the unpaid portion of the arrangement fee, a Late Payment Charge calculated annually at the rate of fifty percent (50 %) of the said arrangement fee;
 - b) levy, on the unpaid portion of the commitment charge, a Late Payment Charge calculated at the rate of fifty percent (50 %) of the said commitment charge;
 - c) levy, on the unpaid portion of the special commitment charge, a Late Payment Charge calculated at the rate of fifty percent (50 %) of the said special commitment charge;
 - d) levy, on any unpaid portion of the loan, a Late Payment Charge calculated

at the rate of fifty percent (50 %) of the basic interest rate of the loan;

- e) suspend any new decision to grant any assistance whatsoever to the Borrower;
 - f) suspend the disbursement of the loan in respect of which the payments are outstanding and, where the said loan has been fully disbursed, suspend automatically the disbursement of all the other loans granted to the Borrower;
 - g) suspend the signing of any new agreement with the Borrower;
 - h) freeze the processing of the Borrower's projects by the Bank;
 - i) apply the cross-default clause to loans from the Bank, loans from any special facilities and loans under co-Financing Agreements which ipso facto results in the suspension of disbursements in respect of all the loans.
2. If the Guaranteed Entity, the Counter-Guarantor or the Creditor defaults on its obligations in respect of the repayment of amounts paid by the Bank following the request for the execution of a Guarantee Given by the Bank, the Bank shall, after giving notice to the Guaranteed Entity and the Counter-Guarantor, apply any one or several of the following measures:
- a) levy, in respect of the unpaid Guarantee Document Processing Fee an annual Document Processing Fee on the maximum amount of the guaranteed debt representing the rate of the said fee plus fifty (50 %) per cent;
 - b) levy, in respect of the unpaid Indirect Commitment Charge, an Indirect Commitment Charge on the outstanding capital and the unpaid portion of the guaranteed debt representing the said charge plus fifty (50 %) per cent;
 - c) levy, on the unpaid portion of any special commitment, a Special Commitment charge representing the said charge plus fifty percent (50 %);
 - d) levy on the amounts paid by the Bank and not repaid by the Guaranteed Entity or the Counter-Guarantor an interest rate equal at least to that of the Financing Agreement;
 - e) suspend any new decision to grant any assistance whatsoever to the Borrower;
 - f) suspend the signing of any new agreement with the Guaranteed Entity and/or the Counter-Guarantor;
 - g) freeze the processing of the projects of the Guaranteed Entity and/or the Counter-Guarantor;

- h) apply the cross-default clause to the guarantees given by the Bank, guarantees based on any special facilities and guarantees given under co-Financing Agreements which ipso facto results in the suspension of disbursements in respect of all the loans.
3. The Borrower or the Entity Guaranteed, as the case may be, shall indemnify EBID of all damage, loss, commitments, fees, expenses or other costs, which the Bank would have borne or would have been called upon to bear pursuant to the Loan Agreement or the Guarantee Agreement issued, or as a result of the failure of the Borrower or of the Entity Guaranteed to fulfil his obligations in accordance with the terms of the Loan Agreement or the Guarantee Agreement provided, including all loss and all interests arising from the financing of all unpaid amounts.

Chapter 7 – Privileges and immunities – taxes and restrictions

Article 44 – Relinquishment of privileges and immunities

1. The Borrower, Guarantor, Counter-Guarantor or Guaranteed Entity or the Creditor shall declare in favour of the Bank or any other entity which shall be the legal successor of the latter that it shall consent to waive for itself and its assets any immunity from jurisdiction or from the enforcement of a court decision.
2. However, whereas it may legitimately rely on its immunity from jurisdiction and/or enforcement of decisions concerning all or part of its assets before any arbitral or jurisdictional court, the Borrower, Guarantor, Counter-Guarantor or the Guaranteed Entity or the Creditor, as the case may be shall expressly and irrevocably waive such immunity and agree expressly and undertake irrevocably not to rely on same against the Bank in connection with any proceedings within the framework of the Loan, Guarantee or Counter-Guarantee Agreement.
3. The waiver of privileges and immunities by the Borrower, Guarantor, Counter-Guarantor or Guaranteed Entity, or the Creditor as the case may be shall be express, specific to the on-going transaction mentioned in the Loan, Guarantee or Counter-Guarantee Agreement.

Article 45 – Integrity of assets

1. The Bank, on the one hand, and the Borrower, Guarantor, Counter-Guarantor or the Guaranteed Entity, on the other hand intend not to give any debt priority over the loan, guarantee, Counter-Guarantee or any other obligation by encumbering the assets of the Borrower, Guaranteed Entity, Guarantor or Counter-Guarantor with the right to preferential payment in respect of the project

being financed by the Bank unless the Bank has consented to subordinate its right.

2. For the purpose of paragraph 1 above of the General Conditions, the Borrower, Guarantor, Counter-Guarantor or Guaranteed Entity, as the case may be shall:
 - i) declare that as at the date of the agreement, its assets are not encumbered with securities or rights to preferential payment other than those notified to the Bank in writing;
 - ii) undertake to ensure that barring an agreement of the Bank to the contrary, if such a security or right of preferential payment is established, it shall guarantee ipso facto on an equal footing and proportionally, the repayment of principal and payment of interest, commissions and other charges relating to the loan or the guarantee given, as the case may be, and that this condition shall be expressly specified at the time of granting this right of preferential payment, and
 - iii) undertake to inform the Bank forthwith about the establishment of the security or right of preferential payment.
3. The provisions of these General Conditions which concern the declaration and undertaking of the Borrower, Guarantor, Counter- Guarantor or Guaranteed Entity shall not be applicable to the Guarantee Given on any asset at the time it is purchased only for the purpose of ensuring the payment of its price.

Article 46 – Taxes and expenses

1. The principal, interest, commissions and other charges payable to the Bank shall be paid without deduction of any taxes and expenses.
2. All taxes and expenses relating to the signing, delivery or registration of the Loan, Guarantee or Counter-Guarantee Agreement or the issuing of the guarantee shall be borne by the Borrower, Guarantor, Counter-Guarantor or Guaranteed Entity as the case may be.

Chapter 8 – Project Implementation, Cooperation and Information, Financial and Economic Data and Negative Pledge

Article 47 – Project Implementation

The borrower shall carry out the project and/or cause the responsible for the implementation to carry out the project:

- (a) with due diligence and efficiency;
- (b) in conformity with all applicable laws and regulations;
- (c) in conformity with appropriate administrative, technical, financial, economic,

- environmental and social standard and practices; and
- (d) in accordance with the provisions of the loan, guarantee and counter guarantee agreements and these General Conditions, as well as any performance arrangement to be entered into between the parties to the agreements.

Article 48 – Cooperation and Information

1. The Bank, the borrower, guarantor and the counter guarantor, as the case may be, shall cooperate fully to ensure that the purposes of the agreements will be accomplished.
2. To that end, the parties shall:
 - (a) from time to time, at the request of any one of them, exchange views with regard to the progress of the project, the purposes of the operation, and the performance of their respective obligations under the loan agreement and the guarantee or counter guarantee agreement, and provide to the other party all such information related thereto as it shall reasonably request; and
 - (b) upon receiving knowledge thereof, promptly inform each other of any condition which interferes with, or threatens to interfere with, the matters referred to in paragraph (a) above.
3. The borrower, the guarantor and the counter guarantor shall ensure that no action which would prevent or interfere with the execution of the project or with the performance of the borrower's obligations under the agreement is taken or permitted to be taken by the borrower, the guarantor or the counter guarantor any of its political or administrative subdivisions or any of the entities owned or controlled by, or operating for the account or benefit of, the borrower, the guarantor and the counter guarantor or such subdivisions.
4. The borrower, the guarantor and the counter guarantor shall afford all reasonable opportunity for representatives of the Bank to visit any part of its territory for purposes related to the operation and enable the Bank's representatives to visit any facilities and construction sites included in the project and to examine the goods financed out of the proceeds of the operation and any plants, installations, sites, works, buildings, property, equipment, records and documents relevant to the performance of the obligations under the agreement.
5. The borrower, the guarantor and the counter guarantor shall permit staff and other representatives of the Bank to perform their functions including conducting investigations, as necessary. In this connection, the Borrower shall provide such representatives of the Bank with relevant information and facilitate the examination of records, accounts and other documents or interview relevant persons, as determined by the Bank.
6. The Borrower shall, for the purposes of each project financed by the Bank, take all necessary steps to indicate in a conspicuous manner that the project is financed by the Bank.

Article 49– Financial and Economic Data

The Borrower or the Guarantor shall promptly provide to the Bank all such information as the Bank shall reasonably request with respect to financial and economic conditions, including its financial information and its debt as well as that of its organization and of any entity owned or controlled by, or operating for the account or benefit of, such Borrower or Guarantor or any branch or entity performing financial functions, for such Borrower or

Guarantor.

Article 50– Negative Pledge

1. In providing a Loan, the Bank may require that the Borrower provides such other assurances to the effect that the Borrower shall fulfill its obligations to the Bank. Such securities may be enforced in accordance with their governing law. The taking of a security from the Borrower by the Bank shall not constitute, or be construed as, a waiver by the Bank of its status as a preferential Creditor in the Country of the Borrower or elsewhere.
2. The Borrower and the Guarantor undertake that, except as the Bank shall otherwise agree:
 - a. if such Borrower or Guarantor shall create any Lien on any of its Assets as security for any debt, such Lien will equally and ratably secure the payment of the principal of, and interest, prepayment costs, Special Commitment Charge, Commitment Charge and other charges on, the Loan and in the creation of any such Lien express provision will be made to that effect, at no cost to the Bank; and
 - b. if any Lien shall be created on any Assets of such Borrower or Guarantor as security for any debt, such Borrower or Guarantor shall grant at no cost to the Bank, an equivalent Lien satisfactory to the Bank to secure the payment of the principal of, and interest, prepayment costs, Special Commitment Charge, Commitment Charge and other charges on, the Loan.
3. The provisions of paragraph (b) of this Section shall not apply to: (i) any Lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase of such property; or (ii) any Lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after the date on which it is originally incurred.

Article 51- Insurance

The Borrower or the Entity guaranteed shall, as the case may be, require the supplier to subscribe to and maintain insurance policies from reputable insurance firms, to cover risks related to transport, delivery, installation, functioning, and, generally, to guarantee the preservation of goods and services financed on the loans.

Article 52 - Use and Procurement of Goods, Works and Services

1. Except as the Bank shall otherwise agree, the Borrower shall, until project completion, cause all goods, works and services financed out of the proceeds of the loan to be used exclusively for the purposes of the Project.
2. The procurement of goods, works and services required for the execution of the project shall be effected by the borrower in accordance with the relevant rules of procurement of the Bank, which shall form an integral part of the loan agreement.
3. The Borrower shall be legally responsible for the procurement. It invites, receives, and evaluates bids, and awards the contracts. The contract shall be between the borrower and the supplier of goods, works or services. The Bank shall not be a party to the contracts.

4. Upon the award of any contract for goods, works or services to be financed out of the proceeds of the loan, the borrower shall, and the Bank may, publish a description thereof, the name and nationality of the party to which the contract was awarded and the contract value.

Article 53 – Authorised and restrictive measures

1. The Borrower or the Guaranteed Entity, as the case may be shall take or cause appropriate steps to be taken for the execution of the project and shall not take any measure or cause any measure whatsoever to be taken or issue directive relating the supply of goods and services financed on the Loan, that may hinder the smooth execution of the utilisation of the Loan.
2. The Borrower or the Entity Guaranteed shall, as the case may be, and generally, all the Parties to the project shall take appropriate measures to ensure that the procedures for the procurement of goods and services are transparent, fair and free of corruption and all practices that are contrary to the rules of good governance.

Article 54 - Land Acquisition

The Borrower shall take (or cause to be taken) all actions necessary as and when needed all land and rights in respect thereto to be acquired as shall be required for carrying out the Project and shall promptly provide to the Bank, upon its request, evidence satisfactory to the Bank that such land and rights in respect of land are available for purposes related to the project.

Article 55 – Plans and Schedules

The Borrower shall promptly provide, or cause to be provided, to the Bank upon their preparation, copies of any plans, specifications, reports, contract documents and construction and procurement schedules for the project, and any material modifications thereof or additions thereto, in such detail as the Bank shall reasonably request.

Article 56 – Accounts, Records and Audit

1. The borrower shall, and shall cause the responsible for the project implementation to:
 - (a) maintain records and procedures adequate to record and monitor the progress of the project (including its costs and the benefits to be derived from it according to indicators acceptable to the Bank), to identify the goods, works and services financed out of the proceeds of the loan, and to disclose their use in the project;
 - (b) provide to the Bank quarterly and annual reports in form and substance satisfactory to the Bank on the execution of the project, including recommendations to ensure the continued effective and efficient execution of the project with a view to achieve its objective, at such intervals as provided by the applicable Bank policy and in accordance with the directives which the Bank shall from time to time issue to that end; and

- (c) provide to the Bank at regular intervals all such information and reports as the Bank shall reasonably request concerning the project, its cost and, where appropriate, the benefits to be derived from it, the participation of project beneficiaries in the implementation and supervision of the Project, the expenditure of the proceeds of the loan and the goods, works and services financed out of such proceeds.
2. The records and accounts shall be kept in accordance with the Bank's guidelines for financial reporting and auditing of projects and shall be audited and certified for each financial year whose terms of reference have been approved by the Bank. The Borrower shall use its best efforts to ensure that the Bank has unrestricted access to the records and working papers of such independent auditors as shall be necessary for the Bank to independently assure itself of the accountability for its funds.
3. The Borrower shall provide the audited financial statements to the Bank as promptly as possible and, in any event, not later than six (6) months after the end of the relevant financial year.
4. The Borrower shall, and shall cause the the responsible for the project implementation to, keep all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures financed with the loan until the later of:
 - (a) one year after the Bank has received the audited financial statements covering the period during which the last disbursement of the loan was made or
 - (b) two years after the Closing Date. The Borrower shall enable the Bank's representatives to examine such records.

Article 57 – Completion Report

Promptly after completion of the project, but in any event not later than six (6) months after the closing date of the project or such later date as may be agreed for this purpose between the Bank and borrower, the borrower shall prepare and provide to the Bank a report, of such scope and in such detail as the Bank shall reasonably request, on the execution and initial operation of the project, its cost and the benefits derived and to be derived from it, the performance by the borrower and the Bank of their respective obligations under the loan agreement, the accomplishment of the purposes of the loan and the plan designed to ensure the sustainability of the project's achievements.

Article 58 – Maintenance

The Borrower shall at all times operate and maintain in good working order, or cause to be operated and maintained in good working order, any facilities relevant to the Project, and shall promptly make or cause to be made all necessary repairs and renewals thereof.

Article 59 – Financial Resources

The borrower shall take all appropriate steps to ensure that the financial resources required for the implementation of the project shall be made available on a timely basis. To that end the Borrower shall:

- (a) make (or, as the case may be, cause the beneficiary of the loan to make) regularly in its budget, the allocations required to finance its share of the project costs as provided in the loan agreement;

- (b) in accordance with the terms of the Loan Agreement, provide evidence that it has available all other additional resources required for the implementation of the project; and
- (c) provide supplementary financing required in case of project cost overruns.

Chapter 9 – Notices and requests – Authorization and Authorized Representatives – Original Copies

Article 60 - Notices and requests

1. Any notice or request which has been, must be, or may be, provided for under the Loan, Guarantee or Counter-Guarantee Agreement or any other Agreement between the parties shall be in writing.
2. Any notice or request shall be deemed to have been duly given or made when delivered by hand or by post, telegram, cable, telex or electronic mail to the party to which it must be sent, either to the address specified in the Loan, Guarantee, or Counter-Guarantee Agreement, or to any other address which the party concerned shall have indicated to the party responsible for preparing the notice or request.

Article 61 – Authorisation - Authorised representatives

1. The Borrower, Guarantor, Counter-Guarantor, Guaranteed Entity or the Creditor as the case may be, shall establish to the satisfaction of the Bank that the person or persons who shall take on its behalf any measures which the Borrower, Guarantor, Counter-Guarantor or the Guaranteed Entity, as the case may be, may, or should take, under the Loan, Guarantee or Counter-Guarantee Agreement, and sign the documents which the Borrower, Guarantor, Counter-Guarantor or Guaranteed Entity or the Creditor may or should sign by virtue of the same agreements, shall be authorised to represent them.
2. The Borrower, Guarantor, Counter-Guarantor, Guaranteed Entity or the Creditor shall also furnish the Bank with authenticated specimen signatures of each of the persons authorised to represent them.
3. Any action which should or may be taken and any documents which should or may be signed by virtue of the Loan, Guarantee or Counter-Guarantee Agreement, shall be taken or signed on behalf of the Borrower, Guarantor, Counter-Guarantor, Guaranteed Entity or the Creditor as the case may be, by the representative designated in the Loan, Guarantee or Counter-Guarantee Agreement for the purposes of this Article or by any person authorised in writing to do so.
4. Any modification or extension of the Loan, Guarantee or Counter-Guarantee Agreement may be agreed upon in writing on behalf of the Borrower, Guarantor,

Counter-Guarantor, Guaranteed Entity or the Creditor by its representative(s) or any other person authorised to do so.

Article 62 – Original copies

Several original copies of the loan, Guarantee, or Counter-Guarantee may be made, which, for each agreement, shall be one and the same instrument.

Article 63– Registers

The Borrower or the Guaranteed Entity, as the case may be shall keep appropriate registers showing the goods and services financed by the loan, how the resources of the Loan in connection with the loan have been utilised and the amount of expenditure carried out.

Chapter 10 - Enforceability of Loan, Guarantee and Counter-Guarantee Agreements – Failure to Exercise Rights- Settlements of Disputes

Article 64 – Enforceability

1. Unless the Bank expressly agrees, the rights and obligations of the Bank, the Borrower, Guarantor, Counter-Guarantor, the Guaranteed Entity and the Creditor, under the Loan, Guarantee, Counter-Guarantee, financing Agreement and other obligations shall be valid and enforceable in conformity with their contents irrespective of the legislation of any State, or its political and geographical subdivisions.
2. Neither the Bank nor Borrower, Guarantor, Guaranteed Entity, Creditor shall have grounds during any proceedings initiated by virtue of a Loan, Guarantee or Counter-Guarantee or financing Agreement to claim that a provision of the General Conditions, or the Loan, Guarantee, Counter-Guarantee, or financing Agreement is not valid or enforceable for any reason whatsoever.

Article 65 – Obligations of the Guarantor and Counter-Guarantor

1. The Guarantor or Counter-Guarantor shall be discharged of the obligations stipulated under the Guarantee Received or Counter-Guarantee Agreement, as the case may be only following the performance of the said obligations and to the extent of the performance of these obligations.
2. The Guarantor's obligations shall not be subject to any legal action against the Borrower and shall not be affected by: time frame, moratorium, permission or concession granted to the Borrower; reference or lack of reference to a right,

remedy against the Borrower or recourse in respect of any security for the loan, modification or amendment of the provisions of the Loan Agreement, failure of the Borrower to comply with the laws, decrees and regulations of the Guarantor or of a political or geographical subdivision or agency of the Guarantor.

3. The obligations of the Counter-Guarantor shall not be subject to the initiation of any legal action against the Guaranteed Entity and shall not be affected by: time frame, moratorium, permission or concession granted to the Guaranteed Entity, reference or lack of reference to a right, remedy against the Guaranteed Entity or recourse in respect of a security conferred on the Bank by the Guaranteed Entity, modification or amendment of the provisions of the Counter-Guarantee Agreement, failure of the Guaranteed Entity to comply with the laws, decrees and regulations of the Counter-Guarantor or of a political or geographical subdivision or agency of the Counter-Guarantor.

Article 66 - Obligations of the Guaranteed Entity

1. The Guaranteed Entity shall be discharged of its contractual obligations under the Guarantee Given Agreement only following the performance of all the obligations specified in the Guarantee, Financing or Counter-Guarantee Agreement.
2. In any event, where the Creditor shall have executed the guarantee given, the Bank shall as of right be subrogated of the rights and privileges of the Creditor with respect to the principal, interest and commissions and other charges paid, notwithstanding the existence of any other securities accepted by the Bank under the Guarantee Given Agreement.
3. The tangible securities given to the Bank shall be released only after proof is shown to the Bank prior to the date with effect from which the release of such securities is being sought, that the Guaranteed Entity has fully performed its obligations under the Guarantee, Financing and Counter-Guarantee Agreements.

Article 67 – Failure to exercise a right

1. Unless there are express provisions, no delay or omission on the part of EBID in exercising any of the rights, powers or remedies available to it under the Loan, Guarantee or Counter-Guarantee Agreement in the event of default on one of the obligations stipulated in these agreements, shall restrict the said rights, powers or remedies nor be construed as a waiver and an acceptance of such a waiver.
2. The measures taken by EBID in respect of default on an obligation or the acceptance of such a default shall in no way affect the rights, powers or remedies of EBID in the event of any other prior or subsequent simultaneous default.

Article 68 – Settlement of disputes

1. Any dispute arising among the parties to the Loan, Guarantee or Counter-Guarantee Agreement from the interpretation or execution of the said agreement, or any other claim by any of the parties by virtue of the Loan, Guarantee or Counter-Guarantee Agreement or any other obligations shall be settled amicably among the parties.
2. In the event of failure to reach an amicable settlement, the dispute shall be referred, upon the request of any of the parties, to the relevant jurisdiction in the Member country , unless the parties agree on another procedure in the Loan, Guarantee, or Counter-Guarantee Agreement or any other subsequent legal instrument.
3. In all cases, the competence of jurisdiction referred to under article 48.2 of the General Conditions is made without prejudice to the right of the Bank to bring legal proceedings against any party concerned by the Agreement at the same time or otherwise, before any other jurisdiction whose territorial or material competence would be useful or necessary for the recovery of the Bank's debt or to protect its rights.

Chapter 11 – Termination, Extinguishment, Final Clauses

Article 69– Termination of the Loan and Guarantee Received Agreements

1. The Bank may at any moment, by giving notice to the Borrower, terminate the Loan and/or Guarantee Agreement under any one of the following circumstances:
 - (i) where, within the deadline specified in this regard in the Loan Agreement, the Borrower fails to pay the loan document processing fee relating to the said agreement;
 - (ii) where, before the expiry of the deadline specified in this regard in the Loan Agreement, the Borrower fails to submit the request for first disbursement in conformity with the provisions of the Loan Agreement and the General Conditions;
 - (iii) where, under the conditions set forth in Article 42 of the General Conditions, the Bank decides to accelerate the loan;
 - (iv) where, in the opinion of the Bank, the execution of the Loan or Guarantee Agreement has been rendered impossible, given the circumstances.
2. The Borrower or the Guarantor may at any moment by giving notice to the Bank and the Guarantor or the Borrower, as the case may be, terminate the Loan and Guarantee Received Agreements, where the Bank defaults on its obligation to effect the first disbursement ninety (90) days after the deadline specified for the purpose in the Loan Agreement, whereas the conditions for so doing have been

met.

3. The termination of the Agreement shall put an end to the rights and obligations of the Bank, the Borrower and the Guarantor under the Loan and Guarantee Received Agreements. However, the Bank shall have the option to resort to any legal means to recover all the amount owed and due under the Loan or Guarantee Received Agreement, plus an additional charge where applicable, as stipulated in Article 43 of the General Conditions.

Article 70 – Termination of the Guarantee Given Agreement

1. The Bank may, at any moment, terminate the Guarantee Given Agreement, where in its opinion, the Creditor defaults without valid justification in its obligation to pay the Guarantee commission, to fulfil any obligation incumbent on it, or to obligation to finance or invest in the goods and services for which the guarantee was provided by the Bank, within the deadline specified in the guarantee agreement or in any other agreement concluded between the parties.
2. The termination of the agreement shall put an end to the rights and obligations of the Bank, the Creditor, the Counter-Guarantor and the Guaranteed Entity under the Guarantee Given Agreement or any other ancillary agreement concluded between the parties. However, the Bank shall have the option to resort to any legal action to recover all the amounts owed it under the Guarantee Given agreement, plus an additional charge where applicable, as stipulated in Article 43 of the General Conditions.

Article 71 – Extinguishment of Loan, Guarantee and Counter-Guarantee Agreements

1. When the principal, interest and other charges payable in respect of the loan shall have been paid, the Loan and the Guarantee Received Agreement as well as all the related obligations shall be extinguished.
2. The Counter-Guarantee Agreement shall cease to be of effect, following the extinguishment of the Indirect Commitment Agreement and the Financing Agreement, provided however, that the obligations arising out of the Counter-Guarantee Agreement have been duly executed.
3. The commitment of the Bank under any Indirect Commitment shall legally end with the extinguishment of the Financing Agreement.
4. The Bank may also put an end to its liability to pay interest by virtue of the Guarantee Given Agreement if, in the event of default on the part of the Guaranteed Entity, the Bank offers to redeem at par, the guaranteed bonds and other guaranteed securities, plus interest, commissions and charges accruing up to the date specified in the offer.

Article 72 – Entry into force

These General Conditions and all possible subsequent amendments thereto shall enter into force on the date of their adoption by the Board of Directors.