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INTEKO ISHINGA AMATEGEKO: Umutwe w’Abadepite, mu nama yawo yo ku wa 8 Gashyantare 2024; Ishingiye ku Itegeko Nshinga rya Repubulika y’u Rwanda, cyane cyane mu ngingo zaryo, iya 64 n’iya 168; Imaze gusuzuma Amasezerano y’inguzanyo hagati ya Repubulika y’u Rwanda na Banki Nyafurika Itsura Amajyambere, yerekeranye n’inguzanyo ya miliyari makumyabiri n’umunani na miliyoni magana cyenda n’eshatu n’ibihumbi magana atandatu na makumyabiri na birindwi na magana inani na mirongo itatu z’Amayeni y’Ubuyapani (28.903.627.830 JYP) igenewe gahunda y’u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n’isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023; YEMEJE: <u>Ingingo ya mbere:</u> Kwemera kwemeza burundu Amasezerano y’inguzanyo hagati ya Repubulika y’u Rwanda na Banki Nyafurika Itsura Amajyambere, yerekeranye n’inguzanyo ya	THE PARLIAMENT: The Chamber of Deputies, in its sitting of 8 February 2024; Pursuant to the Constitution of the Republic of Rwanda, especially in Articles 64 and 168; After consideration of the Loan Agreement between the Republic of Rwanda and African development bank, relating to the loan of twenty-eight billion, nine hundred and three million, six hundred and twenty-seven thousand eight hundred and thirty Japanese Yen (JPY 28,903,627,830) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023; ADOPTS: <u>Article one:</u> Approval for ratification The Loan Agreement between the Republic of Rwanda and African Development Bank, relating to the loan of twenty-eight billion, nine hundred	LE PARLEMENT: La Chambre des Députés, en sa séance du 8 février 2024; Vu la Constitution de la République du Rwanda, spécialement en ses articles 64 et 168; Après examen de l’Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement relatif au prêt de vingt-huit milliards neuf cent trois millions six cent vingt-sept mille huit cent trente yens japonais (28.903.627.830 JPY) pour le programme de transformation durable de l’approvisionnement en eau potable et de l’assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023; ADOPTE: <u>Article premier:</u> Approbation pour ratification L’Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, relatif au prêt de vingt-huit
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miliyari makumyabiri n’umunani na miliyoni magana cyenda n’eshatu n’ibihumbi magana atandatu na makumyabiri na birindwi na magana inani na mironko itatu z’Amayeni y’Ubuyapani (28.903.627.830 JYP) igenewe gahunda y’u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n’isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023, ari ku mugereka, yemerewe kwemezwa burundu. <u>Ingingo ya 2: Ingingo y’ururimi</u> Iri tegeko ryateguwe mu rurimi rw’Icyongereza, risuzumwa kandi ritorwa mu rurimi rw’Ikinyarwanda. <u>Ingingo ya 3: Gutangira gukurikizwa</u> Iri tegeko ritangira gukurikizwa ku munsu ritangarijweho mu Igazeti ya Leta ya Repubulika y’u Rwanda.	and three million, six hundred and twenty-seven thousand eight hundred and thirty Japanese Yen (JPY 28,903,627,830) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023, in annex, is approved for ratification. <u>Article 2: Language provision</u> This Law was drafted in English, considered and adopted in Ikinyarwanda. <u>Article 3: Entry into force</u> This Law comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	milliards neuf cent trois millions six cent vingt-sept mille huit cent trente yens japonais (28.903.627.830 JPY) pour le programme de transformation durable de l’approvisionnement en eau potable et de l’assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023, en annexe, est approuvé pour ratification. <u>Article 2: Disposition linguistique</u> La présente loi a été initiée en anglais, examinée et adoptée en Ikinyarwanda. <u>Article 3: Entrée en vigueur</u> La présente loi entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w’Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w’Ubutabera akaba n’Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEGEKO N° 030/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE, YEREKERANYE N'INGUZANYO YA MILIYARI MAKUMYABIRI N'UMUNANI NA MILIYONI MAGANA CYENDA N'ESHATU N'IBIHUMBI MAGANA ATANDATU NA MAKUMYABIRI NA BIRINDWI NA MAGANA INANI NA MIRONGO ITATU Z'AMAYENI Y'UBUYAPANI (28.903.627.830 JYP) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	ANNEX TO LAW N° 030/2024 OF 04/03/2024 APPROVING RATIFICATION OF THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK, RELATING TO THE LOAN OF TWENTY-EIGHT BILLION, NINE HUNDRED AND THREE MILLION, SIX HUNDRED AND TWENTY-SEVEN THOUSAND EIGHT HUNDRED AND THIRTY JAPANESE YEN (JPY 28,903,627,830) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ANNEXE À LA LOI N° 030/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, RELATIF AU PRÊT DE VINGT-HUIT MILLIARDS NEUF CENT TROIS MILLIONS SIX CENT VINGT-SEPT MILLE HUIT CENT TRENTE YENS JAPONAIS (28.903.627.830 JYP) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU POTABLE ET DE L'ASSAINISSEMENT AU RWANDA – PHASE 1, SIGNÉ À KIGALI, RWANDA, LE 20 DÉCEMBRE 2023
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AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE, YEREKERANYE N'INGUZANYO YA MILIYARI MAKUMYABIRI N'UMUNANI NA MILIYONI MAGANA CYENDA N'ESHATU N'IBIHUMBI MAGANA ATANDATU NA MAKUMYABIRI NA BIRINDWI NA MAGANA INANI NA MIRONGO ITATU Z'AMAYENI Y'UBUYAPANI (28.903.627.830 JYP) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK, RELATING TO THE LOAN OF TWENTY-EIGHT BILLION, NINE HUNDRED AND THREE MILLION, SIX HUNDRED AND TWENTY-SEVEN THOUSAND EIGHT HUNDRED AND THIRTY JAPANESE YEN (JPY 28,903,627,830) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, RELATIF AU PRÊT DE VINGT-HUIT MILLIARDS NEUF CENT TROIS MILLIONS SIX CENT VINGT-SEPT MILLE HUIT CENT TRENTE YENS JAPONAIS (28.903.627.830 JYP) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU POTABLE ET DE L'ASSAINISSEMENT AU RWANDA – PHASE 1, SIGNÉ À KIGALI, RWANDA, LE 20 DÉCEMBRE 2023
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PROGRAM ID: P-RW-E00-014
LOAN No.: 2000300000902

LOAN AGREEMENT

BETWEEN

REPUBLIC OF RWANDA

AND

AFRICAN DEVELOPMENT BANK

**(RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER
AND SANITATION PROGRAM, PHASE I)**

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**LOAN AGREEMENT
RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION
PROGRAM, PHASE I**

**PROGRAM ID: P-RW-E00-014
LOAN No.: 2000300000902**

This LOAN AGREEMENT, (the "Agreement") is entered into this 20th day of December 2023, between the REPUBLIC OF RWANDA (the "Borrower") and the AFRICAN DEVELOPMENT BANK (the "Bank").

WHEREAS:

- (A) The Borrower has requested the Bank to provide a loan out of its resources, to assist in financing the Rwanda Transformative and Sustainable Water and Sanitation Program, Phase I (the "Program") as further described in Schedule II (*Program Description*) of this Agreement;
- (B) Water and Sanitation Corporation (WASAC) Group shall be the Executing Agency for the Program (the "Executing Agency");
- (C) On or about the Date of the Loan Agreement, the Bank acting as administrator of the Africa Growing Together Fund (AGTF) entered into a loan agreement with the Borrower (the "AGTF Loan Agreement") for the financing of the Program in an amount of Fifty Million United States Dollars (USD 50,000,000) (the "AGTF Loan"); and
- (D) The Bank has agreed on the basis, *inter alia*, of the foregoing to extend to the Borrower as a loan, the amount specified in Section 2.01 (*Amount*) of this Agreement on the terms and conditions set forth or referred to in this Agreement .

NOW THEREFORE, the Parties hereto hereby agree as follows:

**ARTICLE I
GENERAL CONDITIONS, CONVERSION GUIDELINES, DEFINITIONS**

Section 1.01. **General Conditions and Conversion Guidelines.** The *General Conditions Applicable to the African Development Bank Loan Agreements and Guarantee Agreements (Sovereign Entities)* dated February 2009, as amended from time to time, (the "General Conditions") and the Conversion Guidelines as defined herein constitute an integral part of this Agreement.

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[Signature]

Section 1.02. **Inconsistency.** In the event of an inconsistency between any provision of this Agreement and the General Conditions or the Conversion Guidelines, the provisions of this Agreement shall prevail.

Section 1.03. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in Schedule I (*Definitions*) to this Agreement.

Section 1.04. **Schedules.** The Schedules to this Agreement form an integral part of this Agreement and shall have effect as if set out in full herein.

ARTICLE II **THE LOAN**

Section 2.01. **Amount.** The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, a loan of an amount not exceeding Twenty-Eight Billion, Nine Hundred and Three Million, Six Hundred and Twenty-Seven Thousand Eight Hundred and Thirty Japanese Yen (JPY 28,903,627,830), which amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement and the Conversion Guidelines (the "Loan"), to assist in financing the Program.

Section 2.02. **Loan Tenor and Grace Period.** The tenor of the Loan shall be twenty-five (25) years which shall include a grace period of eight (8) years (the "Grace Period") commencing on the Date of the Loan Agreement.

Section 2.03. **Payment Dates.** The Payment Dates are:

- (a) 1 May and 1 November in each year for USD, EUR, and JPY; and
- (b) 1 February, 1 May, 1 August and 1 November of each year for ZAR.

Section 2.04. **Front-End Fee**

- (a) The Borrower shall pay the Bank a non-refundable Front-End Fee on the Loan amount at a rate equal to zero point twenty-five percent (0.25%) of the Loan. The Borrower shall pay the Front-End Fee no later than sixty (60) days after the Date of Entry into Force, or at first disbursement, whichever is the earlier.
- (b) **Deduction of Front-End Fee.** The Borrower may, by notice in writing, request that the Front-End Fee be paid out of the proceeds of the Loan and, the Bank shall upon receipt of such request, on behalf of the Borrower, withdraw an amount equivalent to the Front-End Fee from the Loan and pay to itself such fee.

- (c) The Borrower shall pay the Front-End Fee on the full Loan amount notwithstanding any full or partial cancellation of the Loan occurring after the Date of Entry into Force.
- (d) No disbursement of the Loan shall be made until the Bank has received from the Borrower payment in full of the Front-End Fee.

Section 2.05. **Commitment Charge.** The Borrower shall pay a Commitment Charge computed at a rate equal to zero point twenty-five per cent (0.25%) per annum on the Undisbursed Loan Balance, which shall begin to accrue sixty (60) days after the Date of the Loan Agreement. The Commitment Charge shall be payable on each Payment Date including during the Grace Period. The Commitment Charge shall cease to accrue upon full disbursement or cancellation of the Loan.

Section 2.06. **Interest.**

- (a) Until the first Interest Rate Conversion, and for all Interest Rate Conversions from a Fixed Base Rate to a Floating Base Rate, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, the interest payable by the Borrower on the Disbursed Loan Balance, for each Interest Period (or, in the case of a Loan in USD or JPY, for any day during an Interest Period) shall be at a percentage rate per annum equal to the sum of the:
 - (i) Floating Base Rate;
 - (ii) Funding Cost Margin;
 - (iii) Lending Margin; and
 - (iv) Maturity Premium of twenty (20) basis points per annum;

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.
- (b) If any day during an Interest Period for a Loan in USD or JPY is not a RFR Banking Day, the interest rate on that Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.
- (c) **Notification of Interest Rates.** The Bank shall notify the Borrower of the interest rate applicable for each Interest Period as soon as it determines such interest rate.
- (d) Pursuant to an Interest Rate Conversion from a Floating Base Rate to a Fixed Base Rate, the interest payable by the Borrower on the Disbursed Loan Balance that is subject to the Interest Rate Conversion, for each Interest Period shall, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, be at a percentage rate per annum equal to the sum of the:

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- (i) Fixed Base Rate;
- (ii) Funding Cost Margin;
- (iii) Lending Margin; and
- (iv) Maturity Premium of twenty (20) basis points per annum;

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.

- (e) **Payment of Interest.** The Borrower shall pay the accrued interest in paragraphs (a) and (d) herein on each Payment Date including during the Grace Period.

Section 2.07. **Interest Rate Substitution.** If, for any reason whatsoever, the Bank cannot determine or calculate the Floating Base Rate or the Fixed Base Rate (for amounts for which a Fixed Base Rate has not previously been determined) in accordance with Section 2.06 (*Interest*) of this Agreement, the Bank shall promptly notify and consult the Borrower in order to decide on a substitute interest rate in accordance with Section 3.03 (b) and (c) (*Interest*) of the General Conditions.

Section 2.08. **Computations.** Any Interest, Commitment Charge and fee accruing under this Agreement shall be computed on the basis of actual days elapsed (including the first day but excluding the last day) occurring in the period for which such Interest or Commitment Charge is payable and (i) a year of three hundred and sixty (360) days for USD and EUR; (ii) a year of three hundred and sixty-five (365) days for ZAR and JPY; and (iii) in respect of any currency other than USD, EUR, JPY and ZAR, such market convention calendar days as determined by the Bank and notified to the Borrower.

Section 2.09. **Repayment of Principal.** Without prejudice to Section 7.01 (*Events of Acceleration*) of the General Conditions, the Borrower shall repay the Disbursed Loan Balance over a period of seventeen (17) years after the expiration of the Grace Period by means of thirty-four (34) equal and consecutive semi-annual installments payable on each Payment Date. The first of such installments shall be payable on the first Payment Date immediately following the expiration of the Grace Period.

Section 2.10. **Prepayment.**

- (a) Pursuant to the provisions of Section 3.06 (*Repayment and Prepayment*) of the General Conditions, the Borrower shall have the right to prepay all or part of the Disbursed Loan Balance prior to its maturity without any prepayment costs other than any applicable Conversion Unwinding Costs which shall be determined by the Bank and notified to the Borrower.
- (b) If a Conversion has been effected on any Loan amount that is to be prepaid, the Borrower shall, at the time of the prepayment, pay the applicable Conversion

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Unwinding Costs, and a transaction fee for the early termination of the Conversion, in such amount or at such rate as notified by the Bank and in effect at the time of receipt by the Bank of the notice of prepayment.

- (c) Unless otherwise expressly indicated by the Borrower in its prepayment notice, prepaid amounts shall be applied *pro rata* to all outstanding Loan maturities.
- (d) Any partial prepayment in respect of an amount of the Loan to which a Conversion has been effected shall not be in an amount less than the minimum principal amount for Conversions provided in the Conversion Guidelines.
- (e) The Borrower may not re-borrow from the Bank, amounts prepaid under this Agreement.

Section 2.11. **Partial Payments.** If the Borrower at any time, makes a payment to the Bank, which is less than the full amount of all sums due and payable to the Bank hereunder, such payment shall, unless the Bank otherwise agrees, be applied in the following order: Front-End Fee, Commitment Charge, Conversion Unwinding Costs, transaction fee if applicable, interest, and lastly to principal.

Section 2.12. **Currencies, Mode and Place of Payments.**

- (a) Subject to the provisions of Section 4.04 (*Temporary Currency Substitution*) of the General Conditions, all amounts due to the Bank under this Agreement shall be payable in the Loan Currency.
- (b) Any amount due to the Bank pursuant to this Agreement, shall be payable without being subject to any restriction, tax set-off or deduction on account of exchange rate fluctuations, transmission, other transfer charges or other reasons of any nature whatsoever.
- (c) Such amounts shall be paid into a bank account of the Bank, which the Bank shall notify to the Borrower from time to time, and shall be deemed to have been paid only when and to the extent that the Bank has actually received the full amount due in the Loan Currency on the due date. If the due date falls on a day which is not a Business Day, such amount shall be paid so that it is actually received by the Bank on the next Business Day in its account and interest and Commitment Charge shall continue to accrue for the period from such due date to the next succeeding Business Day.

Section 2.13. **Certificates and Determinations.** Any certification or determination by the Bank of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

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ARTICLE III CONVERSION OF LOAN TERMS

Section 3.01. **Conversions Generally.** The Borrower may at any time request any of the following Conversions of the terms of any portion of the Loan in order to facilitate prudent debt management: (i) Currency Conversion; (ii) Interest Rate Conversion; (iii) Interest Rate Cap; or (iv) Interest Rate Collar. Each such request shall be furnished by the Borrower to the Bank in accordance with the Conversion Guidelines and, shall, upon acceptance and effectuation by the Bank, be considered a Conversion for the purposes of this Loan Agreement and the Conversion Guidelines.

Section 3.02. **Conversion Fees.** The Borrower shall, upon receipt of notice in writing, pay to the Bank:

- (a) the applicable transaction fee for the Conversion, and for each early termination of a Conversion, including any early termination pursuant to Section 2.10 (b) (*Prepayment*) of this Agreement and Section 7.01 (*Events of Acceleration*) of the General Conditions; and
- (b) Conversion Unwinding Costs, if any, for each early termination of a Conversion, in such amount or at such rate, in such currency and at such times as announced by the Bank from time to time in accordance with the applicable Conversion Guidelines.

ARTICLE IV ENTRY INTO FORCE AND DISBURSEMENT

Section 4.01. **Entry into Force.** The Loan Agreement shall enter into force upon fulfillment by the Borrower of the provisions of Section 12.01 (*Entry into Force*) of the General Conditions.

Section 4.02. **Disbursement.** The proceeds of the Loan shall be disbursed by the Bank, subject to the provisions of (a) Article V (*Disbursement of the Loan*) of the General Conditions; (b) the Disbursement Handbook; (c) the Disbursement Letter; (d) Article IV (*Entry into Force and Disbursement*) of this Agreement; and (e) such additional instructions as the Bank may specify by notice to the Borrower, to finance Eligible Expenditures as set forth in Schedule III (*Allocation of the Loan*) to this Agreement.

Section 4.03. **Currencies of Disbursement.** Subject to Section 4.04 (*Temporary Currency Substitution*) of the General Conditions, all disbursements of the Loan shall be denominated in the Original Loan Currency, unless and until such time as they become part of a Currency Conversion in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement and the Conversion Guidelines.

Section 4.04. **Conditions Precedent to First Disbursement.** In addition to the provisions of

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Section 4.01 (*Entry into Force*), the obligation of the Bank to make the first disbursement of the Loan shall be subject to the satisfaction of the following conditions by the Borrower, submission of :

- (a) the execution and delivery of a Subsidiary Agreement between the Executing Agency and the Borrower in form and substance satisfactory to the Bank; and
- (b) the evidence of the designation of staff for the Program Implementation Team ("PIT") with qualifications and terms of reference acceptable to the Bank, as follows: (i) Program Coordinator; (ii) Procurement Officer; (iii) Financial Management Specialist; (iv) Environmental Safeguards Expert; (v) Social Safeguards Expert; (vi) Monitoring and Evaluation Expert; (vii) Water Engineer; and (viii) Sanitation Engineer.

Section 4.05. **Conditions Precedent to Disbursements for Works Involving Resettlement financed by the Bank.** Subject to the provisions of Section 4.01 (*Entry into Force*) and Section 4.04 (*Conditions Precedent to First Disbursement*) of this Agreement, the obligation of the Bank to disburse the Loan for works that involve resettlement shall be subject to the satisfaction of the following additional conditions by the Borrower, submission of :

- (a) a works and compensation schedule prepared in accordance with the Full Resettlement Action Plan ("FRAP") and the Bank's Safeguards Policies in form and substance satisfactory to the Bank detailing: (i) each section of civil works under the Program, and (ii) the timeframe for compensation and/or resettlement of all Program Affected Persons (PAPs) in respect of each section and government valuer's report on the respective section(s) requiring compensation;
- (b) the evidence of the opening of a foreign currency special account (the "Special Account") and a local currency program account (the "Program Account") with the National Bank of Rwanda in the name of the Program, dedicated to receiving the Bank's portion of financing allocated to compensation and/or resettlement of the Program Affected Persons (PAPs) in accordance with the RAP;
- (c) For subsequent disbursements:
 - (A) provision of 100% justification on prior advance received accompanied by: (i) a completed and signed disbursement request (Form A1), (ii) a completed and signed appropriate statement of expenditures (Form A2), (iii) special account reconciliation statement, and (iv) bank statements covering the period of justification; and
 - (B) submission of approved valuation reports.

Section 4.06 **Pro-rata Disbursements.** Subject to Section 4.04 (*Condition Precedent to First Disbursement*) of this Agreement, the disbursements of the Loan and will be made pro-rata with the AGTF Loan.




Section 4.07. **Closing Date.** For purposes of Section 6.03 (*Cancellation by the Bank*) of the General Conditions, the Closing Date shall be **30 June 2030**, or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE V **UNDERTAKINGS**

Section 5.01. The Borrower declares its commitment to the objectives of the Program. To this end, the Borrower shall carry out the Program, and shall cause the Executing Agency and, its contractors and/or agents to carry out the Program, in accordance with the provisions of Article IX (*Project Implementation - Cooperation and Information*) of the General Conditions and this Agreement.

Section 5.02 **Institutional Arrangements.**

- (a) WASAC Group shall be the Executing Agency for the Program.
- (b) The Executing Agency shall be responsible for inter alia the following:
 - (i) the day-to-day implementation of the Program including preparation and submission of the Program quarterly progress reports, interim quarterly financial reports, and audit report to the Bank;
 - (ii) facilitating collaborations with stakeholders; and
 - (iii) all Program related monitoring and evaluation activities including compliance with the Bank's procurement, financial management and control requirements.
- (c) The Borrower shall, and shall cause the Executing Agency to maintain the Program Implementation Team (the "PIT") within the Executing Agency. The PIU shall remain operational at all times until completion of the Program, with the mandate, staffing and resources acceptable to the Bank.
- (d) The PIT shall be comprised of the following experts: (i) Program Coordinator; (ii) Water Engineer; (iii) Sanitation Engineer; (iv) Procurement Expert; (v) Program Accountant/Financial Management Specialist ; (vi) Environmental Safeguards Expert; (vii) Social Safeguards Expert; and (viii) Monitoring and Evaluation Expert..
- (e) The Borrower shall and shall cause the Executing Agency to nominate a Program Coordinator who will provide guidance and direction for the implementation of the Program and facilitate collaboration with government and government counterparts including within municipalities.

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- (f) In implementing catchment management investment component, the Executing Agency will collaborate with Ministry of Environment and Rwanda Water Resources Board.
- (g) The Borrower shall and shall cause the Executing Agency to establish a Program Steering Committee ("PSC") comprising Permanent Secretaries and Director Generals from all concerned ministries (Ministries of Infrastructure, Environment, Health, Education, Agriculture and Animal Resources, Finance and Economic Planning, Gender and Family Promotion, Local Government, Rwanda Water Resources Board, and Rwanda Utilities Regulatory Board). The PSC will provide policy and strategic guidance on the implementation of the Program. The PSC will be chaired by the Permanent Secretary for Ministry of Infrastructure and will meet at least once every six (6) months to review progress and approve the work plan and budget for the Program. The PIT will provide secretariat services to the PSC.

Section 5.03. **Environmental and Social Safeguards**

- (a) The Borrower shall, and shall cause the Executing Agency and all its contractors, sub-contractors and agents to:
 - (i) carry out the Program in accordance with the Environmental and Social Management Plan ("ESMP"), and the Full Resettlement Action Plan ("FRAP") and /or the agreed works and compensation schedule, the Bank's Safeguards Policies and the applicable national legislation in a manner and in substance satisfactory to the Bank;
 - (ii) prepare and submit to the Bank, as part of the Program Report in Section 8.01 (*Program Report*) of this Agreement, monthly reports on the implementation of the ESMP and the FRAP including any deficiencies identified and the corrective measures thereto; and
 - (iii) refrain from taking any action which would prevent or interfere with the implementation of the ESMP, and the FRAP, including any amendment, suspension, waiver, and/or avoidance of any provision thereof, whether in whole or in part, without the prior written concurrence of the Bank.
- (b) The Borrower shall not, and shall cause the Executing Agency and all its contractors, sub-contractors and agents not to commence implementation of any works on any section under the Program, unless all PAPs on such section have been compensated and/or resettled in accordance with the FRAP and/or the agreed works and compensation schedule.

Section 5.04. **Integrity.** The Borrower shall, and shall cause the Executing Agency, and any of its contractors or agents to, carry out the Program in accordance with the provisions of the Anti-Corruption Policies.

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Section 5.05. Other Conditions

- (a) The Borrower shall submit the evidence of the establishment of a Program Steering Committee ("PSC") comprising Permanent Secretaries and Director Generals from all concerned ministries will provide policy and strategic guidance on the implementation of the Program, within three (3) months of the first disbursement of the Loan.
- (b) The Borrower shall submit the evidence of the recruitment of the following technical assistants: ((i) Electromechanical Engineering Expert; (ii) Civil Engineering Expert; (iii) Contract Management Expert; (iv) Procurement Expert; (v) Water Treatment Expert; (vi) Sanitation Expert and (vii) Gender Expert) to enhance capacity of the Executing Agency, within nine (9) months of the first disbursement of the Loan.

Section 5.06. Borrower Counterpart Contribution.

- (a) The Borrower shall and shall cause the Executing Agency to make available the amount of Nineteen Thousand Three Hundred and Twenty-Seven Thousand Eight Hundred and Sixty-Seven United States Dollars (USD 19,327,867) as its counterpart contribution (the "Counterpart Contribution") towards the costs of the Program. To this end, the Borrower shall within one (1) year after entry into force of the Loan Agreement or such later date as may be approved by the Bank, submit evidence of an allocation of a portion of the Counterpart Contribution in the budget for the fiscal year 2024-2025 and shall submit evidence of annual allocations of other portions of the Counterpart Contribution in the subsequent fiscal years, during the Program implementation period, to the Bank, in form and substance acceptable to the Bank.
- (b) The Borrower shall within three (3) months of the first disbursement of the Loan or such later date as may be approved by the Bank, provide office space, in accordance with agreed specifications acceptable to the Bank, as its in-kind contribution (the "Counterpart Contribution") towards the costs of the Program.

Section 5.07. Subsidiary Agreement

- (a) To facilitate the implementation of the Program, the Borrower shall on-grant the proceeds of the Loan to the Executing Agency under a subsidiary agreement between the Borrower and the Executing Agency (the "Subsidiary Agreement") under terms and conditions approved by the Bank, which shall include inter alia (i) the roles and responsibilities of the Executing Agency with regard to the implementation of the Program; and (ii) the obligation of the Executing Agency to comply with the reporting, financial management, technical, fiduciary, safeguards, monitoring and other relevant requirements applicable to the Program in accordance with the provisions of this Agreement.




- (b) The Borrower shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interest of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.
- (c) Notwithstanding the foregoing, in the event of a conflict between the provisions of the Subsidiary Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

ARTICLE VI

ADDITIONAL REMEDIES OF THE BANK

Section 6.01. **Other Events of Suspension.** For the purpose of Section 6.02 (1) (I) (*Other Events of Suspension*) of the General Conditions, the other event of suspension consists of the following:

- (i) The Executing Agency's Legislation has been amended, suspended, repealed or waived or in the opinion of the Bank, the legal character, ownership or control of the Executing Agency has changed from that prevailing as of the Date of the Loan Agreement, so as to materially and adversely affect the ability of the Executing Agency to perform any of its obligations arising under or entered into pursuant to the Loan Agreement, or to achieve the objectives of the Program ;
- (ii) Any action has been taken for the dissolution, disestablishment or suspension of operations of the Executing Agency;
- (iii) The Executing Agency has failed to perform any of its obligation under the Subsidiary Agreement;
- (iv) Any circumstance arising which in the opinion of the Bank interferes with or threatens to interfere with the successful completion of the Program or the accomplishment of its purposes;
- (v) The Borrower has failed to make payment when due (notwithstanding the fact that such payment may have been made by the Guarantor or a third party) of principal, interest, Commitment Charge, Conversion Unwinding Costs, transaction fees or any other amount due to the Bank under the AGTF Loan Agreement; and
- (vi) The Bank has suspended, in whole or in part, the right of the Borrower to request for, and receive disbursements under the AGTF Loan Agreement because of a failure by the Borrower to perform any of its obligations under the AGTF Loan Agreement.




Section 6.02. **Other Events of Acceleration.** In addition to events in Section 7.01 (*Events of Acceleration*) of the General Conditions, the other event of acceleration consist of any event specified in Section 6.01 (*Other Events of Suspension*) of this Agreement has occurred and is continuing for a period of thirty (30) days after notice of the event has been given by the Bank to the Borrower or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE VII **PROCUREMENT**

Section 7.01. **Procurement.** All Goods, Works, Non-Consulting Services and Consulting Services required for the Program and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in the Procurement Framework and the Borrower's Procurement Plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement which may be amended from time to time in accordance with Section 7.03 (*Procurement Plan*) of this Agreement.

Section 7.02. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Article VII (*Procurement*) including those describing particular procurement methods or methods of review by the Bank of particular contracts, have the meanings ascribed to them in the Procurement Framework.

Section 7.03. **Procurement Plan.** The Procurement Plan shall cover the first eighteen (18) months of the Program implementation period and shall be updated by the Borrower on an annual basis or as needed, and each such update shall, to the extent practicable, cover a period of at least eighteen (18) months of the Program implementation period. Any revisions or updates to the Procurement Plan shall be made in writing with the Bank's prior approval.

Section 7.04. **Use of the Borrower's Procurement System.**

- (a) **Eligibility.** The proceeds of the Loan shall be used for the procurement of Goods, Works, Non-Consulting Services and Consulting Services satisfying the applicable country of origin requirements prescribed in the Law No. 031/2022 dated November 21, 2022 (the "**Borrower's Procurement System**"), except that, the proceeds of the Loan shall not be used for the procurement of :
- (i) firms from a country or goods manufactured in, a country excluded in compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and/ or
 - (ii) firms sanctioned by the Bank in accordance with the Anti- Corruption Policies ; and/or




- (iii) goods manufactured in, or services supplied from, territories of non-Member States for contracts with a value exceeding the equivalent of One Million Units of Account (UA 1,000,000) for Goods, Six Million Units of Account (UA 6,000,000) for Works, and Three Hundred Thousand Units of Account (UA 300,000) for Consulting Services.

(b) **Methods.**

The following procurement will be undertaken in accordance with the Borrower's Procurement System using the relevant National Standard Bidding Documents or National Model Bidding Documents and the methods prescribed in the Procurement Plan:

- (i) Each contract for **Works** with an estimated value of less than Three Million Units of Account (UA3,000,000), required for the Program ;
- (ii) Each contract for **Non-Consulting Services** required for the Program ;
- (iii) Each contract for **Goods** with an estimated value of less than Five Hundred Thousand Units of Accounts (UA500,000), required for the Program ;
- (iv) Each contract for **Consulting Services** for individuals with an estimated value of less than Fifty Thousand Units of Accounts (UA50,000) required for the Program; and
- (v) Each contract for **Consulting Services** for selection of a firm with an estimated value of less than Four Hundred Thousand Units of Accounts (UA400,000) required for the Program .

(c) **Reservation of Rights by the Bank.** The Bank reserves the right to, in its sole discretion, require the use of the Bank's Procurement Methods and Procedures in the event that:

- (i) a revision introduced in the Borrower's Procurement System adversely and substantially impacts the execution of procurement activities under the Program ; or
- (ii) any required risk mitigation measures are not satisfactorily implemented and/ or heightened risks are observed; or
- (iii) any audit finds deficiencies and inadequacies in the Borrower's Procurement System; or
- (iv) complaints are not properly addressed under the Borrower's complaints handling procedures and mechanisms, which no longer provide a credible recourse as well as an impartial and equitable dispute resolution mechanism; or




- (v) any other event or circumstances occur which, in the reasonable opinion of the Bank, may require the use of the Bank's Procurement Methods and Procedures.

(d) **Procurement Oversight.**

- (i) The Borrower shall cause the Office of Auditor General or a competitively recruited external auditor to carry out a procurement audit in accordance with the Borrower's Procurement System on an annual basis. The annual procurement audit report shall be submitted to the Bank no later than six (6) months after the end of each calendar year.
- (ii) The Bank may, in its sole discretion, require independent procurement audits or inspections to be undertaken by independent auditors appointed by the Bank. The costs of such independent audits or inspections shall be borne by the Bank.

Section 7.05. **Use of the Bank's Procurement Methods and Procedures (PMPs)**

- (a) **Eligibility.** Subject to the provisions of Section 7.04 (a) (iii) (*Use of the Borrower's Procurement System*) of this Agreement, the proceeds of the Loan shall be used exclusively for the procurement of goods manufactured in, or services supplied from the territories of the Member States .
- (b) **Methods.** The following procurement will be undertaken in accordance with the Bank's Procurement Methods and Procedures using the relevant Standard Solicitation Documents and the methods prescribed in the Procurement Plan:
 - (i) Each contract for **Works** with an estimated value of Three Million Units of Account (UA3,000,000) or more, required for the Program ;
 - (ii) Each contract for **Goods** with an estimated value of Five Hundred Thousand Units of Accounts (UA500,000) or more, required for the Program ;
 - (iii) Each contract for **Consulting Services** for individuals with an estimated value of Fifty Thousand Units of Accounts (UA50,000) or more required for the Program; and
 - (iv) Each contract for **Consulting Services** for selection of a firm with an estimated value of Four Hundred Thousand Units of Accounts (UA400,000) or more required for the Program .
- (c) **Procurement Oversight**
 - (i) The Procurement Plan shall set forth those contracts which shall be subject to the Bank's Prior Review and Post Review.




- (ii) In accordance with Section 9.02 (c) (*Cooperation and Information*) of the General Conditions, the Bank may, upon reasonable notice to the Borrower, conduct supervision missions, independent procurement reviews and inspection concerning the procurement undertaken using the proceeds of the Loan.

Section 7.06. Reports and Retention of Documents.

- (a) The Borrower shall and shall cause the Executing Agency to maintain and record all relevant information concerning the procurement activities undertaken for the Program and shall include said information in each Program Report to be submitted to the Bank on a quarterly basis in accordance with the provisions of Section 8.01 (*Program Report*) of this Agreement.
- (b) The Borrower shall and shall cause the Executing Agency to retain copies of records (contracts, orders, invoices, bills, receipts and other documents) for periodic review and inspection by the Bank in accordance with Section 9.09 (c) (*Accounts, Records and Audit*) of the General Conditions.
- (c) Notwithstanding the provisions of sub-section (b) above, the Bank may, by notice in writing, require the Borrower to keep all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures financed with the Loan for a longer period as stipulated in the notice, in the event of an investigation or inquiry by the Bank under the Program, including without limitation in the following instances: (i) the Borrower fails to submit the Program audit reports; (ii) qualified Program audit reports are received by the Bank; and/or (iii) ineligible expenditures have been incurred by the Borrower and have not been fully reimbursed to the Bank.

**ARTICLE VIII
PROGRAM REPORTING**

Section 8.01. Program Report. The Borrower shall and shall cause the Executing Agency to monitor the progress of the Program and prepare Program Reports in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions and on the basis of indicators acceptable to the Bank. Each Program Report shall cover a period of one (1) calendar quarter and shall be furnished to the Bank no later than forty-five (45) days after the end of the period covered by such report.

Section 8.02. Completion Report. The Borrower shall prepare and submit to the Bank a Completion Report, pursuant to Section 9.10 (*Completion Report*) of the General Conditions, no later than six (6) months after the Closing Date.

ARTICLE IX

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FINANCIAL MANAGEMENT

Section 9.01. **Internal Control.** The Borrower shall and shall cause the Executing Agency to maintain proper records and procedures in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions.

Section 9.02. **Interim Financial Reporting.** Without limitations to the provisions of Article IX (*Financial Management*) of this Agreement, the Borrower shall prepare and furnish to the Bank interim quarterly financial reports for the Program no later than forty-five (45) days after the end of the respective quarter in form and substance satisfactory to the Bank.

Section 9.03. **Financial Audit.**

- (a) The Borrower shall and shall cause the Executing Agency to have the financial statements for the Program audited and certified in accordance with terms of reference acceptable to the Bank by Office of the Auditor General for State Finances or by a competitively recruited independent auditor appointed by the Borrower with the approval of the Bank.
- (b) Each audit of the financial statements shall cover a period of one (1) financial year except (i) the first audit, which may cover a period not exceeding eighteen (18) months after the date of first disbursement of the Loan, if such first disbursement occurs in the second half of the applicable financial year; and (ii) the final audit, which may cover a period not exceeding eighteen (18) months, if the Closing Date occurs within the first half of the applicable financial year.
- (c) The audit reports shall comprise inter alia (i) a complete set of financial statements for the applicable financial year with the auditor's opinion on said financial statement and (ii) the management letter, shall be furnished to the Bank no later than six (6) months after the end of the financial year. The last complete set of the annual audit report at the end of the Program shall be submitted to the Bank no later than six (6) months after the Closing Date.
- (d) The cost of the external audit will be borne out of the proceeds of the Loan whenever such external audit is conducted by a competitively recruited independent auditor.

ARTICLE X

AUTHORIZED REPRESENTATIVES, DATE, ADDRESSES

Section 10.01. **Authorized Representatives.** The Minister of Finance and Economic Planning or such other person as the Minister of Finance and Economic Planning may designate in writing shall be the authorized representative for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions.




Section 10.02. Date of the Loan Agreement. For all purposes of this Agreement, the date of this Agreement shall be that appearing in the preamble hereof.

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Section 10.03. Addresses. The following addresses are specified for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions:

For the Borrower: **Mailing Address:**
Ministry of Finance and Economic Planning
B. P. 158 - Kigali
REPUBLIC OF RWANDA
Tel: (250) 252 575 756
Fax: (250) 252 577 581

Attention: Minister of Finance and Economic Planning

For the Bank: **Headquarters Address:**
African Development Bank
01 B.P. 1387
Abidjan 01
REPUBLIC OF COTE D'IVOIRE
Tel: (225) 27 20.26.39.00

Attention: Director AHWS

Country Office Mailing Address:
African Development Bank Group
BPR-PCD Towers
10th Floor
Nyarugenge-District
Kigali-Rwanda P.O. Box 7329
Kigali
REPUBLIC OF RWANDA
Tel: (+250) 252 504250
Fax: (+250) 252 504298

Attention: **Country Manager**
Rwanda Country Office (CORW)

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IN WITNESS WHEREOF the Borrower and the Bank, each acting through its authorized representative, have signed this Agreement in two (2) original counterparts in English on the date appearing in the opening sentence of this Agreement.

THE REPUBLIC OF RWANDA



UZZIEL NDAGIJIMANA
MINISTER OF FINANCE AND ECONOMIC PLANNING



FOR AFRICAN DEVELOPMENT BANK



AISSA TOURE SARR
COUNTRY MANAGER
RWANDA COUNTRY OFFICE

SCHEDULE I

DEFINITIONS

1. **“Agreement”** means, this loan agreement as may be amended from time to time as well as all the schedules and supplements thereto.
2. **“Anti-Corruption Policies”** means, the Uniform Framework for Preventing and Combating Fraud and Corruption dated September 2006, the Whistleblowing Policy dated January 2023, the Procurement Framework, the Cross- Debarment Agreement and the Sanctions Procedures of the African Development Bank Group issued November 18, 2014 as the same may be amended from time to time.
3. **“Approved Currency”** means, any currency approved as a lending currency by the Bank which, upon the Conversion, becomes the Loan Currency.
4. **“Bank”** means, the African Development Bank.
5. **“Bank’s Safeguards Policies”** means, the policies, procedures and guidelines of the Bank that concern environmental and social matters including, the Bank Group Integrated Safeguards System (Policy Statement, Operational Safeguards and Guidance Materials), the Involuntary Resettlement Policy, the Environmental and Social Assessment Procedures, the Bank Group Policy for Disclosure and Access to Information, the Bank Group Policy on Poverty Reduction, and the Gender Policy as may be amended and revised from time to time.
6. **“Business Day”** means any day (other than a Saturday or Sunday) on which commercial banks or money markets are open for general business for such transactions as are required by this Agreement at any given place, including the following days and places:
 - (i) in relation to the determination of SOFR and TONA , a day which is a RFR Banking Day relating to that Loan;
 - (ii) TARGET2 for EURIBOR resets and payments in EUR;
 - (iii) Johannesburg for JIBAR resets and payments in ZAR;
 - (iv) New York for payments in USD;
 - (v) Tokyo for payments in JPY;
 - (vi) in relation to any date for payment or purchase of a currency other than EUR, JPY, USD or ZAR) the principal financial centre of the country of that currency; and
 - (vii) Abidjan and Kigali for any other transaction under the Agreement.
7. **“Completion Report”** means, a comprehensive report on the execution and the initial operation of the Program , including its cost and benefits derived and to be derived from




it, the performance by the Parties' respective obligations under the Agreement, the accomplishment of the purposes of the Loan and the plan designed to ensure the sustainability of the Program achievements, amongst others to be prepared and submitted by the Borrower to the Bank in accordance with the terms of this Agreement.

8. **"Compounded Reference Rate"** means, in relation to any RFR Banking Day during the Interest Period of a Loan, the percentage rate per annum which is the Daily Non-Cumulative Compounded RFR for that RFR Banking Day.
9. **"Compounding Methodology Supplement"** means, in relation to the Daily Non-Cumulative Compounded RFR, a document which:
 - a. is adopted by the Bank after consultation with the Borrower;
 - b. specifies a calculation methodology for that rate, which supersedes and replaces the one in Schedule VI (*Daily Non-Cumulative Compounded RFR*); and
 - c. has been made available to the Borrower.
10. **"Conversion"** means, a conversion as described in Section 3.01 (*Conversions Generally*) of this Agreement.
11. **"Conversion Guidelines"** means, the *African Development Bank Guidelines for Conversion of Loan Terms* issued from time to time by the Bank, and in effect at the time of the Conversion.
12. **"Conversion Unwinding Costs"** means any cost the Bank may incur in relation to cancellation or adjustment in the Conversion contracts executed by the Bank upon request from the Borrower in case of (i) prepayment in full or part of the Loan before maturity, (ii) payment default or (iii) cancellation or adjustment in the Conversion transaction(s) for any reason under the Agreement.
13. **"Cross Debarment Agreement"** means the Agreement for Mutual Enforcement of Debarment Decisions dated 9 April 2010 and entered into, amongst the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group and the World Bank Group as the same may be amended from time to time.
14. **"Currency Conversion"** means a change of the Loan Currency of all or a portion of the disbursed or undisbursed amount of the Loan, to an Approved Currency in accordance with the Conversion Guidelines.
15. **"Daily Non-Cumulative Compounded RFR"** means, in relation to any RFR Banking Day during an Interest Period for a Loan, the percentage rate per annum determined by the Bank in accordance with the methodology set out in Schedule VI (*Daily Non-Cumulative Compounded RFR*) or, if the Bank decides so, in any relevant Compounding Methodology Supplement.

16. **“Daily Rate”** means the rate specified as such in the Reference Rate Terms.
17. **“Disbursed Loan Balance”** means the principal amount of the Loan disbursed to the Borrower and outstanding from time to time.
18. **“Disbursement Handbook”** means the Disbursement Handbook of the African Development Bank Group dated March 2020 setting out the disbursement policies, guidelines, practices, and procedures of the Bank Group as amended from time to time.
19. **“Eligible Expenditures”** means expenditure determined as eligible for Bank Group financing under the Policy on Expenditure Eligible for Bank Group Financing dated March 2008 as amended from time to time.
20. **“Environmental and Social Impact Assessment”** or **“ESIA”** means a tool to identify and assess the likely environmental and social impacts of the Program , to determine their magnitude and significance, and to define management or mitigation measures designed to avoid and minimize where possible, or if not, to offset or compensate for adverse impacts and risks.
21. **“Environmental and Social Management Plan”** or **“ESMP”** means an instrument developed as the outcome of an ESIA of the Program that sets out the action plan of environmental and social management measures to be implemented by the Borrower, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
22. **“EURIBOR”** means, in relation to each Interest Period, the Euro Interbank Offered Rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for deposits in Euro for a six (6)-month period displayed on page EURIBOR01 of the Thomson Reuters screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters, as of 11:00 a.m. (Brussels time), two TARGET Days prior to the relevant Reset Date. If such page or service ceases to be available, the Bank may specify another page or service displaying the relevant rate after consultation with the Borrower.
23. **“Euro(s)”** or **“EUR”** shall mean the single currency of the European Participating Member States.
24. **“European Participating Member States”** means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.
25. **“Executing Agency’s Legislation”** means Organic Law N° 001/2020.OL of 08/06/2020 establishing general provisions governing public institutions and, following

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the Shareholder resolutions of September 2023, Water and Sanitation Corporation Limited changed to WASAC Group Limited and established two subsidiaries, i.e. WASAC Development Limited that is responsible for Water and Sanitation infrastructure investment and development and WASAC Utility that is responsible for delivering water and sanitation services ,operations, management and maintenance of water and sanitation utilities.

26. **“Fixed Base Rate”** means the amortizing market swap rate determined in accordance with financial market conditions and calculated on the Fixing Date based on the principal amortizing schedule of one or several particular tranches of the Loan.
27. **“Fixing Date”** means, for a loan for which a Fixed Base Rate is requested, a maximum of two (2) Business Days before the Fixed Base Rate value date.
28. **“Floating Base Rate”** means, for any Interest Period, the relevant Reference Rate.
29. **“Front-End Fee”** means the fee described and specified in Section 2.04 (*Front-End Fee*).
30. **“Full Resettlement Action Plan”** or **“FRAP”** means a comprehensive planning document prepared by the Borrower in accordance with the Bank’s Safeguards Policies that specifies the procedures that an involuntary resettlement process that involves two hundred (200) or more Project affected persons (PAPs) or any project that is likely to have adverse effects on vulnerable groups shall follow, and the actions that shall be taken to compensate PAPs and communities, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
31. **“Funding Cost Margin”** means, the six (6)-month adjusted average of the difference between: (i) the refinancing rate of the Bank as to the borrowings linked to the relevant Floating Base Rate and allocated to all its floating interest loans denominated in the loan currency; and (ii) the relevant Floating Base Rate for each semester ending on 30 June and on 31 December; which shall be added to the relevant Floating Base Rate which resets on 1 February and on 1 August. The Funding Cost Margin shall be determined semi-annually on 1 January for the semester ending on 31 December and on 1 July for the semester ending on 30 June. With respect to amounts of the Loan to which Currency Conversion applies, the respective Funding Cost Margin of the new Loan Currency as advised to the Borrower by the Bank will be applicable.
32. **“Interest Period”** means: (i) a six (6) month period for USD, EUR and JPY; or (ii) a three (3) month period for ZAR, based on the relevant Reference Rate and beginning two (2) months before a Payment Date and ending two months before the next Payment Date, except:
 - a. the first Interest Period which, shall begin to run on the date of the first disbursement of the Loan to:
 - i. two (2) months before the first Payment Date immediately following such disbursement, if there is at least two (2) months between the first

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disbursement of the Loan and the first Payment Date; otherwise

- ii. two (2) months before the second Payment Date following the first disbursement of the Loan.

b. the last Interest Period which shall end on the Maturity Date.

Each Interest Period thereafter, shall begin to run at the date of expiry of the preceding Interest Period, even if the first day of this Interest Period is not a Business Day. Notwithstanding the foregoing, any period less than six (6) months for USD, EUR and JPY or three (3) months for ZAR, running from the date of a disbursement to the Payment Date immediately following such disbursement or ending on the Maturity Date shall be deemed an Interest Period.

- 33. **"Interest Rate Cap"** means the establishment of an upper limit to the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.
- 34. **"Interest Rate Collar"** means the establishment of an upper limit and a lower limit on the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.
- 35. **"Interest Rate Conversion"** means a change of the interest rate basis applicable to all or any portion of the Disbursed Loan Balance from a Floating Base Rate to a Fixed Based Rate, or vice versa in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.
- 36. **"Japanese Yen"** or **"JPY"** respectively, shall mean the lawful currency of Japan.
- 37. **"JIBAR"** means, in relation to each Interest Period, the rate determined on each Reset Date utilizing the three (3) month Johannesburg Interbank Agreed Rate which is the mid-rate as polled and published by the South African Futures Exchange (or its successor-in-title) and which appears on the Reuters Screen SAFEX page, expressed as a yield rate. If such page or service ceases to be available, the Bank may specify another page or service displaying the relevant rate after consultation with the Borrower.
- 38. **"Lending Margin"** means eighty basis points (0.80%) per annum.
- 39. **"Loan Currency"** shall have the meaning ascribed thereto in the General Conditions, provided however that, if the Loan or any portion thereof is subject to a Currency Conversion, **"Loan Currency"** means the Approved Currency in which the Loan, or any portion thereof, is denominated from time to time and if the Loan is denominated in more than one currency, **"Loan Currency"** shall refer separately to each of such Currencies.
- 40. **"Loan"** means the maximum amount provided by the Bank by virtue of this Agreement




and specified in Section 2.01 (*Amount*) of this Agreement.

41. **“Lookback Period”** means the number of days specified as such in the Reference Rate Terms.
42. **“Member State”** means, a member state of the Bank under Article 3 (*Membership and Geographical Area*) of the Bank Agreement.
43. **“Original Loan Currency”** means, the currency in which the Loan is denominated and specified in Section 2.01 (*Amount*) of this Agreement, as at the Date of the Loan Agreement.
44. **“Prior Review”** means the review by the Bank of the following documents with regards to procurement under the Bank’s procurement methods and procedures as the same may be further defined in the Procurement Framework: (i) General Procurement Notices; (ii) Specific Procurement Notices; (iii) Bidding Documents and Requests for Proposals from Consultants; (iv) Bid Evaluation Reports or Reports on Evaluation of Consultants’ Proposals, including shortlists and recommendations for contract awards; (v) draft contracts, if these have been amended and differ from the drafts included in the bid/tender documents; and (vi) modification of signed contracts and such other document or information that the Bank may request.
45. **“Procurement Framework”** means the (i) Procurement Policy for Bank Group Funded Operations dated October 2015 and effective January 1, 2016; (ii) Methodology for Implementation of the Procurement Policy of the African Development Bank; (iii) Operations Procurement Manual for the African Development Bank; and (iv) Procurement Toolkit for the African Development Bank as the same may be amended from time to time.
46. **“Procurement Plan”** means the procurement plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement prepared in accordance with the Procurement Framework indicating, among other things: (i) the particular activities required to implement the Program ; (ii) the proposed methods for procurement; and (iii) the applicable review procedures as the same may be updated from time to time in agreement with the Bank.
47. **“Program Report”** means the report prepared by the Borrower pursuant to this Agreement containing Program information that includes amongst others, sources and uses of funds including those committed, with the corresponding budgets, progress on Program implementation made in the achievement of the results as well as progress on compliance with the environmental and social safeguards requirements including the implementation of the ESMP and the FRAP, (where applicable), together with other supporting schedules and highlighting issues that require attention.
48. **“Reference Rate”** means:

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- a. the Compounded Reference Rate for USD and JPY;
 - b. for any Interest Period:
 - (i) EURIBOR for EUR; and
 - (ii) JIBAR for ZAR;
 - c. if the Bank determines that SOFR (in respect of USD), TONA (in respect of JPY), EURIBOR (in respect of Euro) or JIBAR (in respect of ZAR) has permanently ceased to be published or is no longer the reference rate in use by the relevant market for such currency, or if in the opinion of the Bank, this Reference Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement, such other comparable reference rate for the relevant currency as the Bank may determine pursuant to Section 3.03 (*Interest*) of the General Conditions;
 - d. in respect of any currency other than USD, EUR, JPY and ZAR, such reference rate as notified to the Borrower by the Bank; and
 - e. with respect to amounts of the Loan to which a Currency Conversion applies, the Reference Rate applicable to the new Loan Currency as notified to the Borrower by the Bank.
49. **“Reference Rate Terms”** means the terms set out in Schedule V (*Reference Rate Terms*).
50. **“Relevant Market”** means the market specified as such in the Reference Rate Terms.
51. **“Reset Date”** means, 1 February and 1 August for EURIBOR; and 1 February, 1 May, 1 August and 1 November for JIBAR.
52. **“RFR Banking Day” (Risk-Free Rates Banking Day)** means a SOFR Banking Day and a TONA Banking Day.
53. **“SOFR” (Secured Overnight Financing Rate)** means the rate specified as such in the Reference Rate Terms.
54. **“SOFR Banking Day”** means any day specified as such in the Reference Rate Terms.
55. **“South African Rand” or “ZAR”** respectively, shall mean the lawful currency of the Republic of South Africa.
56. **“Subsidiary Agreement”** means the agreement between the Borrower and the Executing Agency setting forth their respective obligations under the Program.
57. **“TARGET2”** means, the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on 19 November 2007.

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- 58. **"TARGET Day"** means any day on which TARGET2 is open for the settlement of payments in EUR.
- 59. **"TONA" (Tokyo Overnight Average Rate)** means the rate specified as such in the Reference Rate Terms.
- 60. **"TONA Banking Day"** means any day specified as such in the Reference Rate Terms.
- 61. **"Undisbursed Loan Balance"** means the amount of the Loan remaining undisbursed and uncanceled from time to time.
- 62. **"US Dollar(s)" or "USD"** respectively, shall mean the lawful currency of the United States of America.

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SCHEDULE II

PROGRAM DESCRIPTION

The objective of the Program is to improve access to water supply and sanitation services, water resources management and operational performance of water and sanitation service providers in program areas. Phase 1 of the program will cover the districts of Kigali, Gicumbi, Nyaruguru, Huye, Gisagara, Ngoma, Gatsibo and Karongi Districts. When fully implemented, the Program will transform the livelihoods of the communities in these targeted areas by improved health and economic opportunities. The program will strengthen the resilience of the populations against climate change and variability.

The proposed Program will have four components: (i) Water Supply Investments, (ii) Catchment Management Investments, (iii) Sanitation Investments, and (iv) Program Management and Sector Support.

(i) Component A: Water Supply Investments

This component will support the rehabilitation of existing and/or construction of new water supply systems for Mwange, Nyaruguru, Muhazi, Mugesera and Kivu Belt. The component will finance goods, services (including construction supervision) and works which will include civil and electrical/mechanical installations for water supply production (intakes, etc., as well as disinfection, and pumping as required), and transmission and distribution (networks, storage, meters, etc.) to households in the program areas. It will finance infrastructure investments for rural water supply, including the construction and rehabilitation of water supply schemes based on a sector-approved menu of technology options (that considers water quality standards, gender-informed design and climate adaptation strategies). This component will also improve integrated access to water supply facilities in schools and health centers and will complement interventions to improve health impacts, decrease school dropout rates, and increase resilience of WSS services to floods and droughts and reduce the contamination of water bodies. The rehabilitation and development of new water supply infrastructure will increase the available water supply and the reliability of its service provision, thereby making the beneficiaries less vulnerable to water shortages and droughts. These activities will be complemented with measures to protect water sources, improve water quality, and increase sustainable water use, thereby increasing resilience to climate exacerbated droughts and floods.

(ii) Component B: Catchment Management Investments

This component will finance goods, works and services for conservation of selected catchment areas for resilience against climate change and water source protection for the water supply systems. The program will establish frameworks for climate resilience catchment management, implement concrete adaptation actions for resilient and sustained ecosystems, landscapes and other livelihoods as well as building climate change adaptive capacities of institutions and communities while managing knowledge. Catchment management activities form an integral part of cost-effective WSS services. For instance, water source protection is included in water supply projects to ensure quality and quantity of water resource. The




activities under this component will include: (i) strengthening Catchment Management Committees and enhance communities' awareness on catchment protection and management and (ii) implementing catchment management interventions including soil and water conservation measures such as construction of stone bunds, soil bunds, infiltration pits, gully plugs, terracing of steep slopes, check dams; environment management measures that include tree planting, conservation and demarcation of wetland systems, and restoration of riverbanks using trees, control of water pollution, and livelihood improvement activities including natural resources-based businesses such as growing of fruit trees etc.

(iii) Component C: Sanitation Investments

This component will finance goods, works and services to provide strategic support for improved sanitation within the target communities and to enhance the Government's strategy for improved sanitation in the Program towns. Investments will include: (i) construction of inclusive and climate resilient sanitation facilities in public schools, markets, and health centres (an estimated 80 Public/communal latrines/sanitation facilities will be constructed) (ii) the creation of sanitation marketing centers; and (iii) on-site treatment at public sanitation facilities, and (iv) undertake technical studies for centralized sewerage systems for Kigali City (phase II) and Bugesera and sanitary landfill in Bugesera. This component will finance retrofitting of existing sanitary facilities in selected schools and other eligible public buildings within the Program areas (for example health clinics). In addition, the component will involve promotion of sanitation and hygiene services and nutrition smart WASH to the communities in the targeted towns and school friendly WASH campaigns and collaboration with other key stakeholders in sanitation, e.g., UNICEF, etc. An estimated 10,400 community members (50% women) will be sensitized on improved sanitation and hygiene. Development of sanitation infrastructure will enhance the residents' resilience to floods.

(iv) Component D: Program Management and Sector Support

- (a) **Subcomponent D1 - Program Management:** This will include support to the Program Implementation Team (PIT) for program coordination, implementation, supervision, monitoring, and evaluation (M&E). The activities will include: (i) hiring of specialists for the PIT; (ii) purchase of project implementation goods and services (Information and Communications Technology/equipment, software, vehicles); and (iii) operational costs for the management, implementation and supervision of the program's fiduciary and safeguards aspects. The component will support the governance and oversight management of the Program through supporting the functions of the Program Steering Committee (PSC).
- (b) **Subcomponent D2 - Sector Support.** This will focus on strengthening the water sector, including WASAC and SWAp Secretariat. The activities will include: (i) continuous skills upgrading through targeted courses for staff of WASAC especially in sanitation; (ii) implementation of recommendations of the capacity assessment report , (iii) equipping of central laboratory, and (iv) supporting training young graduates through internship program.

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- (c) **Subcomponent D3. Water supply and operational efficiency improvement.** The component will complement to the GoR support in reducing the NRW in Kigali from the current average of 43% to 30% by 2029. Measures will include: (a) establishment of performance based systems to incentivize the reduction of NRW; (b) TA and studies for situation assessment and development of NRW reduction and management interventions, development of billing and accounting systems, customer care, FM improvement, network management, (c) capacity building and training on billing and accounting and, improvement in the customer data base and citizen engagement, gender and utility management; (d) installation of 10,000 bulk water meter systems and piloting of modern meter reading and collection technology and other efficiency interventions for possible scale-up; and (d) public awareness creation and communication strategy for demand management.

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SCHEDULE III
ALLOCATION OF THE LOAN

The table below indicates the categories of Eligible Expenditures to be financed out of the proceeds of the Loan and the amount allocated to each category:

Category	Expenditure In JPY (Millions)		
	Local Currency	Foreign Currency	Total
Goods	56.33	78.23	134.56
Services	169.41	1,775.04	1,944.45
Works	6,703.90	19,275.27	25,979.17
Miscellaneous / Operating Costs	845.43	-	845.43
Total cost	7,775.08	21,128.55	28,903.63

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SCHEDULE IV
PROCUREMENT PLAN

Procurement System	Package No.	Package Description	Category	Lot No.	Lot Description	Estimated Cost (JPY (Mil))	Procurement Method	Pre-or Post-Qualification	Procurement Oversight	Planned SPN Publication Date
Bank	NA	Construction of Huye-Gisagara-Nyaruguru Water Supply System	Works	NA	NA	69.47	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Rehabilitation of Nzove 1 Water Treatment Plant	Works	NA	NA	15.03	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of Mwange-Gicumbi Water Supply System	Works	NA	NA	22.78	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of SAKE Water Supply System (Phase II)	Works	NA	NA	10.70	OCBI	Post	Bank Prior Review	Nov 2024
Bank	NA	Construction of MUHAZI Water Supply System (Phase II)	Works	NA	NA	19.10	OCBI	Post	Bank Prior Review	Dec 2024
Bank	NA	Construction of KIVU Water Supply System (Phase II)	Works	NA	NA	16.20	OCBI	Post	Bank Prior Review	Dec 2024
BPS	NA	Construction of toilets in public schools, markets and h/centres in targeted areas	Works	NA	NA	1.34	BPS	BPS	Procurement Audit	Jul 2024
BPS	NA	Procurement of six project vehicles	Goods	NA	NA	0.271	OCBI	Post	Procurement Audit	Mar 2024

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Bank	NA	Supervision of Construction works for Huye-Gisagara-Nyaruguru Water Supply System	Consulting Services (Firm)	NA	NA	4.17	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Rehabilitation of Nzove I Water Treatment Plant	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Mwange-Gicumbi Water Supply System	Consulting Services (Firm)	NA	NA	1.37	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for SAKE Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.64	QCBS	Shortlisting	Bank Prior Review	Apr 2024
Bank	NA	Supervision of Construction works for MUHAZI Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	1.15	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Supervision of Construction works for KIVU Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.97	QCBS	Shortlisting	Bank Prior Review	Jun 2024
BPS	NA	Supervision services for the construction of latrines for Schools, Public places and Health facilities	Consulting Services (Firm)	NA	NA	0.08	BPS	BPS	Procurement Audit	Jun 2024

Bank	NA	Consultancy service for catchment management	Consulting Services (Firm)	NA	NA	0.53	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Feasibility Study and Detailed study for Kigali Centralized Sewerage System Phase II	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Centralized Sewerage System	Consulting Services (Firm)	NA	NA	0.38	BPS	BPS	Procurement Audit	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Sanitary Landfill	Consulting Services (Firm)	NA	NA	0.23	BPS	BPS	Procurement Audit	Jun 2024
Bank	NA	Electromechanical Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Civil Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Sanitation Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Contract Management Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Water Treatment Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Procurement Expert	Consulting Services (Individual)	NA	NA	0.18	IC	Shortlisting	Bank Prior Review	Mar 2024




Bank	NA	Gender Expert	Consulting Services (Individual)	NA	NA	0.27	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	ESMP Audit Expert	Consulting Services (Individual)	NA	NA	0.23	IC	Shortlisting	Bank Prior Review	Sep 2024

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SCHEDULE V
REFERENCE RATE TERMS

Part 1: Dollars

CURRENCY: Dollars.

Definitions

Daily Rate: The "Daily Rate" for any SOFR Banking Day is:

- (a) SOFR for that SOFR Banking Day; or
- (b) if SOFR is not available for that SOFR Banking Day, SOFR for the previous SOFR Banking Day; or
- (c) if SOFR continues to be unavailable for five consecutive SOFR Banking Days, SOFR for the previous SOFR Banking Day.

Lookback Period: N/A.

Relevant Market: The market for overnight cash borrowing collateralised by United States Federal Government securities.

SOFR: The secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

SOFR Banking Day: Any day other than:

- (a) a Saturday or Sunday; and
- (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States Federal Government securities.




Part 2: Japanese Yen

CURRENCY: Japanese Yen

Definitions

Daily Rate: The "Daily Rate" for any TONA Banking Day is:

- (a) TONA for that TONA Banking Day; or
- (b) if TONA is not available for that TONA Banking Day, TONA for the previous TONA Banking Day; or
- (c) if TONA continues to be unavailable for five consecutive TONA Banking Days, TONA for the previous TONA Banking Day.

Lookback Period: N/A.

Relevant Market: The Japanese Yen uncollateralised call market.

TONA: The Tokyo Overnight Average Rate (TONA) administered by the Bank of Japan (or any other person which takes over the administration of that rate) published by the Bank of Japan (or any other person which takes over the publication of that rate).

TONA Banking Day: A day (other than a Saturday or Sunday) on which banks are open for general business in Tokyo.

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SCHEDULE VI**Daily Non-Cumulative Compounded RFR with lookback without observation shift**

The "Daily Non-Cumulative Compounded RFR" for any RFR Banking Day "i" during an Interest Period for a Loan is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{dcc}{n_i}$$

where:

"UCCDR_i" means the Unannualised Cumulative Compounded Daily Rate for that RFR Banking Day "i";

"UCCDR_{i-1}" means, in relation to that RFR Banking Day "i", the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period;

"dcc" means 360 or, in any case where market practice in the Relevant Market is to use a different number for quoting the number of days in a year, that number;

"n_i" means the number of calendar days from, and including, that RFR Banking Day "i" up to, but excluding, the following RFR Banking Day; and

the "Unannualised Cumulative Compounded Daily Rate" for any RFR Banking Day (the "Cumulated RFR Banking Day") during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose):

$$ACCDR \times \frac{tn_i}{dcc}$$

where:

"ACCDR" means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Banking Day;

"tn_i" means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period;

"Cumulation Period" means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, that Cumulated RFR Banking Day;




"**dcc**" has the meaning given to that term above; and

the "**Annualised Cumulative Compounded Daily Rate**" for that Cumulated RFR Banking Day is the percentage rate per annum (rounded to five decimal places) calculated as set out below:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{\text{dcc}} \right) - 1 \right] \times \frac{\text{dcc}}{t_{n_i}}$$

where:

"**d₀**" means the number of RFR Banking Days in the Cumulation Period;

"**Cumulation Period**" has the meaning given to that term above;

"**i**" means a series of whole numbers from one to **d₀**, each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

"**DailyRate_{i-LP}**" means, for any RFR Banking Day "**i**" in the Cumulation Period, the Daily Rate for the RFR Banking Day which is the Lookback Period prior to that RFR Banking Day "**i**";

"**n_i**" means, for any RFR Banking Day "**i**" in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day "**i**" up to, but excluding, the following RFR Banking Day;

"**dcc**" has the meaning given to that term above; and

"**t_{n_i}**" has the meaning given to that term above.

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Bibonywe kugira ngo bishyirwe ku mugereka w'Itegeko n° 030/2024 ryo ku wa 04/03/2024 ryemera kwemeza burundu Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere, yerekeranye n'inguzanyo ya miliyari makumyabiri n'umunani na miliyoni magana cyenda n'eshatu n'ibihumbi magana atandatu na makumyabiri na birindwi na magana inani na mirongo itatu z'Amayeni y'Ubuyapani (28.903.627.830 JYP) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023	Seen to be annexed to Law n° 030/2024 of 04/03/2024 approving ratification of the Loan Agreement between the Republic of Rwanda and the African Development Bank, relating to the loan of twenty-eight billion, nine hundred and three million, six hundred and twenty-seven thousand eight hundred and thirty Japanese Yen (JPY 28,903,627,830) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023	Vu pour être annexé à la Loi n° 030/2024 du 04/03/2024 approuvant la ratification de l'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, relatif au prêt de vingt-huit milliards neuf cent trois millions six cent vingt-sept mille huit cent trente yens japonais (28.903.627.830 JPY) pour le programme de transformation durable de l'approvisionnement en eau et de l'assainissement au Rwanda, Phase 1, signé à Kigali, au Rwanda, le 20 décembre 2023.
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w’Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w’Ubutabera akaba n’Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

ITEGEKO N° 031/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE NK'URWEGO RUYOBORA AFRICA GROWING TOGETHER FUND, YEREKERANYE N'INGUZANYO YA MILIYONI MIRONGO ITANU Z'AMADOLARI Y'ABANYAMERIKA (50.000.000 USD) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023 <u>ISHAKIRO</u> <u>Ingingo ya mbere:</u> Kwemera kwemeza burundu <u>Ingingo ya 2:</u> Ingingo y'ururimi <u>Ingingo ya 3:</u> Gutangira gukurikizwa	LAW N° 031/2024 OF 04/03/2024 APPROVING RATIFICATION OF THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK, AS ADMINISTRATOR OF THE AFRICA GROWING TOGETHER FUND, RELATING TO THE LOAN OF FIFTY MILLION AMERICAN DOLLARS (USD 50,000,000) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023 <u>TABLE OF CONTENTS</u> <u>Article One:</u> Approval for ratification <u>Article 2:</u> Language provision <u>Article 3:</u> Entry into force	LOI N° 031/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, EN TANT QU'ADMINISTRATEUR D'AFRICA GROWING TOGETHER FUND, RELATIF AU PRÊT DE CINQUANTE MILLIONS DE DOLLARS AMERICAINS (50.000.000 USD) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU POTABLE ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, RWANDA, LE 20 DÉCEMBRE 2023 <u>TABLE DES MATIÈRES</u> <u>Article premier:</u> Approbation pour ratification <u>Article 2:</u> Disposition linguistique <u>Article 3:</u> Entrée en vigueur
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ITEGEKO N° 031/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE NK'URWEGO RUYOBORA AFRICA GROWING TOGETHER FUND, YEREKERANYE N'INGUZANYO YA MILIYONI MIRONGO ITANU Z'AMADOLARI Y'ABANYAMERIKA (50.000.000 USD) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023 Twebwe, KAGAME Paul, Perezida wa Repubulika, INTEKO ISHINGA AMATEGEKO YEMEJE, NONE NATWE DUHAMIJE, DUTANGAJE ITEGEKO RITEYE RITYA KANDI DUTEGETSE KO RITANGAZWA MU IGAZETI YA LETA YA REPUBULIKA Y'U RWANDA	LAW N° 031/2024 OF 04/03/2024 APPROVING RATIFICATION OF THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK, AS ADMINISTRATOR OF THE AFRICA GROWING TOGETHER FUND, RELATING TO THE LOAN OF FIFTY MILLION AMERICAN DOLLARS (USD 50,000,000) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023 We, KAGAME Paul, President of the Republic, THE PARLIAMENT HAS ADOPTED AND WE SANCTION, PROMULGATE THE FOLLOWING LAW AND ORDER IT BE PUBLISHED IN THE OFFICIAL GAZETTE OF THE REPUBLIC OF RWANDA	LOI N° 031/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, EN TANT QU'ADMINISTRATEUR D'AFRICA GROWING TOGETHER FUND, RELATIF AU PRÊT DE CINQUANTE MILLIONS DE DOLLARS AMERICAINS (50.000.000 USD) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU POTABLE ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, RWANDA, LE 20 DÉCEMBRE 2023 Nous, KAGAME Paul, Président de la République; LE PARLEMENT A ADOPTÉ, ET NOUS SANCTIONNONS, PROMULGUONS LA LOI DONT LA TENEUR SUIT ET ORDONNONS QU'ELLE SOIT PUBLIÉE AU JOURNAL OFFICIEL DE LA RÉPUBLIQUE DU RWANDA
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INTEKO ISHINGA AMATEGEKO: Umutwe w’Abadepite, mu nama yawo yo ku wa 8 Gashyantare 2024; Ishingiye ku Itegeko Nshinga rya Repubulika y’u Rwanda, cyane cyane mu ngingo zaryo, iya 64 n’iya 168; Imaze gusuzuma Amasezerano y’inguzanyo hagati ya Repubulika y’u Rwanda na Banki Nyafurika Itsura Amajyambere nk’urwego ruyobora <i>Africa Growing Together Fund</i>, yerekeranye n’inguzanyo ya miliyoni mirongo itanu z’Amadolari y’Abanyamerika (50.000.000 USD) igenewe gahunda y’u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n’isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023; YEMEJE: <u>Ingingo ya mbere:</u> Kwemera kwemeza burundu Amasezerano y’inguzanyo hagati ya Repubulika y’u Rwanda na Banki Nyafurika Itsura Amajyambere nk’urwego ruyobora <i>Africa Growing Together Fund</i>, yerekeranye	THE PARLIAMENT: The Chamber of Deputies, in its sitting of 8 February 2024; Pursuant to the Constitution of the Republic of Rwanda, especially in Articles 64 and 168; After consideration of the Loan Agreement between the Republic of Rwanda and African Development Bank, as administrator of the Africa Growing Together Fund, relating to the loan of fifty million American Dollars (USD 50,000,000) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023; ADOPTS: <u>Article one:</u> Approval for ratification The Loan Agreement between the Republic of Rwanda and African Development Bank as administrator of the Africa Growing Together Fund, relating to the loan of fifty million	LE PARLEMENT: La Chambre des Députés, en sa séance du 8 février 2024; Vu la Constitution de la République du Rwanda, spécialement en ses articles 64 et 168; Après examen de l’Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, en tant qu’administrateur d’<i>Africa Growing Together Fund</i>, relatif au prêt de cinquante millions de dollars Américains (50.000.000 USD) pour le programme de transformation durable de l’approvisionnement en eau potable et de l’assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023; ADOpte: <u>Article premier:</u> Approbation pour ratification L’Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement en tant qu’administrateur d’<i>Africa Growing Together Fund</i>, relatif au prêt de cinquante millions de
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n'inguzanyo ya miliyoni mirongo itanu z'Amadolari y'Abanyamerika (50.000.000 USD) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023, ari ku mugereka, yemerewe kwemezwa burundu. <u>Ingingo ya 2: Ingingo y'ururimi</u> Iri tegeko ryateguwe mu rurimi rw'Icyongereza, risuzumwa kandi ritorwa mu rurimi rw'Ikinyarwanda. <u>Ingingo ya 3: Gutangira gukurikizwa</u> Iri tegeko ritangira gukurikizwa ku munsu ritangarijweho mu Igazeti ya Leta ya Repubulika y'u Rwanda.	American Dollars (USD 50,000,000) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023, in annex, is approved for ratification. <u>Article 2: Language provision</u> This Law was drafted in English, considered and adopted in Ikinyarwanda. <u>Article 3: Entry into force</u> This Law comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	dollars Américains (50.000.000 USD) pour le programme de transformation durable de l'approvisionnement en eau potable et de l'assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023 en annexe, est approuvé pour ratification. <u>Article 2: Disposition linguistique</u> La présente loi a été initiée en anglais, examinée et adoptée en Ikinyarwanda. <u>Article 3 : Entrée en vigueur</u> La présente loi entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w’Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w’Ubutabera akaba n’Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEGEKO N° 031/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE NK'URWEGO RUYOBORA AFRICA GROWING TOGETHER FUND, YEREKERANYE N'INGUZANYO YA MILIYONI MIRONGO ITANU Z'AMADOLARI Y'ABANYAMERIKA (50.000.000 USD) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	ANNEX TO LAW N° 031/2024 OF 04/03/2024 APPROVING RATIFICATION OF THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK, AS ADMINISTRATOR OF THE AFRICA GROWING TOGETHER FUND, RELATING TO THE LOAN OF FIFTY MILLION AMERICAN DOLLARS (USD 50,000,000) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ANNEXE À LA LOI N° 031/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, EN TANT QU'ADMINISTRATEUR D'AFRICA GROWING TOGETHER FUND, RELATIF AU PRÊT DE CINQUANTE MILLIONS DE DOLLARS AMERICAINS (50.000.000 USD) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU POTABLE ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, RWANDA, LE 20 DÉCEMBRE 2023
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AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE NK'URWEGO RUYOBORA AFRICA GROWING TOGETHER FUND, YEREKERANYE N'INGUZANYO YA MILIYONI MIRONGO ITANU Z'AMADOLARI Y'ABANYAMERIKA (50.000.000 USD) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK, AS ADMINISTRATOR OF THE AFRICA GROWING TOGETHER FUND, RELATING TO THE LOAN OF FIFTY MILLION AMERICAN DOLLARS (USD 50,000,000) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, EN TANT QU'ADMINISTRATEUR D'AFRICA GROWING TOGETHER FUND, RELATIF AU PRÊT DE CINQUANTE MILLIONS DE DOLLARS AMERICAINS (50.000.000 USD) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU POTABLE ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, RWANDA, LE 20 DÉCEMBRE 2023
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PROGRAM ID: P-RW-E00-014

LOAN No.: 5050300002251

LOAN AGREEMENT

BETWEEN

REPUBLIC OF RWANDA

AND

AFRICAN DEVELOPMENT BANK

(As Administrator of the Africa Growing Together Fund)

**RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND
SANITATION PROGRAM, PHASE I**

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LOAN AGREEMENT
RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION
PROGRAM, PHASE I

PROGRAM ID: P-RW-E00-014

LOAN No.: 5050300002251

This LOAN AGREEMENT, (the "Agreement") is entered into this 20th day of December 2023, between the Republic Of Rwanda (the "Borrower") and the AFRICAN DEVELOPMENT BANK (the "Bank") in its capacity as administrator of the AFRICA GROWING TOGETHER FUND (the "AGTF").

WHEREAS:

- (A) By virtue of the Agreement for the establishment of the AGTF dated 22 May 2014 as amended on 28 July 2017 (the "AGTF Agreement") between the Bank and the People's Bank of China (the "AGTF Contributor"), the Bank has agreed to receive from, and administer on behalf of, the AGTF Contributor, funds to be utilized to bridge funding gaps in public and private sector projects so as to promote and facilitate economic growth of the Regional Member Countries;
- (B) The Borrower has requested the Bank, acting as Administrator of the AGTF, to assist in financing the Rwanda Transformative And Sustainable Water And Sanitation Program, Phase I (the "Program") as further described in Schedule II (*Program Description*) of this Agreement, and the Bank, acting in such capacity, has agreed to extend a loan to the Borrower from the resources of the AGTF for such purpose, in the amount specified in Section 2.01 (*Amount*) of this Agreement, on the terms and conditions set forth or referred to in this Agreement;
- (C) Water and Sanitation Corporation (WASAC) Group shall be the Executing Agency for the Program; and
- (D) On or about the Date of the Loan Agreement, the Bank entered into a loan agreement with the Borrower (the "AfDB Loan Agreement") for the financing of the Program in an amount of exceeding Twenty-Eight Billion, Nine Hundred and Three Million, Six Hundred and Twenty-Seven Thousand Eight Hundred and Thirty Japanese Yen (JPY 28,903,627,830) (the "AfDB Loan").

NOW THEREFORE, the Parties hereto hereby agree as follows:




ARTICLE I GENERAL CONDITIONS, DEFINITIONS

Section 1.01. **General Conditions.** The *General Conditions Applicable to the African Development Bank Loan Agreements and Guarantee Agreements (Sovereign Entities)* dated February 2009, as amended from time to time, (the “General Conditions”) constitute an integral part of this Agreement.

Section 1.02. **Inconsistency.** In the event of an inconsistency between any provision of this Agreement and the General Conditions, the provisions of this Agreement shall prevail.

Section 1.03. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in Schedule I (*Definitions*) to this Agreement.

Section 1.04. **Schedules.** The Schedules to this Agreement form an integral part of this Agreement and shall have effect as if set out in full herein.

ARTICLE II THE LOAN

Section 2.01. **Amount.** The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, a loan of an amount not exceeding Fifty Million United States Dollars (USD 50,000,000) (the “Loan”), to assist in financing the Program.

Section 2.02. **Loan Tenor and Grace Period.** The tenor of the Loan shall be twenty-five (25) years which shall include a grace period of eight (8) years (the “Grace Period”) commencing on the Date of the Loan Agreement.

Section 2.03. **Payment Dates.** The Payment Dates are 1 May and 1 November in each year.

Section 2.04. **Front-End Fee.**

- (a) The Borrower shall pay the Bank a non-refundable Front-End Fee on the Loan amount at a rate equal to zero point twenty-five percent (0.25%) of the Loan. The Borrower shall pay the Front-End Fee no later than sixty (60) days after the Date of Entry into Force, or at first disbursement, whichever is the earlier.
- (b) **Deduction of Front-End Fee.** The Borrower may, by notice in writing, request that the Front-End Fee be paid out of the proceeds of the Loan and, the Bank shall upon receipt of such request, on behalf of the Borrower, withdraw an amount equivalent to the Front-End Fee from the Loan and pay to itself such fee.

- (c) The Borrower shall pay the Front-End Fee on the full Loan amount notwithstanding any full or partial cancellation of the Loan occurring after the Date of Entry into Force.
- (d) No disbursement of the Loan shall be made until the Bank has received from the Borrower payment in full of the Front-End Fee.

Section 2.05. **Commitment Charge.** The Borrower shall pay a Commitment Charge computed at a rate equal to zero point twenty-five per cent (0.25%) per annum on the Undisbursed Loan Balance, which shall begin to accrue sixty (60) days after the Date of the Loan Agreement. The Commitment Charge shall be payable on each Payment Date including during the Grace Period. The Commitment Charge shall cease to accrue upon full disbursement or cancellation of the Loan.

Section 2.06. **Interest**

- (a) Until the first Interest Rate Conversion, and for all Interest Rate Conversions from a Fixed Base Rate to a Floating Base Rate, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, the interest payable by the Borrower on the Disbursed Loan Balance for each Interest Period (or, in the case of a Loan in USD, for any day during an Interest Period) shall be at a percentage rate per annum equal to the sum of the:
 - (i) Floating Base Rate;
 - (ii) Funding Cost Margin
 - (iii) Lending Margin; and
 - (iv) Maturity Premium of twenty (20) basis points per annum;

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.

- (b) If any day during an Interest Period for a Loan in USD is not a RFR Banking Day, the interest rate on that Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.
- (c) **Notification of Interest Rates.** The Bank shall notify the Borrower of the interest rate applicable for each Interest Period as soon as it determines such interest rate.
- (d) Pursuant to an Interest Rate Conversion from a Floating Base Rate to a Fixed Base Rate, the interest payable by the Borrower on the Disbursed Loan Balance that is subject to the Interest Rate Conversion, for each Interest Period shall, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, be at a percentage rate per annum equal to the sum of the:

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- (i) Fixed Base Rate;
- (ii) Funding Cost Margin;
- (iii) Lending Margin; and
- (iv) Maturity Premium of twenty (20) basis points per annum

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.

- (e) **Payment of Interest.** The Borrower shall pay the accrued interest in paragraphs (a) and (d) herein on each Payment Date including during the Grace Period.

Section 2.07. **Interest Rate Substitution.** If, for any reason whatsoever, the Bank cannot determine or calculate the Floating Base Rate, the Fixed Base Rate (for amounts for which a Fixed Base Rate has not previously been determined) in accordance with Section 2.06 (*Interest*) of this Agreement, the Bank shall promptly notify and consult the Borrower in order to decide on a substitute interest rate in accordance with Section 3.03 (b) and (c) (*Interest*) of the General Conditions.

Section 2.08. **Computations.** Any Interest, Commitment Charge and fee accruing under this Agreement shall be computed on the basis of actual days elapsed (including the first day but excluding the last day) occurring in the period for which such Interest or Commitment Charge is payable and a year of three hundred and sixty (360) days.

Section 2.09. **Repayment of Principal.** Without prejudice to Section 7.01 (*Events of Acceleration*) of the General Conditions, the Borrower shall repay the Disbursed Loan Balance over a period of seventeen (17) years after the expiration of the Grace Period by means of thirty-four (34) semi-annual installments payable on each Payment Date. The first of such installments shall be payable on the first Payment Date immediately following the expiration of the Grace Period.

Section 2.10. **Prepayment.**

- (a) Pursuant to the provisions of Section 3.06 (*Repayment and Prepayment*) of the General Conditions, the Borrower shall have the right to prepay all or part of the Disbursed Loan Balance prior to its maturity without any prepayment costs other than any applicable Conversion Unwinding Costs, which shall be determined by the Bank and notified to the Borrower.
- (b) If a Conversion has been effected on any Loan amount that is to be prepaid, the Borrower shall, at the time of the prepayment, pay the applicable Conversion Unwinding Costs, and a transaction fee for the early termination of the Conversion, in such amount or at such rate as notified by the Bank and in effect at the time of receipt by the Bank of the notice of prepayment.

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- (c) Unless otherwise expressly indicated by the Borrower in its prepayment notice, prepaid amounts shall be applied *pro rata* to all outstanding Loan maturities.
- (d) Any partial prepayment in respect of an amount of the Loan to which a Conversion has been effected shall not be in an amount less than the minimum principal amount for Conversions provided in the Conversion Guidelines.
- (e) The Borrower may not re-borrow from the Bank, amounts prepaid under this Agreement.

Section 2.11. Partial Payments. If the Borrower at any time, makes a payment to the Bank, which is less than the full amount of all sums due and payable to the Bank hereunder, such payment shall, unless the Bank otherwise agrees, be applied in the following order: Front-End Fee, Commitment Charge, Conversion Unwinding Costs, transaction fee if applicable, interest, and lastly to principal.

Section 2.12. Currencies, Mode and Place of Payments.

- (a) Subject to the provisions of Section 4.04 (*Temporary Currency Substitution*) of the General Conditions, all amounts due to the Bank under this Agreement shall be payable in the Loan Currency.
- (b) Any amount due to the Bank pursuant to this Agreement, shall be payable without being subject to any restriction, tax set-off or deduction on account of exchange rate fluctuations, transmission, other transfer charges or other reasons of any nature whatsoever.
- (c) Such amounts shall be paid into a bank account of the Bank, which the Bank shall notify to the Borrower from time to time, and shall be deemed to have been paid only when and to the extent that the Bank has actually received the full amount due in the Loan Currency on the due date. If the due date falls on a day which is not a Business Day, such amount shall be paid so that it is actually received by the Bank on the next Business Day in its account and interest and Commitment Charge shall continue to accrue for the period from such due date to the next succeeding Business Day.

Section 2.13 Certificates and Determinations. Any certification or determination by the Bank of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

ARTICLE III

CONVERSION OF LOAN TERMS

Section 3.01. Conversions Generally. The Borrower may at any time request any of the following Conversions of the terms of any portion of the Loan in order to facilitate prudent debt

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management: (i) Interest Rate Conversion; (ii) Interest Rate Cap; or (iii) Interest Rate Collar. Each such request shall be furnished by the Borrower to the Bank in accordance with the Conversion Guidelines and, shall, upon acceptance and effectuation by the Bank, be considered a Conversion for the purposes of this Loan Agreement and the Conversion Guidelines.

Section 3.02. Conversion Fees. The Borrower shall, upon receipt of notice in writing, pay to the Bank:

- (a) the applicable transaction fee for the Conversion and for each early termination of a Conversion, including any early termination pursuant to Section 2.10(b) (*Prepayment*) of this Agreement and Section 7.01 (*Events of Acceleration*) of the General Conditions; and
- (b) Conversion Unwinding Costs, if any, for each early termination of a Conversion, in such amount or at such rate, in such currency and at such times as announced by the Bank from time to time in accordance with the applicable Conversion Guidelines.

ARTICLE IV **ENTRY INTO FORCE AND DISBURSEMENT**

Section 4.01. Entry into Force. The Loan Agreement shall enter into force upon fulfillment by the Borrower of the provisions of Section 12.01 (*Entry into Force*) of the General Conditions.

Section 4.02. Disbursement. The proceeds of the Loan shall be disbursed by the Bank, subject to the provisions of (a) Article V (*Disbursement of the Loan*) of the General Conditions; (b) the Disbursement Handbook; (c) the Disbursement Letter; (d) Article IV (*Entry into Force and Disbursement*) of this Agreement; and (e) such additional instructions as the Bank may specify by notice to the Borrower, to finance Eligible Expenditures as set forth in Schedule III (*Allocation of the Loan*) to this Agreement.

Section 4.03. Conditions Precedent to First Disbursement. In addition to the provisions of Section 4.01 (*Entry into Force*), the obligation of the Bank to make the first disbursement of the Loan shall be subject to the satisfaction of the following conditions by the Borrower, submission of:

- (a) the execution and delivery of a Subsidiary Agreement between the Executing Agency and the Borrower in form and substance satisfactory to the Bank; and
- (b) the evidence of the designation of staff for the Program Implementation Team ("PIT"), with qualifications and terms of reference acceptable to the Bank, as follows: (i) Program Coordinator; (ii) Procurement Officer; (iii) Financial Management Specialist; (iv) Environmental Safeguards Expert; (v) Social Safeguards Expert; (vi) Monitoring and Evaluation Expert; (vii) Water Engineer; and (viii) Sanitation Engineer.

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Section 4.04. Conditions Precedent to Disbursements for Works Involving Resettlement financed by the Bank. Subject to the provisions of Section 4.01 (*Entry into Force*) and Section 4.03 (*Conditions Precedent to First Disbursement*) of this Agreement, the obligation of the Bank to disburse the Loan for works that involve resettlement shall be subject to the satisfaction of the following additional conditions by the Borrower, submission of :

- (a) a works and compensation schedule prepared in accordance with the Full Resettlement Action Plan ("FRAP") and the Bank's Safeguards Policies in form and substance satisfactory to the Bank detailing: (i) each section of civil works under the Program, and (ii) the timeframe for compensation and/or resettlement of all Program Affected Persons (PAPs) in respect of each section and government valuer's report on the respective section(s) requiring compensation;
- (b) the evidence of the opening of a foreign currency special account (the "Special Account") and a local currency program account (the "Program Account") with the *National Bank of Rwanda* in the name of the Program, dedicated to receiving the Bank's portion of financing allocated to compensation and/or resettlement of the Program Affected Persons (PAPs) in accordance with the RAP;
- (c) For subsequent disbursements,:
 - (A) provision of 100% justification on prior advance received accompanied by: (i) a completed and signed disbursement request (Form A1), (ii) a completed and signed appropriate statement of expenditures (Form A2), (iii) special account reconciliation statement, and (iv) bank statements covering the period of justification; and
 - (B) submission of approved valuation reports.

Section 4.05 Pro-rata Disbursements. Subject to Section 4.03 (*Conditions Precedent to First Disbursement*) of this Agreement, the disbursements of the Loan and will be made pro-rata with the AfDB Loan.

Section 4.06. Closing Date. For purposes of Section 6.03 (*Cancellation by the Bank*) of the General Conditions, the Closing Date shall be 30 June 2030, or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE V **UNDERTAKINGS**

Section 5.01. The Borrower declares its commitment to the objectives of the Program . To this end, the Borrower shall carry out the Program, and shall cause the Executing Agency and, its contractors and/or agents to carry out the Program, in accordance with the provisions of Article IX

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(Project Implementation - Cooperation and Information) of the General Conditions and this Agreement.

Section 5.02. Institutional Arrangements.

- (a) WASAC Group shall be the Executing Agency for the Program.
- (b) The Executing Agency shall be responsible for inter alia the following:
 - (i) the day-to-day implementation of the Program including preparation and submission of the Program quarterly progress reports, interim quarterly financial reports, and audit report to the Bank;
 - (ii) facilitating collaborations with stakeholders; and
 - (iii) all Program related monitoring and evaluation activities including compliance with the Bank's procurement, financial management and control requirements.
- (c) The Borrower shall, and shall cause the Executing Agency to maintain the Program Implementation Team (the "PIT") within the Executing Agency. The PIT shall remain operational at all times until completion of the Program, with the mandate, staffing and resources acceptable to the Bank.
- (d) The PIT shall be comprised of the following experts: (i) Program Coordinator; (ii) Water Engineer; (iii) Sanitation Engineer; (iv) Procurement Expert; (v) Program Accountant/Financial Management Specialist; (vi) Environmental Safeguards Expert; (vii) Social Safeguards Expert; and (viii) Monitoring and Evaluation Expert.
- (e) The Borrower shall and shall cause the Executing Agency to nominate a Program Coordinator who will provide guidance and direction for the implementation of the Program and facilitate collaboration with government and government counterparts including within municipalities.
- (f) In implementing catchment management investment component, the Executing Agency will collaborate with Ministry of Environment and Rwanda Water Resources Board.
- (g) The Borrower shall and shall cause the Executing Agency to establish a Program Steering Committee ("PSC") comprising Permanent Secretaries and Director Generals from all concerned ministries (Ministries of Infrastructure, Environment, Health, Education, Agriculture and Animal Resources, Finance and Economic Planning, Gender and Family Promotion, Local Government, Rwanda Water Resources Board, and Rwanda Utilities Regulatory Board). The PSC will provide policy and strategic guidance on the implementation of the Program. The PSC will be chaired by the Permanent Secretary for Ministry of Infrastructure and will meet at least once every six (6) months to review




progress and approve the work plan and budget for the Program. The PIT will provide secretariat services to the PSC.

Section 5.03. Environmental and Social Safeguards

- (a) The Borrower shall, and shall cause the Executing Agency and all its contractors, sub-contractors and agents to:
 - (i) carry out the Program in accordance with the Environmental and Social Management Plan ("ESMP"), and the Full Resettlement Action Plan ("FRAP") and /or the agreed works and compensation schedule, the Bank's Safeguards Policies and the applicable national legislation in a manner and in substance satisfactory to the Bank;
 - (ii) prepare and submit to the Bank, as part of the Program Report in Section 8.01 (*Program Report*) of this Agreement, monthly reports on the implementation of the ESMP and the FRAP including any deficiencies identified and the corrective measures thereto; and
 - (iii) refrain from taking any action which would prevent or interfere with the implementation of the ESMP, and the FRAP, including any amendment, suspension, waiver, and/or avoidance of any provision thereof, whether in whole or in part, without the prior written concurrence of the Bank.
- (b) The Borrower shall not, and shall cause the Executing Agency and all its contractors, sub-contractors and agents not to commence implementation of any works on any section under the Program, unless all PAPs on such section have been compensated and/or resettled in accordance with the FRAP and/or the agreed works and compensation schedule.

Section 5.04 Integrity. The Borrower shall, and shall cause the Executing Agency, and any of its contractors or agents to, carry out the Program in accordance with the provisions of the Anti-Corruption Policies.

Section 5.05. Subsidiary Agreement

- (a) To facilitate the implementation of the Program , the Borrower shall on-grant the proceeds of the Loan to the Executing Agency under a subsidiary agreement between the Borrower and the Executing Agency (the "Subsidiary Agreement") under terms and conditions approved by the Bank, which shall include inter alia (i) the roles and responsibilities of the Executing Agency with regard to the implementation of the Program ; and (ii) the obligation of the Executing Agency to comply with the reporting, financial management, technical, fiduciary, safeguards, monitoring and other relevant requirements applicable to the Program in accordance with the provisions of this Agreement.

- (b) The Borrower shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interest of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.
- (c) Notwithstanding the foregoing, in the event of a conflict between the provisions of the Subsidiary Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

Section 5.06. Other Conditions

- (a) The Borrower shall submit the evidence of the establishment of a Program Steering Committee (PSC) comprising Permanent Secretaries and Director Generals from all concerned ministries will provide policy and strategic guidance on the implementation of the Program, within three (3) months of the first disbursement of the Loan.
- (b) The Borrower shall submit the evidence of the recruitment of the following technical assistants: (i) Electromechanical Engineering Expert; (ii) Civil Engineering Expert; (iii) Contract Management Expert; (iv) Procurement Expert; (v) Water Treatment Expert; (vi) Sanitation Expert; and (vii) Gender Expert to enhance capacity of the Executing Agency, within nine (9) months of the first disbursement of the Loan.

ARTICLE VI ADDITIONAL REMEDIES OF THE BANK

Section 6.01. Other Events of Suspension. For purposes of Section 6.02 (1) (I) (*Other Events of Suspension*) of the General Conditions, the other events of suspension consist of the following:

- (a) The Executing Agency's Legislation has been amended, suspended, repealed or waived or in the opinion of the Bank, the legal character, ownership or control of the Executing Agency has changed from that prevailing as of the Date of the Loan Agreement, so as to materially and adversely affect the ability of the Executing Agency to perform any of its obligations arising under or entered into pursuant to the Loan Agreement, or to achieve the objectives of the Program ;
- (b) Any action has been taken for the dissolution, disestablishment or suspension of operations of the Executing Agency;
- (c) The Executing Agency has failed to perform any of its obligation under the Subsidiary Agreement;




- (d) The Borrower has failed to make payment when due (notwithstanding the fact that such payment may have been made by the Guarantor or a third party) of principal, interest, Commitment Charge, Conversion Unwinding Costs, transaction fees or any other amount due to the Bank under the AfDB Loan Agreement;
- (e) The Bank has suspended, in whole or in part, the right of the Borrower to request for, and receive disbursements under the AfDB Loan Agreement because of a failure by the Borrower to perform any of its obligations under the AfDB Loan Agreement; and
- (f) Any circumstance arising which in the opinion of the Bank interferes with or threatens to interfere with the successful completion of the Program or the accomplishment of its purposes.

Section 6.02. **Other Events of Acceleration.** In addition to events in Section 7.01 (*Events of Acceleration*) of the General Conditions, the other event of acceleration consists of any event specified in Section 6.01 (*Other Events of Suspension*) of this Agreement has occurred and is continuing for a period of thirty (30) days after notice of the event has been given by the Bank to the Borrower or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE VII **PROCUREMENT**

Section 7.01. **Procurement.** All Goods, Works, Non-Consulting Services and Consulting Services required for the Program and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in the Procurement Framework and the Borrower's Procurement Plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement which may be amended from time to time in accordance with Section 7.03 (*Procurement Plan*) of this Agreement.

Section 7.02. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Article VII (*Procurement*) including those describing particular procurement methods or methods of review by the Bank of particular contracts, have the meanings ascribed to them in the Procurement Framework.

Section 7.03. **Procurement Plan.** The Procurement Plan shall cover the first 18 months of the Program implementation period and shall be updated by the Borrower on an annual basis or as needed, and each such update shall, to the extent practicable, cover a period of at least eighteen (18) months of the Program implementation period. Any revisions or updates to the Procurement Plan shall be made in writing with the Bank's prior approval.




Section 7.04. Use of the Borrower's Procurement System.

(a) **Eligibility.** The proceeds of the Loan shall be used for the procurement of Goods, Works, Non-Consulting Services and Consulting Services satisfying the applicable country of origin requirements prescribed in the Law No. 031/2022 dated November 21, 2022 (the "Borrower's Procurement System"), except that, the proceeds of the Loan shall not be used for the procurement of :

- (i) firms from a country or goods manufactured in, a country excluded in compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and/ or
- (ii) firms sanctioned by the Bank in accordance with the Anti- Corruption Policies; and/or
- (iii) goods manufactured in, or services supplied from, territories of non-Member States for contracts with a value exceeding the equivalent of One Million Units of Account (UA 1,000,000) for Goods, Six Million Units of Account (UA 6,000,000) for Works, and Three Hundred Thousand Units of Account (UA 300,000) for Consulting Services.

(b) **Methods.**

The following procurement will be undertaken in accordance with the Borrower's Procurement System using the relevant National Standard Bidding Documents or National Model Bidding Documents and the methods prescribed in the Procurement Plan:

- (i) Each contract for **Works** with an estimated value of less than Three Million Units of Account (UA3,000,000), required for the Program;
- (ii) Each contract for **Non-Consulting Services** required for the Program;
- (iii) Each contract for **Goods** with an estimated value of less than Five Hundred Thousand Units of Accounts (UA500,000), required for the Program;
- (iv) Each contract for **Consulting Services** for individuals with an estimated value of less than Fifty Thousand Units of Accounts (UA50,000) required for the Program; and
- (v) Each contract for **Consulting Services** for selection of a firm with an estimated value of less than Four Hundred Thousand Units of Accounts (UA400,000) required for the Program .

(c) **Reservation of Rights by the Bank.** The Bank reserves the right to, in its sole discretion, require the use of the Bank's Procurement Methods and Procedures in the event that:

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- (i) a revision introduced in the Borrower's Procurement System adversely and substantially impacts the execution of procurement activities under the Program ;
 - (ii) any required risk mitigation measures are not satisfactorily implemented and/ or heightened risks are observed; or
 - (iii) any audit finds deficiencies and inadequacies in the Borrower's Procurement System; or
 - (iv) complaints are not properly addressed under the Borrower's complaints handling procedures and mechanisms, which no longer provide a credible recourse as well as an impartial and equitable dispute resolution mechanism; or
 - (v) any other event or circumstances occur which, in the reasonable opinion of the Bank, may require the use of the Bank's Procurement Methods and Procedures.
- (d) **Procurement Oversight.**
- (i) The Borrower shall cause the Office of Auditor General or a competitively recruited external auditor to carry out a procurement audit in accordance with the Borrower's Procurement System on an annual basis. The annual procurement audit report shall be submitted to the Bank no later than six (6) months after the end of each calendar year.
 - (ii) The Bank may, in its sole discretion, require independent procurement audits or inspections to be undertaken by independent auditors appointed by the Bank. The costs of such independent audits or inspections shall be borne by the Bank.

Section 7.05. Use of the Bank's Procurement Methods and Procedures (PMPs)

- (a) **Eligibility.** Subject to the provisions of Section 7.04 (a) (iii) (*Use of the Borrower's Procurement System*) of this Agreement, the proceeds of the Loan shall be used exclusively for the procurement of goods manufactured in, or services supplied from the territories of the Member States .
- (b) **Methods.** The following procurement will be undertaken in accordance with the Bank's Procurement Methods and Procedures using the relevant Standard Solicitation Documents and the methods prescribed in the Procurement Plan:
 - (i) Each contract for **Works** with an estimated value of Three Million Units of Account (UA3,000,000) or more, required for the Program ;
 - (ii) Each contract for **Goods** with an estimated value of Five Hundred Thousand Units of Accounts (UA500,000) or more, required for the Program ;

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- (iii) Each contract for **Consulting Services** for individuals with an estimated value of Fifty Thousand Units of Accounts (UA50,000) or more required for the Program; and
 - (iv) Each contract for **Consulting Services** for selection of a firm with an estimated value of Four Hundred Thousand Units of Accounts (UA400,000) or more required for the Program .
- (c) **Procurement Oversight**
- (i) The Procurement Plan shall set forth those contracts which shall be subject to the Bank's Prior Review and Post Review.
 - (ii) In accordance with Section 9.02 (c) (*Cooperation and Information*) of the General Conditions, the Bank may, upon reasonable notice to the Borrower, conduct supervision missions, independent procurement reviews and inspection concerning the procurement undertaken using the proceeds of the Loan.

Section 7.06. Reports and Retention of Documents.

- (a) The Borrower shall and shall cause the Executing Agency to maintain and record all relevant information concerning the procurement activities undertaken for the Program and shall include said information in each Program Report to be submitted to the Bank on a quarterly basis in accordance with the provisions of Section 8.01 (*Program Report*) of this Agreement.
- (b) The Borrower shall and shall cause the Executing Agency to retain copies of records (contracts, orders, invoices, bills, receipts and other documents) for periodic review and inspection by the Bank in accordance with Section 9.09 (c) (*Accounts, Records and Audit*) of the General Conditions.
- (c) Notwithstanding the provisions of sub-section (b) above, the Bank may, by notice in writing, require the Borrower to keep all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures financed with the Loan for a longer period as stipulated in the notice, in the event of an investigation or inquiry by the Bank under the Program, including without limitation in the following instances: (i) the Borrower fails to submit the Program audit reports; (ii) qualified Program audit reports are received by the Bank; and/or (iii) ineligible expenditures have been incurred by the Borrower and have not been fully reimbursed to the Bank.

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ARTICLE VIII

PROGRAM REPORTING

Section 8.01. **Program Report.** The Borrower shall and shall cause the Executing Agency to monitor the progress of the Program and prepare Program Reports in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions and on the basis of indicators acceptable to the Bank. Each Program Report shall cover a period of one (1) calendar quarter and shall be furnished to the Bank no later than forty-five (45) days after the end of the period covered by such report.

Section 8.02. **Completion Report.** The Borrower shall prepare and submit to the Bank a Completion Report, pursuant to Section 9.10 (*Completion Report*) of the General Conditions, no later than six (6) months after the Closing Date.

ARTICLE IX

FINANCIAL MANAGEMENT

Section 9.01. **Internal Control.** The Borrower shall and shall cause the Executing Agency to maintain proper records and procedures in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions.

Section 9.02. **Interim Financial Reporting.** Without limitations to the provisions of Article IX (*Financial Management*) of this Agreement, the Borrower shall prepare and furnish to the Bank quarterly interim financial reports for the Program no later than forty-five (45) days after the end of the respective quarter in form and substance satisfactory to the Bank.

Section 9.03. **Financial Audit.**

- (a) The Borrower shall and shall cause the Executing Agency to have the financial statements for the Program audited and certified in accordance with terms of reference acceptable to the Bank by the Office of the Auditor General for State Finances or a competitively recruited independent auditor appointed by the Borrower with the approval of the Bank.
- (b) Each audit of the financial statements shall cover a period of one (1) financial year except (i) the first audit, which may cover a period not exceeding eighteen (18) months after the date of first disbursement of the Loan, if such first disbursement occurs in the second half of the applicable financial year; and (ii) the final audit, which may cover a period not exceeding eighteen (18) months, if the Closing Date occurs within the first half of the applicable financial year.
- (c) The audit reports shall comprise inter alia (i) a complete set of financial statements for the applicable financial year with the auditor's opinion on said financial statement and

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(ii) the management letter shall be furnished to the Bank no later than six (6) months after the end of the financial year. The last complete set of the annual audit report at the end of the Program shall be submitted to the Bank no later than six (6) months after the Closing Date.

- (d) The cost of the external audit will be borne out of the proceeds of the Loan whenever such external audit is conducted by a competitively recruited independent auditor.

ARTICLE X MISCELLANEOUS PROVISIONS

Section 10.01. **AGTF Agreement Termination.** Pursuant to Section 11.05 (*Assignment of the Loan Agreement*) of the General Conditions, the Borrower hereby agrees that, in the event of termination of the AGTF Agreement, the Bank shall, unless otherwise expressly agreed, assign or transfer to the AGTF Contributor all of its rights or obligations under the Loan Agreement, within twenty (20) calendar days of such termination. The Borrower and the Bank will endeavor to consult in relation to the transfer or assignment of the rights or obligations under the Loan Agreement to the AGTF Contributor as contemplated herein.

Section 10.02. **Disclosure of Information.** The Borrower hereby consents and agrees to the disclosure of information concerning the Program and the Loan Agreement to the AGTF Contributor in order to enable the AGTF Contributor to *inter alia* monitor the progress of the Program and the performance of the Loan.

ARTICLE XI AUTHORIZED REPRESENTATIVES, DATE, AND ADDRESSES

Section 11.01. **Authorized Representatives.** The Minister of Finance and Economic Planning or such other person as the Minister of Finance and Economic Planning may designate in writing shall be the authorized representative for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions.

Section 11.02. **Date of the Loan Agreement.** For all purposes of this Agreement, the date of this Agreement shall be that appearing in the preamble hereof.




Section 11.03. **Addresses.** The following addresses are specified for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions:

For the Borrower: **Mailing Address:**
 Ministry of Finance and Economic Planning
 B. P. 158
 Kigali
 REPUBLIC OF RWANDA
 Tel: (250) 252 575 756
 Fax: (250) 252 577 581

Attention: Minister of Finance and Economic Planning

For the Bank: **Headquarters Address:**
 African Development Bank
 01 B.P. 1387
 Abidjan 01
 REPUBLIC OF COTE D'IVOIRE
 Tel: (225) 27 20.26.39.00

Attention: **Attention: Director AHWS**

Country Office Mailing Address:
 African Development Bank Group
 BPR-PCD TOWERS
 Plot 6, KN 67&30, Nyarungenge Dist.
 250 Kigali City – Rwanda
 P.O. Box 7329
 Kigali
 REPUBLIC OF RWANDA
 Tel: (+250) 252 504250
 Fax: (+250) 252 504298

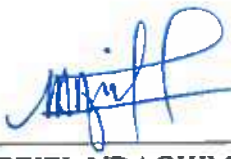
Attention: Country Manager,
 Rwanda Country Office (CORW)

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IN WITNESS WHEREOF the Borrower and the Bank, each acting through its authorized representative, have signed this Agreement in two (2) original counterparts in English on the date appearing in the opening sentence of this Agreement.

THE REPUBLIC OF RWANDA



UZZIEL NDAGIJIMANA
MINISTER OF FINANCE AND ECONOMIC PLANNING



FOR AFRICAN DEVELOPMENT BANK
(As Administrator of the Africa Growing Together Fund)



AISSA TOURE SARR
COUNTRY MANAGER
RWANDA COUNTRY OFFICE

SCHEDULE I
DEFINITIONS

1. **“Agreement”** means, this loan agreement as may be amended from time to time as well as all the schedules and supplements thereto.
2. **“Anti-Corruption Policies”** means, the Uniform Framework for Preventing and Combating Fraud and Corruption dated September 2006, the Whistleblowing Policy dated January 2023, the Procurement Framework, the Cross- Debarment Agreement and the Sanctions Procedures of the African Development Bank Group issued November 18, 2014 as the same may be amended from time to time.
3. **“Bank”** means, the African Development Bank.
4. **“Bank’s Safeguards Policies”** means, the policies, procedures and guidelines of the Bank that concern environmental and social matters including, the Bank Group Integrated Safeguards System (Policy Statement, Operational Safeguards and Guidance Materials), the Involuntary Resettlement Policy, the Environmental and Social Assessment Procedures, the Bank Group Policy for Disclosure and Access to Information, the Bank Group Policy on Poverty Reduction, and the Gender Policy as may be amended and revised from time to time.
5. **“Business Day”** means any day (other than a Saturday or Sunday) on which commercial banks or money markets are open for general business for such transactions as are required by this Agreement at any given place, including the following days and places:
 - (i) in relation to the determination of SOFR, a day which is a RFR Banking Day relating to that Loan;
 - (ii) New York for payments in USD; and
 - (iii) Abidjan and Kigali, for any other transaction under the Agreement.
6. **“Completion Report”** means, a comprehensive report on the execution and the initial operation of the Program, including its cost and benefits derived and to be derived from it, the performance by the Parties’ respective obligations under the Agreement, the accomplishment of the purposes of the Loan and the plan designed to ensure the sustainability of the Program achievements, amongst others to be prepared and submitted by the Borrower to the Bank in accordance with the terms of this Agreement.
7. **“Compounded Reference Rate”** means, in relation to any RFR Banking Day during the Interest Period of a Loan, the percentage rate per annum which is the Daily Non-Cumulative Compounded RFR for that RFR Banking Day.

8. **“Compounding Methodology Supplement”** means, in relation to the Daily Non-Cumulative Compounded RFR, a document which:
 - i. is adopted by the Bank after consultation with the Borrower ;
 - ii. specifies a calculation methodology for that rate , which supersedes and replaces the one in Schedule VI (*Daily Non-Cumulative Compounded RFR*); and
 - iii. has been made available to the Borrower.
9. **“Conversion”** means, a conversion as described in Section 3.01 (*Conversions Generally*) of this Agreement.
10. **“Conversion Guidelines”** means, the *African Development Bank Guidelines for Conversion of Loan Terms* issued from time to time by the Bank, and in effect at the time of the Conversion.
11. **“Conversion Unwinding Costs”** means any cost the Bank may incur in relation to cancellation or adjustment in the Conversion contracts executed by the Bank upon request from the Borrower in case of (i) prepayment in full or part of the Loan before maturity, (ii) payment default or (iii) cancellation or adjustment in the Conversion transaction(s) for any reason under the Agreement.
12. **“Cross Debarment Agreement”** means the Agreement for Mutual Enforcement of Debarment Decisions dated 9 April 2010 and entered into, amongst the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group and the World Bank Group as the same may be amended from time to time.
13. **“Daily Non-Cumulative Compounded RFR”** means, in relation to any RFR Banking Day during an Interest Period for a Loan, the percentage rate per annum determined by the Bank in accordance with the methodology set out in Schedule VI (Daily Non-Cumulative Compounded RFR) or if the Bank decides so, in any relevant Compounding Methodology Supplement.
14. **“Daily Rate”** means the rate specified as such in the Reference Rate Terms.
15. **“Disbursed Loan Balance”** means the principal amount of the Loan disbursed to the Borrower and outstanding from time to time.
16. **“Disbursement Handbook”** means the Disbursement Handbook of the African Development Bank Group dated March 2020 setting out the disbursement policies, guidelines, practices, and procedures of the Bank Group as amended from time to time.




17. **“Eligible Expenditures”** means expenditure determined as eligible for Bank Group financing under the Policy on Expenditure Eligible for Bank Group Financing dated March 2008 as amended from time to time.
18. **“Environmental and Social Impact Assessment”** or **“ESIA”** means a tool to identify and assess the likely environmental and social impacts of the Program, to determine their magnitude and significance, and to define management or mitigation measures designed to avoid and minimize where possible, or if not, to offset or compensate for adverse impacts and risks.
19. **“Environmental and Social Management Plan”** or **“ESMP”** means an instrument developed as the outcome of an ESIA of the Program that sets out the action plan of environmental and social management measures to be implemented by the Borrower, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
20. **“Executing Agency’s Legislation”** means Organic Law N° 001/2020.OL of 08/06/2020 establishing general provisions governing public institutions and, following the Shareholder resolutions of September 2023, Water and Sanitation Corporation Limited changed to WASAC Group Limited and established two subsidiaries, i.e. WASAC Development Limited that is responsible for Water and Sanitation infrastructure investment and development and WASAC Utility that is responsible for delivering water and sanitation services ,operations, management and maintenance of water and sanitation utilities.
21. **“Fixed Base Rate”** means the amortizing market swap rate determined in accordance with financial market conditions and calculated on the Fixing Date based on the principal amortizing schedule of one or several particular tranches of the Loan.
22. **“Fixing Date”** means, for a loan for which a Fixed Base Rate is requested, a maximum of two (2) Business Days before the Fixed Base Rate value date.
23. **“Floating Base Rate”** means, for any Interest Period, the relevant Reference Rate.
24. **“Front-End Fee”** means the fee described and specified in Section 2.04 (*Front-End Fee*).
25. **“Full Resettlement Action Plan”** or **“FRAP”** means a comprehensive planning document prepared by the Borrower in accordance with the Bank’s Safeguards Policies that specifies the procedures that an involuntary resettlement process that involves two hundred (200) or more Project affected persons (PAPs) or any project that is likely to have adverse effects on vulnerable groups shall follow, and the actions that shall be taken to compensate PAPs and communities, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
26. **“Funding Cost Margin”** means, the six (6)-month adjusted average of the difference between: (i) the refinancing rate of the Bank as to the borrowings linked to the relevant

Floating Base Rate and allocated to all its floating interest loans denominated in the loan currency; and (ii) the relevant Floating Base Rate for each semester ending on 30 June and on 31 December; which shall be added to the relevant Floating Base Rate which resets on 1 February and on 1 August. The Funding Cost Margin shall be determined semi-annually on 1 January for the semester ending on 31 December and on 1 July for the semester ending on 30 June.

27. **“Interest Period”** means a six (6) month period for USD based on the relevant Reference Rate and beginning two (2) months before a Payment Date and ending two (2) months before the next Payment Date, except

a. the first Interest Period which, shall begin to run on the date of the first disbursement of the Loan to :

i. two (2) months before the first Payment Date immediately following such disbursement, if there is at least two (2) months between the first disbursement of the Loan and the first Payment Date; otherwise

ii. two (2) months before the second Payment Date following the first disbursement of the Loan.

b. the last Interest Period which shall end on the Maturity Date.

Each Interest Period thereafter, shall begin to run at the date of expiry of the preceding Interest Period, even if the first day of this Interest Period is not a Business Day. Notwithstanding the foregoing, any period less than six (6) months for USD, running from the date of a disbursement to the Payment Date immediately following such disbursement or ending on the Maturity Date shall be deemed an Interest Period.

28. **“Interest Rate Cap”** means the establishment of an upper limit to the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.

29. **“Interest Rate Collar”** means the establishment of an upper limit and a lower limit on the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.

30. **“Interest Rate Conversion”** means a change of the interest rate basis applicable to all or any portion of the Disbursed Loan Balance from a Floating Base Rate to a Fixed Based Rate, or vice versa in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.

31. **“Lending Margin”** means eighty basis points (0.80%) per annum.

32. **“Loan Currency”** means the currency in which the Loan is denominated which is United States Dollars as specified in Section 2.01 (*Amount*) of this Agreement.
33. **“Loan”** means the maximum amount provided by the Bank by virtue of this Agreement and specified in Section 2.01 (*Amount*) of this Agreement.
34. **“Lookback Period”** means the number of days specified as such in the Reference Rate Terms.
35. **“Member State”** means, a member state of the Bank under Article 3 (*Membership and Geographical Area*) of the Bank Agreement.
36. **“Prior Review”** means the review by the Bank of the following documents with regards to procurement under the Bank’s procurement methods and procedures as the same may be further defined in the Procurement Framework: (i) General Procurement Notices; (ii) Specific Procurement Notices; (iii) Bidding Documents and Requests for Proposals from Consultants; (iv) Bid Evaluation Reports or Reports on Evaluation of Consultants’ Proposals, including shortlists and recommendations for contract awards; (v) draft contracts, if these have been amended and differ from the drafts included in the bid/tender documents; and (vi) modification of signed contracts and such other document or information that the Bank may request.
37. **“Procurement Framework”** means the (i) Procurement Policy for Bank Group Funded Operations dated October 2015 and effective January 1, 2016; (ii) Methodology for Implementation of the Procurement Policy of the African Development Bank; (iii) Operations Procurement Manual for the African Development Bank; and (iv) Procurement Toolkit for the African Development Bank as the same may be amended from time to time.
38. **“Procurement Plan”** means the procurement plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement prepared in accordance with the Procurement Framework indicating, among other things: (i) the particular activities required to implement the Program; (ii) the proposed methods for procurement; and (iii) the applicable review procedures as the same may be updated from time to time in agreement with the Bank.
39. **“Program Report”** means the report prepared by the Borrower pursuant to this Agreement containing program information that includes amongst others, sources and uses of funds including those committed, with the corresponding budgets, progress on program implementation made in the achievement of the results as well as progress on compliance with the environmental and social safeguards requirements including the implementation of the site specific ESMP and the FRAP, (where applicable), together with other supporting schedules and highlighting issues that require attention.

40. **“Resettlement Action Plan” or “RAP”** means, a comprehensive planning document prepared by the Borrower in accordance with the Bank’s Safeguards Policies that specifies the procedures that an involuntary resettlement process shall follow, and the actions that shall be taken to compensate Project affected persons and communities, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
41. **“Reference Rate”** means:
- a. the Compounded Reference Rate for USD;
 - b. if the Bank determines that SOFR (in respect of USD) has permanently ceased to be published or is no longer the reference rate in use by the relevant market for such currency, or if in the opinion of the Bank, this Reference Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement, such other comparable reference rate for the relevant currency as the Bank may determine pursuant to Section 3.03 (*Interest*) of the General Conditions;
 - c. in respect of any currency other than USD, such reference rate as notified to the Borrower by the Bank; and
 - d. with respect to amounts of the Loan to which a Currency Conversion applies, the Reference Rate applicable to the new Loan Currency as notified to the Borrower by the Bank.
42. **“Reference Rate Terms”** means the terms set out in Schedule V (*Reference Rate Terms*).
43. **“Relevant Market”** means the market specified as such in the Reference Rate Terms.
44. **“Reset Date”** means, 1 February and 1 August;
45. **RFR Banking Day** means (Risk-Free Rates Banking Day) means a SOFR Banking Day.
46. **“SOFR”** (Secured Overnight Financing Rate) means the rate specified as such in the Reference Rate Terms.
47. **“SOFR Banking Day”** means any day specified as such in the Reference Rate Terms.
48. **“Regional Member Countries”** means any of the Member States located in the continent of Africa or the African islands.
49. **“Subsidiary Agreement”** means the agreement between the Borrower and the Executing Agency setting forth their respective obligations under the Program.
50. **“Undisbursed Loan Balance”** means the amount of the Loan remaining undisbursed and uncanceled from time to time.
51. **“United States Dollar(s)” or “USD”** respectively, shall mean the lawful currency of the United States of America.

SCHEDULE II

PROGRAM DESCRIPTION

The objective of the Program is to improve access to water supply and sanitation services, water resources management and operational performance of water and sanitation service providers in program areas. Phase 1 of the program will cover the districts of Kigali, Gicumbi, Nyaruguru, Huye, Gisagara, Ngoma, Gatsibo and Karongi Districts. When fully implemented, the Program will transform the livelihoods of the communities in these targeted areas by improved health and economic opportunities. The program will strengthen the resilience of the populations against climate change and variability.

The proposed Program will have four components: (i) Water Supply Investments; (ii) Catchment Management Investments; (iii) Sanitation Investments; and (iv) Program Management and Sector Support.

(i) Component A: Water Supply Investments

This component will support the rehabilitation of existing and/or construction of new water supply systems for Mwange, Nyaruguru, Muhazi, Mugesera and Kivu Belt. The component will finance goods, services (including construction supervision) and works which will include civil and electrical/mechanical installations for water supply production (intakes, etc., as well as disinfection, and pumping as required), and transmission and distribution (networks, storage, meters, etc.) to households in the program areas. It will finance infrastructure investments for rural water supply, including the construction and rehabilitation of water supply schemes based on a sector-approved menu of technology options (that considers water quality standards, gender-informed design and climate adaptation strategies). This component will also improve integrated access to water supply facilities in schools and health centers and will complement interventions to improve health impacts, decrease school dropout rates, and increase resilience of WSS services to floods and droughts and reduce the contamination of water bodies. The rehabilitation and development of new water supply infrastructure will increase the available water supply and the reliability of its service provision, thereby making the beneficiaries less vulnerable to water shortages and droughts. These activities will be complemented with measures to protect water sources, improve water quality, and increase sustainable water use, thereby increasing resilience to climate exacerbated droughts and floods.

(ii) Component B: Catchment Management Investments

This component will finance goods, works and services for conservation of selected catchment areas for resilience against climate change and water source protection for the water supply systems. The program will establish frameworks for climate resilience catchment management, implement concrete adaptation actions for resilient and sustained ecosystems, landscapes and other livelihoods as well as building climate change adaptive capacities of institutions and communities while managing knowledge. Catchment management activities form an integral part of cost-effective WSS services. For instance, water source protection is included in water supply projects to ensure quality and quantity of water resource. The

activities under this component will include: (i) strengthening Catchment Management Committees and enhance communities' awareness on catchment protection and management and (ii) implementing catchment management interventions including soil and water conservation measures such as construction of stone bunds, soil bunds, infiltration pits, gully plugs, terracing of steep slopes, check dams; environment management measures that include tree planting, conservation and demarcation of wetland systems, and restoration of riverbanks using trees, control of water pollution, and livelihood improvement activities including natural resources-based businesses such as growing of fruit trees etc.

(iii) Component C: Sanitation Investments

This component will finance goods, works and services to provide strategic support for improved sanitation within the target communities and to enhance the Government's strategy for improved sanitation in the Program towns. Investments will include: (i) construction of inclusive and climate resilient sanitation facilities in public schools, markets, and health centres (an estimated 80 Public/communal latrines/sanitation facilities will be constructed) (ii) the creation of sanitation marketing centers; and (iii) on-site treatment at public sanitation facilities, and (iv) undertake technical studies for centralized sewerage systems for Kigali City (phase II) and Bugesera and sanitary landfill in Bugesera. This component will finance retrofitting of existing sanitary facilities in selected schools and other eligible public buildings within the Program areas (for example health clinics). In addition, the component will involve promotion of sanitation and hygiene services and nutrition smart WASH to the communities in the targeted towns and school friendly WASH campaigns and collaboration with other key stakeholders in sanitation, e.g., UNICEF, etc. An estimated 10,400 community members (50% women) will be sensitized on improved sanitation and hygiene. Development of sanitation infrastructure will enhance the residents' resilience to floods.

(iv) Component D: Program Management and Sector Support

- (a) **Subcomponent D1 - Program Management:** This will include support to the Program Implementation Team (PIT) for program coordination, implementation, supervision, monitoring, and evaluation (M&E). The activities will include: (i) hiring of specialists for the PIT; (ii) purchase of project implementation goods and services (Information and Communications Technology/equipment, software, vehicles); and (iii) operational costs for the management, implementation and supervision of the program's fiduciary and safeguards aspects. The component will support the governance and oversight management of the Program through supporting the functions of the Program Steering Committee (PSC).
- (b) **Subcomponent D2 - Sector Support.** This will focus on strengthening the water sector, including WASAC and SWAp Secretariat. The activities will include: (i) continuous skills upgrading through targeted courses for staff of WASAC especially in sanitation; (ii) implementation of recommendations of the capacity assessment report , (iii) equipping of central laboratory, and (iv) supporting training young graduates through internship program.




- (c) **Subcomponent D3. Water supply and operational efficiency improvement.** The component will complement to the GoR support in reducing the NRW in Kigali from the current average of 43% to 30% by 2029. Measures will include: (a) establishment of performance based systems to incentivize the reduction of NRW; (b) TA and studies for situation assessment and development of NRW reduction and management interventions, development of billing and accounting systems, customer care, FM improvement, network management, (c) capacity building and training on billing and accounting and, improvement in the customer data base and citizen engagement, gender and utility management; (d) installation of 10,000 bulk water meter systems and piloting of modern meter reading and collection technology and other efficiency interventions for possible scale-up; and (d) public awareness creation and communication strategy for demand management .

SCHEDULE III
ALLOCATION OF THE LOAN

The table below indicates the categories of Eligible Expenditures to be financed out of the proceeds of the Loan and the amount allocated to each category:

Category	AGTF Loan Expenditure in USD (Millions)		
	Local Currency	Foreign Currency	Total
Goods	0.00	0.00	0.00
Services	0.73	6.45	7.18
Works	10.70	32.11	42.82
Miscellaneous /Operating Costs	0.00	0.00	0.00
Total cost	11.43	38.57	50.00

SCHEDULE IV PROCUREMENT PLAN

Procurement System	Package No.	Package Description	Category	Lot No.	Lot Description	Estimated Cost (UA (Mil))	Procurement Method	Pre-or Post-Qualification	Procurement Oversight	Planned SPN Publication Date
Bank	NA	Construction of Huye-Gisagara-Nyaruguru Water Supply System	Works	NA	NA	69.47	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Rehabilitation of Nzove I Water Treatment Plant	Works	NA	NA	15.03	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of Mwange-Gicumbi Water Supply System	Works	NA	NA	22.78	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of SAKA Water Supply System (Phase II)	Works	NA	NA	10.70	OCBI	Post	Bank Prior Review	Nov 2024
Bank	NA	Construction of MUHAZI Water Supply System (Phase II)	Works	NA	NA	19.10	OCBI	Post	Bank Prior Review	Dec 2024
Bank	NA	Construction of KIVU Water Supply System (Phase II)	Works	NA	NA	16.20	OCBI	Post	Bank Prior Review	Dec 2024
BPS	NA	Construction of toilets in public schools, markets and h/centres in targeted areas	Works	NA	NA	1.34	BPS	BPS	Procurement Audit	Jul 2024
BPS	NA	Procurement of six project vehicles	Goods	NA	NA	0.271	OCBI	Post	Procurement Audit	Mar 2024

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Bank	NA	Supervision of Construction works for Huye-Gisagara-Nyaruguru Water Supply System	Consulting Services (Firm)	NA	NA	4.17	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Rehabilitation of Nzove 1 Water Treatment Plant	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Mwange-Gicumbi Water Supply System	Consulting Services (Firm)	NA	NA	1.37	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for SAKE Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.64	QCBS	Shortlisting	Bank Prior Review	Apr 2024
Bank	NA	Supervision of Construction works for MUHAZI Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	1.15	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Supervision of Construction works for KIVU Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.97	QCBS	Shortlisting	Bank Prior Review	Jun 2024

BPS	NA	Supervision services for the construction of latrines for Schools, Public places and Health facilities	Consulting Services (Firm)	NA	NA	0.08	BPS	BPS	Procurement Audit	Jun 2024
Bank	NA	Consultancy service for catchment management	Consulting Services (Firm)	NA	NA	0.53	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Feasibility Study and Detailed study for Kigali Centralized Sewerage System Phase II	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Centralized Sewerage System	Consulting Services (Firm)	NA	NA	0.38	BPS	BPS	Procurement Audit	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Sanitary Landfill	Consulting Services (Firm)	NA	NA	0.23	BPS	BPS	Procurement Audit	Jun 2024
Bank	NA	Electromechanical Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Civil Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Sanitation Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024

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Bank	NA	Contract Management Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Water Treatment Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Procurement Expert	Consulting Services (Individual)	NA	NA	0.18	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Gender Expert	Consulting Services (Individual)	NA	NA	0.27	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	ESMP Audit Expert	Consulting Services (Individual)	NA	NA	0.23	IC	Shortlisting	Bank Prior Review	Sep 2024

SCHEDULE V
REFERENCE RATE TERMS

Part 1: Dollars

CURRENCY:	Dollars.
<i>Definitions</i>	
Daily Rate:	The "Daily Rate" for any SOFR Banking Day is: (a) SOFR for that SOFR Banking Day; or if SOFR is not available for that SOFR Banking Day, SOFR for the previous SOFR Banking Day; or if SOFR continues to be unavailable for five consecutive SOFR Banking Days, SOFR for the previous SOFR Banking Day.
Lookback Period:	N/A.
Relevant Market:	The market for overnight cash borrowing collateralised by United States Federal Government securities.
SOFR:	The secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).
SOFR Banking Day:	Any day other than: a Saturday or Sunday; and a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States Federal Government securities.




SCHEDULE VI

Daily Non-Cumulative Compounded RFR with lookback without observation shift

The "Daily Non-Cumulative Compounded RFR" for any RFR Banking Day "i" during an Interest Period for a Loan is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{dcc}{n_i}$$

where:

"UCCDR_i" means the Unannualised Cumulative Compounded Daily Rate for that RFR Banking Day "i";

"UCCDR_{i-1}" means, in relation to that RFR Banking Day "i", the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period;

"dcc" means 360 or, in any case where market practice in the Relevant Market is to use a different number for quoting the number of days in a year, that number;

"n_i" means the number of calendar days from, and including, that RFR Banking Day "i" up to, but excluding, the following RFR Banking Day; and

the "Unannualised Cumulative Compounded Daily Rate" for any RFR Banking Day (the "Cumulated RFR Banking Day") during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose):

$$ACCDR \times \frac{tn_i}{dcc}$$

where:

"ACCDR" means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Banking Day;

"tn_i" means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period;




"Cumulation Period" means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, that Cumulated RFR Banking Day;

"dcc" has the meaning given to that term above; and

the **"Annualised Cumulative Compounded Daily Rate"** for that Cumulated RFR Banking Day is the percentage rate per annum (rounded to five decimal places) calculated as set out below:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{\text{dcc}} \right) - 1 \right] \times \frac{\text{dcc}}{tn_i}$$

where:

"d₀" means the number of RFR Banking Days in the Cumulation Period;

"Cumulation Period" has the meaning given to that term above;

"i" means a series of whole numbers from one to d₀, each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

"DailyRate_{i-LP}" means, for any RFR Banking Day "i" in the Cumulation Period, the Daily Rate for the RFR Banking Day which is the Lookback Period prior to that RFR Banking Day "i";

"n_i" means, for any RFR Banking Day "i" in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day "i" up to, but excluding, the following RFR Banking Day;

"dcc" has the meaning given to that term above; and

"tn_i" has the meaning given to that term above.

Bibonywe kugira ngo bishyirwe ku mugereka w'Itegeko n° 031/2024 ryo ku wa 04/03/2024 ryemera kwemeza burundu amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere nk'urwego ruyobora <i>Africa Growing Together Fund</i>, yerekeranye n'inguzanyo ya miliyoni mirongo itanu z'Amadolari y'Abanyamerika (50.000.000 USD) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023	Seen to be annexed to Law n° 031/2024 of 04/03/2024 approving ratification of the Loan Agreement between the Republic of Rwanda and African Development Bank, as administrator of the Africa Growing Together Fund, relating to the loan of fifty million American Dollars (USD 50,000,000) for Rwanda transformative and sustainable water and sanitation program, phase 1, signed in Kigali, Rwanda, on 20 december 2023	Vu pour être annexé à la Loi n° 031/2024 du 04/03/2024 approuvant la ratification de l'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, en tant qu'administrateur d'<i>Africa Growing Together Fund</i>, relatif au prêt de cinquante millions de Dollars Américains (50.000.000 USD) pour le programme de transformation durable de l'approvisionnement en eau potable et de l'assainissement au Rwanda, phase 1, signé à Kigali, Rwanda, le 20 décembre 2023
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w’Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w’Ubutabera akaba n’Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

ITEGEKO N° 032/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y'U RWANDA NA GUVERINOMA Y'UBWAMI HACHÉMITE BWA JORDANIE YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N'IKUMIRA RY'INYEREZWA RY'UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024	LAW N° 032/2024 OF 04/03/2024 APPROVING THE RATIFICATION OF THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA, ON 07 JANUARY 2024	LOI N° 032/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L'ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D'IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L'ÉVASION FISCALE, SIGNÉ À KIGALI, RWANDA, LE 07 JANVIER 2024
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ITEGEKO N° 032/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y’U RWANDA NA GUVERINOMA Y’UBWAMI HACHÉMITE BWA JORDANIE YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N’IKUMIRA RY’INYEREZWA RY’UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024	LAW N° 032/2024 OF 04/03/2024 APPROVING THE RATIFICATION OF THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA, ON 07 JANUARY 2024	LOI N° 032/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L’ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L’ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D’IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L’ÉVASION FISCALE, SIGNÉ À KIGALI, RWANDA, LE 07 JANVIER 2024
Twebwe, KAGAME Paul, Perezida wa Repubulika;	We, KAGAME Paul, President of the Republic;	Nous, KAGAME Paul, Président de la République;
INTEKO ISHINGA AMATEGEKO YEMEJE, NONE NATWE DUHAMIJE, DUTANGAJE ITEGEKO RITEYE RITYA KANDI DUTEGETSE KO RITANGAZWA MU IGAZETI YA LETA YA REPUBULIKA Y’U RWANDA	THE PARLIAMENT HAS ADOPTED AND WE SANCTION, PROMULGATE THE FOLLOWING LAW AND ORDER IT BE PUBLISHED IN THE OFFICIAL GAZETTE OF THE REPUBLIC OF RWANDA	LE PARLEMENT A ADOPTÉ ET NOUS SANCTIONNONS, PROMULGUONS LA LOI DONT LA TENEUR SUIT ET ORDONNONS QU’ELLE SOIT PUBLIÉE AU JOURNAL OFFICIEL DE LA RÉPUBLIQUE DU RWANDA
INTEKO ISHINGA AMATEGEKO:	THE PARLIAMENT:	LE PARLEMENT:
Umutwe w’Abadepite, mu nama yawo yo ku wa 8 Gashyantare 2024;	The Chamber of Deputies, in its sitting of 8 February 2024;	La Chambre des Députés, en sa séance du 8 février 2024;

Ishingiye ku Itegeko Nshinga rya Repubulika y'u Rwanda, cyane cyane mu ngingo zaryo, iya 64 n'ya 168; Imaze gusuzuma Amasezerano hagati ya Guverinoma ya Repubulika y'u Rwanda na Guverinoma y'Ubwami Hachémite bwa Jordanie yo guca burundu gusoresha kabiri ku byerekeye imisoro ku musaruro n'ikumira ry'inerezwa ry'umusoro no kutishyura umusoro, yashyiriweho umukono i Kigali mu Rwanda, ku wa 07 Mutarama 2024; YEMEJE: <u>Ingingo ya mbere:</u> Kwemera kwemeza burundu Amasezerano hagati ya Guverinoma ya Repubulika y'u Rwanda na Guverinoma y'Ubwami Hachémite bwa Jordanie yo guca burundu gusoresha kabiri ku byerekeye imisoro ku musaruro n'ikumira ry'inerezwa ry'umusoro no kutishyura umusoro, yashyiriweho umukono i Kigali mu Rwanda, ku wa 07 Mutarama 2024, ari ku mugereka, yemerewe kwemezwa burundu. <u>Ingingo ya 2:</u> Ingingo y'ururimi Iri tegeko ryateguwe mu rurimi rw'Icyongereza, risuzumwa kandi ritorwa mu rurimi rw'Ikinyarwanda.	Pursuant to the Constitution of the Republic of Rwanda, especially in Articles 64 and 168; After consideration of the Agreement between the Government of the Republic of Rwanda and the Government of the Hashemite Kingdom of Jordan for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance, signed in Kigali, Rwanda, on 07 January 2024; ADOPTS: <u>Article one:</u> Approval for ratification The Agreement between the Government of the Republic of Rwanda and the Government of the Hashemite Kingdom of Jordan for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance, signed in Kigali, Rwanda, on 07 January 2024, in annex, is approved for ratification. <u>Article 2:</u> Language provision This Law was drafted in English, considered and adopted in Ikinyarwanda.	Vu la Constitution de la République du Rwanda, spécialement en ses articles 64 et 168; Après examen de l'Accord entre le Gouvernement de la République du Rwanda et le Gouvernement du Royaume Hachémite de Jordanie pour l'élimination de la double imposition en matière d'impôt sur le revenu et la prévention de l'évasion et la fraude fiscale signé à Kigali, Rwanda, le 07 janvier 2024; ADOpte: <u>Article premier:</u> Approbation pour ratification L'Accord entre le Gouvernement de la République du Rwanda et le Gouvernement du Royaume Hachémite de Jordanie pour l'élimination de la double imposition en matière d'impôt sur le revenu et la prévention de l'évasion et la fraude fiscale signé à Kigali, Rwanda, le 07 janvier 2024, en annexe, est approuvé pour ratification. <u>Article 2:</u> Disposition linguistique La présente loi a été initiée en anglais, examinée et adoptée en Ikinyarwanda.
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<u>Ingingo ya 3: Gutangira gukurikizwa</u> Iri tegeko ritangira gukurikizwa ku munsu ritangarijweho mu Igazeti ya Leta ya Repubulika y'u Rwanda.	<u>Article 3: Entry into force</u> This Law comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	<u>Article 3 : Entrée en vigueur</u> La présente loi entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w’Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w’Ubutabera akaba n’Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEGEKO N° 032/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y'U RWANDA NA GUVERINOMA Y'UBWAMI HACHÉMITE BWA JORDANIE YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N'IKUMIRA RY'INYEREZWA RY'UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024	ANNEX TO LAW N° 032/2024 OF 04/03/2024 APPROVING THE RATIFICATION OF THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA, ON 07 JANUARY 2024	ANNEXE À LA LOI N° 032/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L'ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D'IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L'ÉVASION FISCALE, SIGNÉ À KIGALI, RWANDA, LE 07 JANVIER 2024
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AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y’U RWANDA NA GUVERINOMA Y’UBWAMI HACHÉMITE BWA JORDANIE YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N’IKUMIRA RY’INYEREZWA RY’UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024	AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA, ON 07 JANUARY 2024	ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L’ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D’IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L’ÉVASION FISCALE, SIGNÉ À KIGALI, RWANDA, LE 07 JANVIER 2024
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AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF RWANDA

AND

THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN

FOR THE ELIMINATION OF DOUBLE TAXATION

WITH RESPECT TO TAXES ON INCOME

AND THE PREVENTION OF

TAX EVASION AND AVOIDANCE

The Government of the Hashemite Kingdom of Jordan, and the Government of the Republic of Rwanda,

Desiring to further develop their economic relationship and to enhance their cooperation in tax matters,

Intending to conclude an Agreement for the elimination of double taxation with respect to taxes on income without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty-shopping arrangements aimed at obtaining reliefs provided in this Agreement for the indirect benefit of residents of third states),

Have agreed as follows:

Article 1 Persons Covered

1. This Agreement shall apply to persons who are residents of one or both of the Contracting States.
2. For the purposes of this Agreement, income derived by or through an entity or arrangement that is treated as wholly or partly fiscally transparent under the tax law of either Contracting State shall be considered to be income of a resident of a Contracting State but only to the extent that the income is treated, for purposes of taxation by that State, as the income of a resident of that State.

Article 2 Taxes Covered

1. This Agreement shall apply to taxes on income imposed on behalf of a Contracting State or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income all taxes imposed on total income or on elements of income, including taxes on gains from the alienation of

movable or immovable property as well as taxes on the total amounts of wages or salaries paid by enterprises.

3. The existing taxes to which the Agreement shall apply are in particular:

(a) in Jordan

- the income tax

(hereinafter referred to as "Jordanian tax").

(b) in Rwanda:

- i. Personal Income Tax;
- ii. Corporate Income Tax;
- iii. The Withholding Taxes;
- iv. Capital gain tax; and
- v. Tax on Rent of Immovable Property.

(hereinafter referred to as "Rwandan tax").

4. The Agreement shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes that have been made in their respective taxation laws.

Article 3 **General Definitions**

1. For the purposes of this Agreement, unless the context otherwise requires:

- (a) the term "Jordan" means the Hashemite Kingdom of Jordan and when used in a geographical sense; includes the territory of the Hashemite Kingdom of Jordan, the territorial waters of Jordan, and the seabed and subsoil of the territorial waters, and includes any area extending beyond the limits of the territorial waters of Jordan, and the seabed and subsoil of

any such area, which has been or may hereafter be designated, under the laws of Jordan, and in accordance with international law, as an area over which Jordan has sovereign rights for the purposes of exploring, exploiting, extraction and investing the natural resources, whether living or non-living;

- (b) the term "Rwanda" means the Republic of Rwanda and when used in geographical sense, includes all the territory, lakes and any other area in the lakes and air within which Rwanda may exercise sovereign rights or jurisdiction in accordance with international law;
- (c) the terms "a Contracting State" and "the other Contracting State" mean Jordan or Rwanda as the context requires;
- (d) the term "person" includes an individual, a company and any other body of persons;
- (e) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (f) the term "national", in relation to a Contracting State, means:
 - (i) any individual possessing the nationality of that Contracting State;
 - (ii) any legal person, partnership or association deriving its status as such from the laws in force in that Contracting State;
- (g) the term "enterprise" applies to the carrying on of any business;
- (h) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
- (i) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
- (j) the term "competent authority" means:

- (i) in Jordan, the Minister of Finance or his authorised representative;
- (ii) in Rwanda, the Minister in Charge of Finance or his authorised representative and;

(k) the term “business” includes the performance of professional services and of other activities of an independent character;

2. As regards the application of the provisions of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

Article 4 **Resident**

1. For the purposes of this Agreement, the term "resident of a Contracting State" means any person who, under the laws of that State, is liable to tax therein by reason of that person's domicile, residence, place of incorporation, place of management or any other criterion of a similar nature, and also includes that State and any political subdivision or local authority thereof. This term, however, does not include any person who is liable to tax in that State in respect only of income from sources in that State or capital situated therein.
2. Where by reason of the provisions of paragraph 1 of this Article an individual is a resident of both Contracting States, then that individual's status shall be determined as follows:
 - (a) the individual shall be deemed to be a resident only of the Contracting State in which a permanent home is available to the individual; if a permanent home is available to the individual in both States, the individual shall be deemed to be a resident only of the State with which the individual's personal and economic relations are closer (centre of vital interests);
 - (b) if the State in which the centre of vital interests is situated cannot be determined, or if the individual has not a permanent home available in

either Contracting State, the individual shall be deemed to be a resident only of the Contracting State in which the individual has an habitual abode;

- (c) if the individual has an habitual abode in both Contracting States or in neither of them, the individual shall be deemed to be a resident only of the Contracting State of which the individual is a national;
 - (d) if the individual is a national of both States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.
3. Where by reason of the provisions of paragraph 1 a person - other than an individual - is a resident of both Contracting States, then it shall be deemed to be a resident only of the Contracting State in which its place of effective management is situated. If its place of effective management cannot be determined, the competent authorities of the Contracting States shall settle the question by mutual agreement. In the absence of such agreement, such person shall not be entitled to any relief or exemption from tax provided by this agreement except to the extent and in such manner as may be agreed upon by the competent authorities of the Contracting States.

Article 5

Permanent Establishment

1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.
2. The term "permanent establishment" includes especially:
 - (a) a place of management;
 - (b) a branch;
 - (c) an office;
 - (d) a factory;

- (e) a workshop;
- (f) a mine, an oil or gas well, a quarry or any other place of extraction, exploration or exploitation of natural resources, drilling rig or working ship used for extraction, exploration or exploitation of natural resources.
- (g) a warehouse in relation to a person providing storage facilities for others;
- (h) a farm, plantation or other place where agricultural, forestry or related activities are carried on; and
- (i) a sales outlet.

3. The term “permanent establishment” shall be deemed to include:

- (a) a building site, a construction, assembly or installation project or any supervisory activity in connection with such site or project, but only if such site, project or activity last more than 183 days in any twelve months’ period commencing or ending in the fiscal year concerned;
- (b) the furnishing of services, including consultancy or administrative services, by an enterprise of a Contracting State through employees or other personnel engaged by the enterprise for such purpose in the other Contracting State, but only if activities of that nature continue (for the same or a connected project) within the other Contracting State for a period or periods aggregating more than 183 days in any twelve months’ period commencing or ending in the fiscal year concerned;

The duration of activities under subparagraphs (a) and (b) shall be determined by aggregating the periods during which activities are carried on in a Contracting State by closely related enterprises, provided that the activities of such closely related enterprise in that Contracting State are connected with the activities carried on in that Contracting State by its closely related enterprise. The period during which two or more closely related enterprises are carrying on concurrent activities shall be counted only for the purpose of determining the duration of activities.

4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:
 - (a) the use of facilities solely for the purpose of storage or display of goods or merchandise belonging to the enterprise;
 - (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage or display;
 - (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
 - (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise of a Contracting State;
 - (e) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs (a) to (d), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.
5. Notwithstanding the provisions of paragraphs, 1 and 2 but subject to the provisions of paragraph 7 where a person is acting in a Contracting State on behalf of an enterprise, that enterprise shall be deemed to have a permanent establishment in the first-mentioned Contracting State in respect of any activities which the person undertakes for the enterprise, if such person:
 - (a) habitually concludes contracts, or habitually plays the principal role leading to the conclusion of contracts that are routinely concluded without material modification by the enterprise, and these contracts are:
 - (i) in the name of the enterprise, or
 - (ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that enterprise or that the enterprise has the right to use, or
 - (iii) for the provision of services by that enterprise,

unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph; or

- (b) does not conclude contracts nor plays the principal role leading to the conclusion of such contracts, but habitually maintains in the first-mentioned State a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the enterprise.
6. Notwithstanding the preceding provisions of this Article, an insurance enterprise of a Contracting State shall, except with regard to reinsurance, be deemed to have a permanent establishment in the other Contracting State if it collects premiums in that other State or insures risks situated therein through a person other than an agent of an independent status to whom paragraph 7 applies.
 7. An enterprise of a contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business. However, when the activities of such agent devoted exclusively or almost exclusively for or on behalf of that enterprises or its associated enterprises that agent will not be considered to be an independent agent within the meaning of this paragraph.
 8. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other Contracting State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.
 9. For the purposes of this Article, a person is closely related to an enterprise if, based on all the relevant facts and circumstances, one has control of the other or both are under the control of the same persons or enterprises. In any case, a person shall be considered to be closely related to an enterprise if one possesses directly or indirectly more than 50 per cent of the beneficial interest in the other (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company's shares or of the beneficial equity interest in the company) or if another person possesses directly or indirectly

more than 50 per cent of the beneficial interest (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company's shares or of the beneficial equity interest in the company) in the person and the enterprise.

Article 6

Income from Immovable Property

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State may be taxed in that other Contracting State.
2. The term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits and other natural resources; ships and aircraft shall not be regarded as immovable property.
3. The provisions of paragraph 1 of this Article shall apply to income derived from the direct use, letting, or use in any other form of immovable property.
4. The provisions of paragraphs 1 and 3 of this Article shall also apply to the income from immovable property of an enterprise.

Article 7

Business Profits

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other Contracting State but only so much of them as is attributable to:
 - (a) that permanent establishment;

- (b) sales in that other State of goods or merchandise of the same or similar kind as those sold through that permanent establishment;
 - (c) other business activities carried on in that other State of the same or similar kind as those effected through that permanent establishment.
2. Subject to the provisions of paragraph 3 of this Article, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.
 3. In determining the profits of a permanent establishment there shall be allowed as deductions expenses which are incurred for the purposes of the business of the permanent establishment, including executive and general administrative expenses so incurred, whether in the Contracting State in which the permanent establishment is situated or elsewhere. However, no such deduction shall be allowed in respect of amounts, if any, paid (otherwise than towards reimbursement of actual expenses) by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission, for specific services performed or for management, or, except in the case of a banking enterprise, by way of interest on moneys lent to the permanent establishment. Likewise, no account shall be taken, in the determination of the profits of a permanent establishment, for amounts charged (otherwise than towards reimbursement of actual expenses) by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission for specific services performed or for management, or, except in the case of a banking enterprise, by way of interest on moneys lent to the head office of the enterprise or any of its other offices.
 4. Insofar as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment

of the total profits of the enterprise to its various parts, nothing in paragraph 2 of this Article shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary. The method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles contained in this Article.

5. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.
6. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.
7. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

Article 8

International Shipping and Air Transport

1. Profits of an enterprise of a Contracting State from the operation of ships or aircraft in international traffic shall be taxable only in that Contracting State.
2. The provisions of paragraph 1 of this Article shall also apply to profits from the participation in a pool, a joint business or an international operating agency.
3. For the purposes of this Article, profits from the operation of ships or aircraft in international traffic shall include:
 - (a) profits derived from the rental on a bareboat basis of ships or aircraft;
 - (b) profits from the use, maintenance or rental of containers including related equipment for the transport of containers, used for the transport of goods or merchandise; and

- (c) interest on deposits connected directly with the operations of ships or aircraft.

if such profits are incidental to the profits to which the provisions of paragraph 1 apply.

Article 9

Associated Enterprises

1. Where

- (a) an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or
- (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

2. Where a Contracting State includes in the profits of an enterprise of that State - and taxes accordingly - profits on which an enterprise of the other Contracting State has been charged to tax in that other Contracting State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Contracting State shall make an appropriate adjustment to the amount of the tax charged therein on those profits. In determining such adjustment, due regard shall be had to the other provisions of this Agreement and the competent authorities of the Contracting States shall if necessary consult each other.

3. The provisions of paragraph 2 shall not apply where judicial, administrative or other legal proceedings have resulted in a final ruling that by actions giving rise to an adjustment of profits under paragraph 1, one of the enterprises concerned is liable to penalty with respect to tax fraud or tax evasion.

Article 10

Dividends

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.
2. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the dividends.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. The term "dividends" as used in this Article means income from shares, founders' shares or other rights participating in profits, (not being debt – claims) as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the Contracting State of which the company making the distribution is a resident.
4. The provisions of paragraphs 1 and 2 of this Article, shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State of which the company paying the dividends is a resident, through a permanent establishment situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment. In such case, the provisions of Article 7 of this Agreement shall apply.

5. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other Contracting State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other Contracting State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment situated in that other Contracting State, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other Contracting State.

Article 11 **Interest**

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.
2. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the beneficial owner of the interest is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraph 2 of this Article, interest arising in a Contracting State shall be exempt from tax in that State, if such interest is paid to:
 - (a) the Government of the other Contracting State or its political subdivisions or local authorities thereof;
 - (b) the Central Bank of the other Contracting State and its wholly - owned companies;
 - (c) investment funds wholly owned by the Government of the other Contracting State which are set up to invest and manage the assets of the Government of the other Contracting State, where the interest paid relates to such assets.
4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying

a right to participate in the debtor's profits, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.

5. The provisions of paragraphs 1 and 2 of this Article shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 of this Agreement shall apply.
6. Interest shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the interest, whether that person is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the indebtedness on which the interest is paid was incurred, then such interest shall be deemed to arise in the State in which the permanent establishment is situated.
7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

Article 12

Royalties and Fees for Technical Services

1. Royalties or fees for technical services arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.

2. However, such royalties, or fees for technical services may also be taxed in the Contracting State in which they arise but if the beneficial owner of the royalties or fees for technical services is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties or fees for technical services.
3.
 - a. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films or films or tapes used for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or a right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.
 - b. The term "fees for technical services" as used in this Article means payments of any kind to any person, other than those mentioned in Article 14 of this agreement in consideration for any service of a technical, managerial, professional or consultancy nature.
4. The provisions of paragraphs 1 and 2 of this Article shall not apply if the beneficial owner of the royalties or fees for technical services, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties or fees for technical services arise, through a permanent establishment situated therein, and the right or property in respect of which the royalties or fees for technical services are paid is effectively connected with such permanent establishment. In such case, the provisions of Article 7 shall apply.
5. Royalties or fees for technical services shall be deemed to arise in a Contracting State if the payer is a resident of that State. Where, however, the person paying the royalties or fees for technical services, whether that person is a resident of a Contracting State or not, has in a Contracting State a permanent establishment with which the obligation to pay the royalties or fees for technical services was incurred and such royalties or fees for technical services are borne by the permanent establishment, then such

royalties or fees for technical services shall be deemed to arise in the State in which the permanent establishment is situated.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties or fees for technical services, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

Article 13 Capital Gains

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in article 6 and situated in the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.
2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise), may be taxed in that other Contracting State.
3. Gains of an enterprise of a Contracting State from the alienation of ships or aircraft operated in international traffic or movable property pertaining to the operation of such ships or aircraft, shall be taxable only in that State.
4. Gains derived by a resident of a Contracting State from the alienation of shares or comparable interests, such as interests in a partnership or trust, may be taxed in the other Contracting State if, these shares or comparable interests derived more than 50 per cent of their value directly or indirectly from immovable property, as defined in Article 6, situated in that other State.

5. Gains other than to which paragraph 4 applies, derived by a resident of a Contracting State from the alienation of shares of a company which is a resident of the other Contracting State, may be taxed in that other Contracting State.
6. Gains from the alienation of any property, other than that referred to in the preceding paragraphs of this Article, shall be taxable only in the Contracting State of which the alienator is a resident, provided that such resident is subject to tax thereon in that state. if the resident is not subject to tax thereon, then such gains may be taxed in the other Contracting state.

Article 14

Dependent Personal Services

1. Subject to the provisions of Articles 15, 16, 17, 18 and 19 of this Agreement, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. In such case, such remuneration as is derived therefrom may be taxed in that other Contracting State.
2. Notwithstanding the provisions of paragraph 1 of this Article, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State provided that all the following conditions are available:
 - (a) the recipient is present in the other Contracting State for a period or periods not exceeding in the aggregate 183 days in any twelve months' period commencing or ending in the fiscal year concerned, and

- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Contracting State, and
 - (c) the remuneration is not borne by a permanent establishment which the employer has in the other Contracting State.
3. Notwithstanding the preceding provisions of this Article, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment, as a member of the regular complement of a ship or aircraft, that is exercised aboard a ship or aircraft operated in international traffic, other than aboard a ship or aircraft operated solely within the other Contracting State, shall be taxable only in the first – mentioned State.

Article 15

Directors' Fees and Remunerations of Top - Level Managerial Officials

1. Directors' fees and other similar payments derived by a resident of a Contracting State in that person's capacity as a member of the board of directors of a company which is a resident of the other Contracting State may be taxed in that other Contracting State.
2. Salaries, wages and other similar remuneration derived by a resident of a Contracting State in the individual's capacity as an official in a top – level managerial position of a company which is a resident of the other Contracting State may be taxed in that other State.

Article 16

Entertainers and Sportspersons

1. Notwithstanding the provisions of Articles 7 and 14 of this Agreement, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsperson, from that resident's personal activities as such exercised in the other Contracting State, may be taxed in that other Contracting State.

2. Where income in respect of personal activities exercised by an entertainer, musician or a sportsperson in that person's capacity as such accrues not to the entertainer, musician or sportsperson but to another person, that income may, notwithstanding the provisions of Articles 7 and 14 of this Agreement, be taxed in the Contracting State in which the activities of the entertainer, musician or sportsperson are exercised.
3. Income derived by a resident of a Contracting State from activities exercised in the other Contracting State as envisaged in paragraph 1 and 2, shall be exempt from tax in that other State if the visit to that other State is supported wholly or mainly by public funds of the first – mentioned Contracting State, a political subdivision or a local authority thereof, or takes place under a cultural agreement or arrangement between the Government of the Contracting States.

Article 17 **Pensions**

Pensions, payments and other remuneration arising in a Contracting State and paid to an individual who is a resident of the other Contracting State in consideration of past employment shall be taxable only in the first-mentioned State and according to the laws of that State.

Article 18 **Government Service**

1.
 - (a) Salaries, wages and other similar remuneration paid by a Contracting State or a political subdivision or a local authority thereof to an individual in respect of services rendered to that State or subdivision or

authority shall be taxable only in that State and according to the laws of that State.

(b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Contracting State if the services are rendered in that other State and the individual is a resident of that State who:

- (i) is a national of that State; or
- (ii) did not become a resident of that State solely for the purpose of rendering the services.

2. The provisions of Articles 14, 15, 16 and 17 of this Agreement shall apply to salaries, wages, pensions, and other similar remuneration in respect of services rendered in connection with a business carried on by a Contracting State or a political subdivision or a local authority thereof.

Article 19

Students and Business Apprentices

1. Payments which a student or business apprentice or trainee who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the purpose of a student's or business apprentice's or trainee's education or training receives for the purpose of a student's or business apprentice's or trainee's maintenance, education or training shall not be taxed in the first - mentioned State, provided that such payments arise from sources outside that State.
2. In respect of grants, scholarships and remuneration from employment not covered by paragraph 1, a student or business apprentice or trainee described in paragraph I shall, in addition, be entitled during such education or training to the same exemptions, reliefs or reductions in respect of taxes available to residents of the State he is visiting.

Article 20

Other Income

1. Items of income of a resident of a Contracting State, wherever arising, not dealt with in the foregoing Articles of this Agreement shall be taxable only in that State.
2. The provisions of paragraph 1 of this Article shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6 of this Agreement, if the recipient of such income, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, and the right or property in respect of which the income is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.
3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, items of income of a resident of a Contracting State not dealt with in the foregoing Articles of this Agreement and arising in the other Contracting State may also be taxed in that other Contracting State.

Article 21

Elimination of Double Taxation

1. In Jordan, double taxation shall be eliminated as follows:
 - (a) Where a resident of Jordan derives income which, in accordance with the provisions of this Agreement, may be taxed in Rwanda, Jordan shall allow as a deduction from the tax on the income of that resident, an amount equal to the tax on income paid in Rwanda. Such deduction shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income which may be taxed in Rwanda.
 - (b) Where, in accordance with any provision of this Agreement, income derived by a resident of Jordan is exempt from tax in Jordan, Jordan may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.
2. In Rwanda, double taxation shall be eliminated as follows:

- (a) Tax paid by a resident of Rwanda in respect of income taxable in Jordan, in accordance with the provisions of this Agreement, shall be deducted from taxes due in accordance with Rwandan Tax Law (which shall not affect the general principle hereof). Such deduction shall not, however, exceed the tax payable in Rwanda that would otherwise be payable on the income taxable in Jordan.
 - (b) Where, in accordance with any provision of this Agreement, income derived by a resident of Rwanda is exempt from tax in Rwanda, Rwanda may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.
3. For the purposes of paragraph 1, the terms "Jordan tax paid" and "Rwanda tax paid" shall be deemed to include the amount of tax which would have been paid in Jordan or in Rwanda, as the case may be, but for an exemption or reduction granted in accordance with laws which establish schemes for the promotion of economic development in Jordan or in Rwanda as the case may be, such schemes having been mutually agreed by the competent authorities of the Contracting States as qualifying for the purposes of this paragraph.

Article 22

Non-Discrimination

1. Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which nationals of that other Contracting State in the same circumstances, in particular with respect to residence, are or may be subjected. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the Contracting States.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other Contracting State than the taxation levied on enterprises of that other

Contracting State carrying on the same activities. This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.

3. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
4. Except where the provisions of paragraph 1 of Article 9, paragraph 7 of Article 11, paragraph 7 of Article 12 of this Agreement apply, interest, royalties and fees for technical services and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned State. For the purposes of this paragraph, nothing shall prevent a Contracting State from disallowing a deduction of such payments if tax is not withheld on those payments.
5. The provisions of this Article shall apply to the taxes which are the subject of this Agreement.

Article 23

Mutual Agreement Procedure

1. Where a person considers that the actions of one or both of the Contracting States result or will result for that person in taxation not in accordance with the provisions of this Agreement, that person may, irrespective of the remedies provided by the domestic law of those States, present a case to the competent authority of the Contracting State of which the person is a resident or, if the case comes under paragraph 1 of Article 22, to that of the Contracting State of which the person is a national. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Agreement.

2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Agreement.
3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement. They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.
4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. The competent authorities may develop appropriate bilateral procedures, conditions, methods and techniques for implementation of mutual agreement procedure provided for in this Article.

Article 24

Exchange of Information

1. The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement of the domestic laws of both Contracting States concerning taxes which this agreement deals with insofar as the taxation thereunder is not contrary to the Agreement. Article 1 do not restrict the exchange of information of this Agreement.
2. Any information received under paragraph 1 of this Article by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1 of this Article, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the

information in public court proceedings or in judicial decisions. Notwithstanding the foregoing, information received by a Contracting State may be used for other purposes, when such information may be used for such other purposes under the laws of both States and the competent authority of the supplying Contracting State authorises such use.

3. In no case shall the provisions of paragraphs 1 and 2 of this Article be construed so as to impose on a Contracting State the obligation:
 - (a) to carry out administrative measures at variance with the laws, and administrative practice of that or of the other Contracting State;
 - (b) to supply information which is not obtainable under the laws, or in the normal course of the administration of that or of the other Contracting State;
 - (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (ordre public).
4. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other Contracting State may not need such information for its own tax purposes. The obligation contained in this paragraph is subject to the limitations of paragraph 3 of this Article but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.
5. In no case shall the provisions of paragraph 3 of this Article, be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.

Article 25

Assistance in the Collection of Taxes

1. The Contracting States shall lend assistance to each other to collect revenue claim on behalf of the other contracting state. The competent authorities of the Contracting States may by mutual agreement settle the mode of application of this Article.
2. The term “revenue claim” as used in this Article means any amount owed in respect of taxes covered by the Agreement together with interest, administrative penalties and costs of collection or conservancy related to such amount.
3. In no case shall the provisions of this Article be construed so as to impose on a Contracting State the obligation:
 - (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
 - (b) to carry out measures which would be contrary to public policy (ordre public).

Article 26

Members of Diplomatic Missions and Consular Posts

Nothing in this Agreement shall affect the tax privileges of members of diplomatic missions or consular posts under the general rules of international law or under the provisions of special agreements.

Article 27

Entitlement to Benefits

Notwithstanding any provisions of this Agreement, a benefit under this Agreement shall not be granted in respect of an item of income if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was

one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of this Agreement.

Article 28

Entry into Force

1. Each of the Contracting States shall notify to the other through the diplomatic channels the completion of the procedures required by its law for the bringing into force of this Agreement. The Agreement shall enter into force on the date of receipt of the later of these notifications.
2. The provisions of this Agreement shall apply:
 - (i) in respect of taxes withheld at source to income derived on or after 1st January in the calendar year next following the year in which the Agreement enters into force; and
 - (ii) in respect of other taxes on income for taxable year beginning on or after 1st January in the calendar year next following the year in which the Agreement enters into force.

Article 29

Termination

This Agreement shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Agreement, through diplomatic channels, by giving notice of termination on or before the thirtieth day of June of any calendar year following after the period of five years from the year in which the Agreement enters into force.

In such event, the Agreement shall cease to have effect:

- (i) in respect of taxes withheld at source to income derived on or after 1st January in the calendar year next following the year in which such notice has been given; and

- (ii) in respect of other taxes on income for taxable year beginning on or after 1st January in the calendar year next following the year in which such notice has been given.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have signed this Agreement.

DONE in duplicate on this day of 20...
in Arabic and English, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

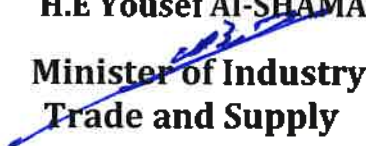
FOR

**THE GOVERNMENT
OF THE REPUBLIC OF RWANDA**


Prof. Jean Chrysostome NGABITSINZE
Minister of Trade and Industry

FOR

**THE GOVERNMENT OF
THE HASHEMITE KINGDOM
OF JORDAN**


H.E Yousef Al-SHAMALI
**Minister of Industry,
Trade and Supply**

Bibonywe kugira ngo bishyirwe ku mugereka w'Itegeko n° 032/2024 ryo ku wa 04/03/2024 ryemera kwemeza burundu Amasezerano hagati ya Guverinoma ya Repubulika y'u Rwanda na Guverinoma y'Ubwami Hachémite bwa Jordanie yo guca burundu gusoresha kabiri ku byerekeye imisoro ku musaruro n'ikumira ry'inyerezwa ry'umusoro no kutishyura umusoro, yashyiriweho umukono i Kigali mu Rwanda, ku wa 07 Mutarama 2024	Seen to be annexed to Law n° 032/2024 of 04/03/2024 approving the ratification of the Agreement between the Government of the Republic of Rwanda and the Government of the Hashemite Kingdom of Jordan for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance, signed in Kigali, Rwanda, on 07 January 2024	Vu pour être annexé à la Loi n° 032/2024 du 04/03/2024 approuvant la ratification de l'Accord entre le Gouvernement de la République du Rwanda et le Gouvernement du Royaume Hachémite de Jordanie pour l'élimination de la double imposition en matière d'impôts sur le revenu et la prévention de la fraude et l'évasion fiscale, signé à Kigali, Rwanda, le 07 janvier 2024
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

ITEGEKO N° 033/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (7.760.000 EUR), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (1.940.000 EUR) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (9.200.000 EUR) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024	LAW N° 033/2024 OF 04/03/2024 APPROVING RATIFICATION OF THE FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024	LOI N° 033/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, RWANDA, ET À ROME, Italie, LE 22 JANVIER 2024
<u>ISHAKIRO</u> <u>Ingingo ya mbere:</u> Kwemera kwemeza burundu <u>Ingingo ya 2:</u> Ingingo y'ururimi <u>Ingingo ya 3:</u> Gutangira gukurikizwa	<u>TABLE OF CONTENTS</u> <u>Article One:</u> Approval for ratification <u>Article 2:</u> Language provision <u>Article 3:</u> Entry into force	<u>TABLE DES MATIÈRES</u> <u>Article premier:</u> Approbation pour ratification <u>Article 2 :</u> Disposition linguistique <u>Article 3 :</u> Entrée en vigueur

ITEGEKO N° 033/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (7.760.000 EUR), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (1.940.000 EUR) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (9.200.000 EUR) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024 Twebwe, KAGAME Paul, Perezida wa Repubulika;	LAW N° 033/2024 OF 04/03/2024 APPROVING RATIFICATION OF THE FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024 We, KAGAME Paul, President of the Republic;	LOI N° 033/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, RWANDA, ET À ROME, ITALIE, LE 22 JANVIER 2024 Nous, KAGAME Paul, Président de la République;
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INTEKO ISHINGA AMATEGEKO YEMEJE, NONE NATWE DUHAMIJE, DUTANGAJE ITEGEKO RITEYE RITYA KANDI DUTEGETSE KO RITANGAZWA MU IGAZETI YA LETA YA REPUBULIKA Y’U RWANDA INTEKO ISHINGA AMATEGEKO: Umutwe w’Abadepite, mu nama yawo yo ku wa 8 Gashyantare 2024; Ishingiye ku Itegeko Nshinga rya Repubulika y’u Rwanda, cyane cyane mu ngingo zaryo, iya 64 n’iya 168; Imaze gusuzuma Amasezerano y’inguzanyo hagati ya Repubulika y’u Rwanda n’Ikigega Mpuzamahanga Kigamiye Guteza Imbere Ubuhinzi, yerekeranye n’inguzanyo ya miliyoni zirindwi n’ibihumbi magana arindwi na mirongo itandatu z’Amayero (7.760.000 EUR), iya miliyoni imwe n’ibihumbi magana cyenda na mirongo ine y’Amayero (1.940.000 EUR) n’iya miliyoni icyenda n’ibihumbi magana abiri z’Amayero (9.200.000 EUR) zigenewe umushinga wo guteza imbere umukamo w’amata mu Rwanda – Icyiciro cya 2, yashyiriweho umukono i Kigali mu Rwanda, n’i Roma mu Butaliyani ku wa 22 Mutarama 2024;	THE PARLIAMENT HAS ADOPTED AND WE SANCTION, PROMULGATE THE FOLLOWING LAW AND ORDER IT BE PUBLISHED IN THE OFFICIAL GAZETTE OF THE REPUBLIC OF RWANDA THE PARLIAMENT: The Chamber of Deputies, in its sitting of 8 February 2024; Pursuant to the Constitution of the Republic of Rwanda, especially in Articles 64 and 168; After consideration of the Financing Agreement between the Republic of Rwanda and the International Fund for Agricultural Development, relating to the loans amounting to seven million seven hundred sixty thousand Euros (EUR 7,760,000), one million nine hundred forty thousand Euros (EUR 1,940,000), and nine million two hundred thousand Euros (EUR 9,200,000) for the Rwanda dairy development project - Phase 2, signed in Kigali, Rwanda, and in Rome, Italy, on 22 January 2024;	LE PARLEMENT A ADOPTÉ, ET NOUS SANCTIONNONS, PROMULGUONS LA LOI DONT LA TENEUR SUIT ET ORDONNONS QU’ELLE SOIT PUBLIÉE AU JOURNAL OFFICIEL DE LA RÉPUBLIQUE DU RWANDA LE PARLEMENT: La Chambre des Députés, en sa séance du 8 février 2024; Vu la Constitution de la République du Rwanda, spécialement en ses articles 64 et 168; Après examen de l’Accord de financement entre la République du Rwanda et le Fonds International pour le Développement Agricole, relatif aux prêts d’un montant de sept millions sept cent soixante mille Euros (7.760.000 EUR), d’un million neuf cent quarante mille Euros (1.940.000 EUR), et de neuf millions deux cent mille Euros (9.200.000 EUR) pour le projet de développement de la production laitière au Rwanda - Phase 2, signé à Kigali, Rwanda, et à Rome, Italie, le 22 janvier 2024;
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YEMEJE: <u>Ingingo ya mbere:</u> Kwemera kwemeza burundu Amasezerano y’inguzanyo hagati ya Repubulika y’u Rwanda n’Ikigega Mpuzamahanga Kigamije Guteza Imbere Ubuhinzi, yerekeranye n’inguzanyo ya miliyoni zirindwi n’ibihumbi magana arindwi na mirongo itandatu z’Amayero (7.760.000 EUR), iya miliyoni imwe n’ibihumbi magana cyenda na mirongo ine y’Amayero (1.940.000 EUR) n’iya miliyoni icyenda n’ibihumbi magana abiri z’Amayero (9.200.000 EUR) zigenewe umushinga wo guteza imbere umukamo w’amata mu Rwanda – icyiciro cya 2, yashyiriweho umukono i Kigali mu Rwanda, n’i Roma mu Butaliyani ku wa 22 Mutarama 2024, ari ku mugereka, yemerewe kwemezwa burundu. <u>Ingingo ya 2:</u> Ingingo y’ururimi Iri tegeko ryateguwe mu rurimi rw’Icyongereza, risuzumwa kandi ritorwa mu rurimi rw’Ikinyarwanda. <u>Ingingo ya 3:</u> Gutangira gukurikizwa Iri tegeko ritangira gukurikizwa ku munsu ritangarijweho mu Igazeti ya Leta ya Repubulika y’u Rwanda.	ADOPTS: <u>Article one:</u> Approval for ratification The Financing Agreement between the Republic of Rwanda and the International Fund for Agricultural Development, relating to the loans amounting to seven million seven hundred sixty thousand Euros (EUR 7,760,000), one million nine hundred forty thousand Euros (EUR 1,940,000), and nine million two hundred thousand Euros (EUR 9,200,000) for the Rwanda dairy development project - Phase 2, signed in Kigali, Rwanda, and in Rome, Italy, on 22 January 2024, in annex, is approved for ratification. <u>Article 2:</u> Language provision This Law was drafted in English, considered and adopted in Ikinyarwanda. <u>Article 3:</u> Entry into force This Law comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	ADOPTÉ: <u>Article premier:</u> Approbation pour ratification L’Accord de financement entre la République du Rwanda et le Fonds International pour le Développement Agricole, relatif aux prêts d’un montant de sept millions sept cent soixante mille Euros (7.760.000 EUR), d’un million neuf cent quarante mille Euros (1.940.000 EUR), et de neuf millions deux cent mille Euros (9.200.000 EUR) pour le projet de développement de la production laitière au Rwanda - Phase 2, signé à Kigali, Rwanda, et à Rome, Italie, le 22 janvier 2024, en annexe, est approuvé pour ratification. <u>Article 2:</u> Disposition linguistique La présente loi a été initiée en anglais, examinée et adoptée en Ikinyarwanda. <u>Article 3:</u> Entrée en vigueur La présente loi entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEGEKO N° 033/2024 RYO KU WA 04/03/2024 RYEMERA KWEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (7.760.000 EUR), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (1.940.000 EUR) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (9.200.000 EUR) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024	ANNEX TO LAW N° 033/2024 OF 04/03/2024 APPROVING RATIFICATION OF THE FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024	ANNEXE À LA LOI N° 033/2024 DU 04/03/2024 APPROUVANT LA RATIFICATION DE L'ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, RWANDA, ET À ROME, ITALIE, LE 22 JANVIER 2024
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AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (7.760.000 EUR), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (1.940.000 EUR) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (9.200.000 EUR) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024	FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024	ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, RWANDA, ET À ROME, ITALIE, LE 22 JANVIER 2024
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LOAN NO. 2000004783

LOAN NO. 2000004784

LOAN NO. 2000004785

FINANCING AGREEMENT

Rwanda Dairy Development Project – Phase 2 (RDDP-2)

between the

REPUBLIC OF RWANDA

and the

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Signed in Kigali, Rwanda and Rome, Italy

FINANCING AGREEMENT

Loan No: 2000004783

Loan No: 2000004784

Loan No: 2000004785

Project name: Rwanda Dairy Development Project – Phase 2 ("RDDP2"/ "the Project")

The Republic of Rwanda (the "Borrower")

and

The International Fund for Agricultural Development (the "Fund" or "IFAD")

(each a "Party" and both of them collectively the "Parties")

WHEREAS

- A. At its 118th session held on 22 September 2016, IFAD's Executive Board (the "EB") approved the Rwanda Dairy Development Project (RDDP) and the relevant financing agreement between IFAD and the Borrower was signed on 4 November 2016, with an effective date of 19 December 2016;
- B. Following a successful review of RDDP coupled with the idea to consolidate its positive impacts achieved and the need to scale up in new districts, it was determined that a second phase to RDDP was required to be implemented;
- C. Consequently, the Borrower requested a loan from the Fund for the purpose of financing the Project described in Schedule 1 to this Agreement;
- D. The Project is expecting to receive co-financing from the OPEC Fund for International Development, Equity Bank Rwanda, Heifer International and the Green Climate Fund.

NOW THEREFORE, the Parties hereby agree as follows:

Section A

- 1. The following documents collectively form this Agreement: this document, the Project Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).
- 2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.
- 3. The Fund shall provide three Loans (the "Financing") to the Borrower, which the Borrower shall use to implement the Project in accordance with the terms and conditions of this Agreement.

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

Loan No. 2000004783
 Loan No. 2000004784
 Loan No. 2000004785

Section B

1. The amount of the Loan eligible to super highly concessional terms (SHCT Loan) is seven million seven hundred sixty thousand Euros (EUR 7 760 000).
2. The amount of the Loan eligible to highly concessional terms (HCT Loan) is one million nine hundred forty thousand Euros (EUR 1 940 000).
3. The amount of the Loan eligible to ordinary terms (OT Loan) is nine million two hundred thousand Euros (EUR 9 200 000).
4. In relation to the SHCT Loan:
 - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
 - (ii) it shall have a maturity period of fifty (50) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board; and
 - (iii) it shall be repaid at 2.5 per cent (%) of the total principal per annum for years eleven (11) to fifty (50).
5. In relation to the HCT Loan:
 - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
 - (ii) it shall have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board; and
 - (iii) it shall be repaid at two per cent (2%) of the total principal per annum for years eleven (11) to twenty (20), and four per cent (4%) of the total principal per annum for years twenty-one (21) to forty (40).
6. In relation to the OT Loan:
 - (i) The Loan granted on ordinary terms (OT Loan) shall be subject to interest on the principal amount outstanding of the Loan at a rate equal to the IFAD Reference Interest Rate including a variable spread, payable semi-annually in the Loan Service Payment Currency, and have a maturity period of thirty (30) years, including a grace period of nine (9) years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.
7. The Loan Service Payment Currency shall be in EUR.
8. The first day of the applicable Fiscal Year shall be 1 July.
9. Payments of principal and service charge shall be payable on each 1 April and 1 October.

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

Loan No. 2000004783
 Loan No. 2000004784
 Loan No. 2000004785

10. There shall be one segregated Designated Account, denominated in EUR at the National Bank of Rwanda (NBR), to receive the proceeds of the Financing. The Borrower shall inform the Fund of the officials authorized to operate the Designated Account.
11. There shall be one segregated Project Operational Account to receive the proceeds of the Financing from the Designated Account, for the exclusive benefit of the Project.
12. The Borrower shall provide counterpart financing for the Project, in-cash and/or in-kind, in the amount of sixteen million two hundred thirty five thousand one hundred and fifty Euros (EUR 16 235 150) mainly for taxes and duties, as well as to cover costs relating to Project activities.
13. The Borrower shall open a segregated project bank account to receive the counterpart financing from the Government of Rwanda.

Section C

1. The Lead Project Agency shall be the Rwanda Agriculture and Animal Resources Development Board, an implementing agency of the Ministry of Agriculture and Animal Resources (the "MINAGRI"), as further detailed in Schedule 1 to this present Agreement.
2. Additional Project Parties are described in Schedule 1, Section 9 of this Agreement.
3. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Project.
4. The Project Completion Date shall be the sixth anniversary of the date of entry into force of this Agreement and the Financing Closing Date will be established as specified in the General Conditions.
5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines.

Section D

1. The Fund will administer the Financing and supervise the Project.

Section E

1. The following are designated as additional grounds for suspension of this Agreement:
 - (a) The Project Implementation Manual (the "PIM") and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower, has determined that it has had, or is likely to have, a material adverse effect on the Project.
 - (b) The Project Manager or other key Project staff (Heads of Finance and Fiduciary Aspects, Procurement) have been removed from the Project without prior consultation with the Fund.

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2. The following is designated as an additional ground for cancellation of this Agreement:
 - (a) In the event that the Borrower did not request a disbursement of the Financing for a period of at least 12 months without justification.
3. The following are designated as additional (general/specific) conditions precedent to withdrawal:
 - (a) The IFAD no objection to the PIM shall have been obtained. The PIM shall also include project financial management and procurement arrangements.
 - (b) The Project Steering Committee (the "PSC") established for RDDP-2 is fully functional and will be used for the duration of the Project.
 - (c) The RDDP-2 Project Operation Manager and key Project staff have been appointed as indicated in Schedule 3 of this Agreement.
 - (d) A suitable project Accounting and Reporting System shall have been customised and implemented through the national IFMIS, and the chief accountant (Head of Finance) and Finance Specialist shall have been duly trained in its use.
 - (e) The complete settlement of outstanding unjustified amounts relating to previous Post-Harvest and Agribusiness Support Project (PASP).
4. This Agreement is subject to ratification by the Borrower.
5. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Borrower:

The Minister of Finance and Economic Planning
Ministry of Finance and Economic Planning
12 KN 3 Avenue, P.O Box 158, Kigali
Republic of Rwanda

Email: info@minecofin.gov.rw

For the Fund:

The President
International Fund for Agricultural Development
Via Paolo di Dono 44
00142 Rome, Italy

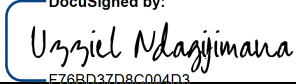
Copy to: The Country Director, Rwanda

The Parties accept the validity of any qualified electronic signature used for the signature of this Agreement and recognise the latter as equivalent to a hand-written signature.

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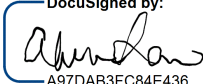
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Loan No. 2000004785

REPUBLIC OF RWANDA

DocuSigned by:

E76BD37D8C004D3
Dr. Uzziel Ndagijimana
Ministry of Finance and
Economic Planning

Date: 22/1/2024 | 15:33:07 CET

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

DocuSigned by:

A97DAB3FC84E436
Alvaro Lario
President

Date: 22/1/2024 | 16:10:44 CET

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

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Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population.* The Project shall benefit 175,000 poor and nutrition-insecure rural households of whom 100,000 from the 14 initial RDDP districts will be targeted with scaled-up interventions such as Artificial Insemination services, fodder development, water facilities, digitalization of Milk Collection Centres (MCCs), and access to finance. The additional 75,000 new households will be selected from the RDDP districts (25,000 households) and the 13 new districts (50,000 households) belonging to Ubudehe category C, D, and E. Beneficiaries will be selected among those who are currently involved in or willing to participate in dairy sector. RDDP-2 will give preferential attention to women (45 per cent) and youth (25 per cent).

2. *Project area.* RDDP-2 will be implemented in 27 of the 30 districts of Rwanda, categorized into two (2) groups (*the "Project Area"*). Category 1 will cover the 14 districts where RDDP was implemented, in which RDDP-2 will build on achievements to further enhance transformation of the sector with new innovations, technologies and take advantage of new market opportunities. Category 2 will cover 13 new districts under the following criteria: (i) high incidence of poverty, food insecurity, malnutrition; (ii) high impact of climate change; (iii) high potential for women and youth to get involved in the dairy value chain; (iv) concentration of schools and density of school children; and v) potential for dairy value chain development, including markets for dairy products. The 3 remaining urban and peri-urban Districts (Gasabo, Kicukiro and Nyarugenge) could be targeted but only for activities related to milk processing and marketing.

3. *Goal.* The goal of the Project is to reduce the poverty level of targeted rural households and mitigate the impact of the dairy sector on climate change.

4. *Objectives.* The objective of the Project is to enhance income, nutrition and resilience of rural households through a more inclusive, sustainable, digitalized and competitive dairy sector through three project outcomes: i) increased climate-smart productivity and resilience of dairy smallholder production systems; ii) increased dairy value chain efficiency investments, market access, and consumption of dairy products; and iii) strengthened policy and institutional environment for sustainable and inclusive growth of the dairy sector. Increased climate adaptation and mitigation will be considered as a transversal objective which cuts across the three project outcomes.

5. *Components.* The Project shall consist of the following Components:

5.1 Component 1: Increasing productivity and resilience of dairy smallholder production systems will primarily target the production aspect by employing a climate smart livestock approach. This blends efforts to increase productivity and adapting livestock to climate change, while implementing measures to curtail Green House Gas (GHG) emissions linked to livestock activities. This will be achieved through two sub-components:

5.1.1 Sub-Component 1.1: Strengthening capacities, production assets and community organization of smallholder dairy farmers, will build assets (Girinka) and technical capacities of smallholder farmers in the domains of animal husbandry, animal welfare, as well as in fodder production, milk hygiene, and manure management. It also intends to foster community organization through forming Livestock Farmer Field Schools (L-FFS) and Self Help Groups, enabling farmers to access financial services, markets and production support, with the potential for these groups to transition into cooperatives. These efforts are expected to boost productivity, increase household incomes, and contribute to GHG reduction.

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5.1.2 Sub-Component 1.2: Access to services, inputs and technical innovations enhancing availability of quality feed and water to strengthen climate resilience. This sub-component will focus on improving smallholder farmers' access to essential production services that can increase productivity and strengthen their resilience to climate change. It encompasses three major activities: i) improving the availability of high-quality feed, fodder (seeds) through promoting a more market-oriented value chain and water at household and community levels; ii) enhancing delivery of animal health and breeding services (e.g. roll out of sanitary mandate, disease contingency fund, digitalized cattle registration system, etc); and iii) disseminating technical, digital, and climate-smart innovations.

5.2 Component 2: Increasing dairy value chain efficiency, through scaled-up investments, improved market access, and consumption of dairy products. This component focuses on optimizing the operational efficiency of the dairy value chain. This entails integrating climate-smart energy systems and digital technologies to facilitate the tracing of milk transactions across the value chain, with the goal of channelling milk through formal market avenues. This component has three interlinked sub-components:

5.2.1 Sub-Component 2.1: Increasing the dairy value chain efficiency. This sub-component aims to address the challenges related to the limited amount of milk marketed through formal channels and milk losses resulting from inadequate transportation and collection. It involves the promotion of shorter dairy value chains through the training and capacity building of MCCs and local dairy processors, along with the provision of processing and packaging equipment, leveraging renewable energy sources. Additionally, a digitalized monitoring system will be implemented to streamline milk production, aggregation, transportation, and marketing processes, ultimately improving the overall efficiency of the dairy value chain.

5.2.2 Sub-Component 2.2: Promotion of inclusive and innovative access to finance, will facilitate access to suitable, accessible and sustainable financial services (e.g. credit, savings, co-financing, leasing, insurance, and risk management tools) for all actors in the dairy sector. It employs a value chain financing approach tailored for both the demand and supply sides: i) providing trainings on business management and financial literacy; ii) promoting uptake of livestock insurance; iii) developing financial products that enhance returns and competitiveness.

5.2.3 Sub-Component 2.3: Improving milk consumption and nutrition awareness, will be achieved through nutrition education and 'Social and Behaviour Change Communication (SBCC)'. RDDP-2 will establish market linkages between MCCs and school feeding programme to support milk consumptions in schools. This will include facilitating marketing campaigns in collaboration with private sectors and cooperatives.

5.3 Component 3: Policy support and project management, monitoring & evaluation and knowledge management. This component will focus on policy engagement and stakeholder coordination to achieve the objective of 'strengthened policy and institutional environment for sustainable and inclusive growth of the dairy sector'. Policy intervention and formulation efforts will be reinforced by robust project M&E systems and evidence-based knowledge products. RDDP-2 will facilitate the engagement of stakeholders in policy dialogue via both national and district level dairy platforms.

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II. Implementation Arrangements

6. *Lead Project Agency.* Rwanda Agriculture and Animal Resources Development Board (RAB), an implementing agency of MINAGRI, will have the overall responsibility for the coordination and execution of the Project.

7. *Project Oversight Committee.* In line with the standard practice for IFAD-funded projects in Rwanda, a Project Steering Committee (PSC) will be established for RDDP-2. The Committee will be made up of representatives of MINAGRI and other relevant Ministries, as well as representatives of the target districts, members representing the farmer organizations, local institutions from the public and private sectors participating in the Project. The Committee is due to meet at least twice yearly, once to review the draft Annual Work Plan and Budget (AWPB) and again at mid-year to review the implementation progress, chaired by the Permanent Secretary of MINAGRI, and co-chaired by the Director General of RAB.

8. *Project Management Unit.* The Project will be implemented through the Single Project Implementation Unit (SPIU) under the authority of RAB. The SPIU Coordinator will oversee and coordinate the Project implementation at both the central and district level. Additionally, a dedicated RDDP-2 management team (PMT) will be formed within SPIU, including a Project Operations Manager, technical specialists, and field coordinators. In order to ensure seamless transition from RDDP to RDDP-2 and benefits from its existing capacities and management systems, contracts for RDDP-2 will be offered to those with satisfactory performance assessments, following ToRs developed in the PIM.

9. *Implementing partners.* The Borrower will conclude the contractual arrangements with the implementing partners, including Heifer International, for the implementation of the activities as described in the Schedule 1.

10. *Monitoring and Evaluation.* In collaboration with the MINAGRI MIS Developer, the M&E system will build upon the existing MINAGRI MIS Module to integrate a mobile data collection application, enabling the digital capture of real-time field data, including geospatial data. The primary responsibility for the M&E system will rest with the M&E unit within the SPIU, and all contracts and MoUs signed by the SPIU will incorporate details regarding the data collection and reporting responsibilities of implementing partners.

11. *Knowledge Management (KM).* A project-specific KM and Communication Strategy along with a comprehensive KM action plan will be developed by a KM specialist, and validated during the Project start-up workshop. In pursuit of the policy aspect, the KM activities will be focused on establishing effective channels for policy influence and dialogue. This will involve documenting project achievements/lessons and disseminating policy briefs to engage high-level stakeholders in the dairy sector.

12. *Project Implementation Manual.* The PDR includes a comprehensive PIM, which provides guidelines and framework for the project implementation. The PIM is a living document and lessons from experiences will be incorporated. The Borrower will review and elaborate the PIM prior to the project start-up, and any revisions to the PIM shall have to be submitted for the Fund's approval.

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Schedule 2

Allocation Table

1. *Allocation of Financing Proceeds.* (a) The Table below sets forth the Categories of Eligible Expenditures to be financed by the IFAD Loans and the allocation of the amounts to each category of the Financing and the percentages of expenditures for items to be financed in each Category:

Category		IFAD SHC Loan (Expressed in EUR)	IFAD HC Loan (Express ed in EUR)	IFAD OT Loan (Expressed in EUR)	Percentage Of Expenditure (Net of Taxes, Government and Beneficiary contributions)
I.	Equipment and Materials	230 000	60 000	720 000	100%
II.	Goods, Services and Inputs	2 110 000	520 000	3 800 000	100%
III.	Consultancies	2 870 000	720 000	3 670 000	100%
IV.	Grants and Subsidies	200 000	50 000	90 000	100%
V.	Salaries and Allowances	1 570 000	390 000		100%
	Unallocated	780 000	200 000	920 000	100%
TOTAL		7 760 000	1 940 000	9 200 000	

(b) The terms used in the Table above are defined as follows:

- (i) For SHC & HC IFAD Loans, the category equipment and materials also include the planned expenditures for vehicles.
- (ii) The category consultancies also include expenditures relating to training and workshops.
- (iii) The category salaries and allowances also include operating costs.

2. *Disbursement arrangements*

- (a) *Start-up Costs.* Withdrawals in respect of expenditures for start-up costs incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of EUR 200 000 (Two Hundred Thousand). Activities to be financed by Start-up Costs will require the no objection from IFAD to be considered eligible.

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Schedule 3

Special Covenants

I. General Provisions

In accordance with Section 12.01(a)(xxiii) of the General Conditions, the Fund may suspend, in whole or in part, the right of the Borrower to request withdrawals from the Loan Account if the Borrower has defaulted in the performance of any covenant set forth below, and the Fund has determined that such default has had, or is likely to have, a material adverse effect on the Project:

1. Within six (6) months of entry into force of the Financing Agreement, the Project will enter into Memorandum of Understandings (MoU) with implementing partners that will structure the collaboration, define roles, responsibilities and duties with regards to implementation, financial management, accounting and reporting. The MoUs shall be shared with IFAD for No Objection.

2. *Planning, Monitoring and Evaluation.* The Borrower shall ensure that a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement. The PM&E system shall be updated in accordance with MINAGRI's Management Information System (MIS) as well as IFAD's Operational Results Management System (ORMS), which shall be coordinated by the SPIU with support from technical specialists recruited under the Project. In order to supplement the Project ORMS Logical Framework, a detailed operational results framework, a monitoring and evaluation (M&E) plan, and a digitalized M&E system shall be developed by the SPIU to guide M&E processes, define roles and responsibilities.

3. *Gender.* The Borrower shall ensure that the Social Inclusion Specialist appointed under RDDP-2 will contribute to the social and economic inclusion of youth, women, other vulnerable groups, and facilitate an equal opportunity to participate and benefit from the project activities.

4. *Land tenure security.* The Borrower shall ensure that the land acquisition process has already been completed and that compensation processes were consistent with international best practice and free prior and informed consent (FPIC) principles.

5. *Anticorruption Measures.* The Borrower shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.

6. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.

7. *Use of Project Vehicles and Other Equipment.* The Borrower shall ensure that:

- (a) All vehicles and other equipment procured for the Project are allocated for Project implementation, fixed asset register is maintained and the annual physical asset verification is performed;
- (b) The types of vehicles and other equipment procured under the Project are appropriate to the needs of the Project; and
- (c) All vehicles and other equipment transferred to or procured under the Project are dedicated solely to Project use.

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8. *IFAD Client Portal (ICP) Contract Monitoring Tool (CMT)*. The Borrower shall ensure that a request is sent to IFAD to access the project procurement Contract Monitoring Tool in the IFAD Client Portal (ICP). The Borrower shall ensure that all contracts, memoranda of understanding, purchase orders and related payments are registered in the Project Procurement Contract Monitoring Tool in the IFAD Client Portal (ICP) in relation to the procurement of goods, works, services, consultancy, non-consulting services, community contracts, grants and financing contracts. The Borrower shall ensure that the contract data is updated on a quarterly basis during the implementation of the Project.

9. The Key Project Personnel are: Project Operation Manager, Financial Specialist, Chief Accountant, Officer for Monitoring and Evaluation, Knowledge Management Officer, Procurement Officer, Social Inclusion and Gender Specialist, and Environment and Climate Assessment Specialist. In order to assist in the implementation of the Project, the SPIU, unless otherwise agreed with IFAD, shall employ or cause to be employed, as required, key staff whose qualifications, experience and terms of reference are satisfactory to IFAD. Key Project Personnel shall be seconded to the SPIU in the case of government officials or recruited under a consulting contract following the individual consultant selection method in the IFAD Procurement Handbook, or any equivalent selection method in the national procurement system that is acceptable to IFAD. The recruitment of Key Project Personnel is subject to IFAD's prior review as is the dismissal of Key Project Personnel. In accordance with legal instrument implementing performance management of the Government of Rwanda, key Project Personnel are subject to annual performance evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Project Personnel shall be compliant with the national labour regulations or the ILO International Labour Standards (whichever is more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the Project's circumstances.

II. SECAP Provisions

1. The Borrower shall carry out the preparation, design, construction, implementation, and operation of the Project in accordance with the nine standards and other measures and requirements set forth in the Updated Social, Environmental Climate Assessment Procedures of IFAD ("SECAP 2021 Edition"), as well as with all applicable laws and regulations to the Borrower and/or the sub-national entities relating to social, environmental and climate change issues in a manner and substance satisfactory to IFAD. The Borrower shall not amend, vary or waive any provision of the SECAP 2021 Edition, unless agreed in writing by the Fund in the Financing Agreement and/or in the Management Plan(s), if any.

2. For projects presenting high or substantial social, environmental and climate risks, the Borrower shall carry out the implementation of the Project in accordance with the measures and requirements set forth in the Environmental and Social Impact Assessments (ESIAs)/Environmental, Social and Climate Management Frameworks (ESCMFs) and/or Resettlement Action Plans/Frameworks (RAPs/Fs) and Environmental, Social and Climate Management Plans (ESCMPs) for high risk projects and Abbreviated ESIAs and/or Abbreviated RAP/F and ESCMPs for substantial risk projects and Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), Pesticide Management Plans, Cultural Resources Management Plans and Chance Finds Plans] (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

The Borrower shall not amend, vary or waive any provision of the ESCMPs and Management Plan(s), unless agreed in writing by the Fund and if the Borrower has

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complied with the same requirements as applicable to the original adoption of the ESCMPs and Management Plan(s).

3. The Borrower shall not, and shall cause the Executing Agency, all its contractors, its sub-contractors and suppliers not to commence implementation of any works, unless all Project affected persons have been compensated and/or resettled in accordance with the specific RAP/Abbreviated RAP, FPIC and/ or the agreed works and compensation schedule.

4. The Borrower shall cause the Lead Project Agency to comply at all times while carrying out the Project with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s), if any.

5. The Borrower shall disclose the draft and final ESIA reports and all other relevant Management Plan(s) with Project stakeholders and interested parties in an accessible place in the Project -affected area, in a form and language understandable to Project -affected persons and other stakeholders. The disclosure will take into account any specific information needs of the community (e.g. culture, disability, literacy, mobility or gender).

6. The Borrower shall ensure or cause the Executing Agency and Implementing Agency to ensure that all bidding documents and contracts for goods, works and services contain provisions that require contractors, sub-contractors and suppliers to comply at all times in carrying out the Project with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the Management Plan(s), if any.

7. The Borrower will ensure that a Project -level grievance mechanism is established that is easily accessible, culturally appropriate, available in local languages, and scaled to the nature of the Project's activity and its potential impacts to promptly receive and resolve concerns and complaints (e.g. compensation, relocation or livelihood restoration) related to the environmental and social performance of the Project for people who may be unduly and adversely affected or potentially harmed if the Project fails to meet the SECAP standards and related policies. The Project -level grievance mechanism needs to take into account indigenous peoples, customary laws and dispute resolution processes. Traditional or informal dispute mechanisms of affected indigenous peoples should be used to the greatest extent possible.

8. This section applies to any event which occurs in relation to serious environmental, social, health & safety (ESHS) incidents (as this term is defined below); labor issues or to adjacent populations during Project implementation that, with respect to the relevant IFAD Project:

- (i) has direct or potential material adverse effect;
- (ii) has substantially attracted material adverse attention of outside parties or create material adverse national press/media reports; or
- (iii) gives rise to material potential liabilities.

In the occurrence of such event, the Borrower shall:

- Notify IFAD promptly;
- Provide information on such risks, impacts and accidents;
- Consult with Project - affected parties on how to mitigate the risks and impacts;

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- Carry out, as appropriate, additional assessments and stakeholders' engagements in accordance with the SECAP requirements; and
- Adjust, as appropriate, the Project-level grievance mechanism according to the SECAP requirements; and
- Propose changes, including corrective measures to the Management Plan(s) (if any), in accordance with the findings of such assessment and consultations, for approval by IFAD.

Serious ESHS incident means serious incident, accident, complaint with respect to environmental, social (including labor and community), health and safety (ESHS) issues that occur in loan or within the Borrower/Recipient's activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the Borrower (e.g. any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination, accidents of members of the public/local communities, resulting in death or serious or multiple injuries, sexual harassment and -violence involving Project workforce or in relation to severe threats to public health and safety, inadequate resettlement compensation, disturbances of natural ecosystems, discriminatory practices in stakeholder consultation and engagement (including the right of indigenous peoples to free, prior and informed consent), any allegation that require intervention by the police/other law enforcement authorities, such as loss of life, sexual violence or child abuse, which (i) have, or are likely to have a material adverse effect; or (ii) have attracted or are likely to arouse substantial adverse attention of outside parties or (iii) to create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities).

9. The Borrower shall ensure or cause the Executing Agency, Implementing Agency, contractors, sub-contractors and suppliers to ensure that the relevant processes set out in the SECAP 2021 Edition as well as in the ESCMPs and Management Plan(s) (if any) are respected.

10. Without limitation on its other reporting obligations under this Agreement, the Borrower shall provide the Fund with:

- Reports on the status of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the management plan (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- Reports of any social, environmental, health and safety incidents and/accidents occurring during the design stage, the implementation of the Project and propose remedial measures. The Borrower will disclose relevant information from such reports to affected persons promptly upon submission of the said reports ; and
- Reports of any breach of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s) (if any) promptly after becoming aware of such a breach.

11. The Borrower shall fully cooperate with the Fund concerning supervision missions, midterm reviews, field visits, audits and follow-up visits to be undertaken in accordance with the requirements of SECAP 2021 Edition and the Management Plan(s) (if any) as the Fund considers appropriate depending on the scale, nature and risks of the Project.

12. In the event of a contradiction/conflict between the Management Plan(s), if any and the Financing Agreement, the Financing Agreement shall prevail.

Bibonywe kugira ngo bishyirwe ku mugereka w'Itegeko n° 033/2024 ryo ku wa 04/03/2024 ryemera kwemeza burundu Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda n'Ikigega Mpuzamahanga kigamije Guteza Imbere Ubuhinzi, yerekeranye n'inguzanyo ya miliyoni zirindwi n'ibihumbi magana arindwi na mirongo itandatu z'amayero (7.760.000 EUR), iya miliyoni imwe n'ibihumbi magana cyenda na mirongo ine y'Amayero (1.940.000 EUR) n'iya miliyoni icyenda n'ibihumbi magana abiri z'amayero (9.200.000 EUR) zigenewe umushinga wo guteza imbere umukamo w'amata mu Rwanda - Icyiciro cya 2, yashyiriweho umukono i Kigali mu Rwanda, n'i Roma mu Butaliyani ku wa 22 Mutarama 2024	Seen to be annexed to Law n° 033/2024 of 04/03/2024 approving ratification of the financing Agreement between the Republic of Rwanda and the International Fund for Agricultural Development, relating to the loans amounting to seven million seven hundred sixty thousand Euros (EUR 7,760,000), one million nine hundred forty thousand euros (EUR 1,940,000), and nine million two hundred thousand Euros (EUR 9,200,000) for the Rwanda dairy development project – Phase 2, signed in Kigali, Rwanda, and in Rome, Italy on 22 January 2024	Vu pour être annexé à la Loi n° 033/2024 du 04/03/2024 approuvant la ratification de l'Accord de financement entre la République du Rwanda et le Fonds International pour le Développement Agricole, relatif aux prêts d'un montant de sept millions sept cent soixante mille Euros (7.760.000 EUR), d'un million neuf cent quarante mille Euros (1.940.000 EUR), et de neuf millions deux cent mille Euros (9.200.000 EUR) pour le projet de développement de la production laitière au Rwanda – Phase 2, signé à Kigali, Rwanda, et à Rome, Italie, le 22 janvier 2024
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Kigali, 04/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

ITEKA RYA PEREZIDA N° 041/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE YEREKERANYE N'INGUZANYO YA MILIYARI MAKUMYABIRI N'UMUNANI NA MILIYONI MAGANA CYENDA N'ESHATU N'IBIHUMBI MAGANA ATANDATU NA MAKUMYABIRI NA BIRINDWI NA MAGANA INANI NA MIRONGO ITATU Z'AMAYENI Y'UBUYAPANI (JPY 28.903.627.830) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	PRESIDENTIAL ORDER N° 041/01 OF 08/03/2024 RATIFYING THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK RELATING TO THE LOAN OF TWENTY-EIGHT BILLION, NINE HUNDRED AND THREE MILLION, SIX HUNDRED AND TWENTY-SEVEN THOUSAND EIGHT HUNDRED AND THIRTY JAPANESE YEN (JPY 28,903,627,830) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ARRÊTÉ PRÉSIDENTIEL N° 041/01 DU 08/03/2024 RATIFIANT L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT RELATIF AU PRÊT DE VINGT-HUIT MILLIARDS NEUF CENT TROIS MILLIONS SIX CENT VINGT-SEPT MILLE HUIT CENT TRENTE YENS JAPONAIS (28.903.627.830 JPY) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, AU RWANDA, LE 20 DÉCEMBRE 2023
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Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere, yerekeranye n'inguzanyo ya miliyari makumyabiri n'umunani na miliyoni magana cyenda n'eshatu n'ibihumbi magana atandatu na makumyabiri na birindwi na magana inani na mirongo itatu z'Amayeni y'Ubuyapani (28.903.627.830 JPY) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023; Tumaze kubona Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere yerekeranye n'inguzanyo ya miliyari makumyabiri n'umunani na miliyoni magana cyenda n'eshatu n'ibihumbi magana atandatu na makumyabiri na birindwi na magana inani na mirongo itatu z'Amayeni y'Ubuyapani (JPY 28.903.627.830) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023; Bisabwe na Minisitiri w'Imari n'Igenamigambi;	between the Republic of Rwanda and African Development Bank, relating to the loan of twenty-eight billion, nine hundred and three million, six hundred and twenty-seven thousand eight hundred and thirty Japanese Yen (JPY 28,903,627,830) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023; Considering the Loan Agreement between the Republic of Rwanda and the African Development Bank as administrator of the Africa Growing Together Fund, relating to the loan of twenty-eight billion, nine hundred and three million, six hundred and twenty-seven thousand eight hundred and thirty Japanese Yen (JPY 28,903,627,830) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023; On proposal by the Minister of Finance and Economic Planning;	entre la République du Rwanda et la Banque Africaine de Développement, relatif au prêt de vingt-huit milliards neuf cent trois millions six cent vingt-sept mille huit cent trente yens japonais (28.903.627.830 JPY) pour le programme de transformation durable de l'approvisionnement en eau potable et de l'assainissement au Rwanda, Phase 1, signé à Kigali, au Rwanda, le 20 décembre 2023 ; Considérant l'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, relatif au prêt de vingt-huit milliards neuf cent trois millions six cent vingt-sept mille huit cent trente yens japonais (28.903.627.830 JPY) pour le programme de transformation durable de l'approvisionnement en eau et de l'assainissement au Rwanda, Phase 1, signé à Kigali, au Rwanda, le 20 décembre 2023 ; Sur proposition du Ministre des Finances et de la Planification Économique ;
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Inama y'Abaminisitiri imaze kubisuzuma no kubyemeza; DUTEGETSE: <u>Ingingo ya mbere: Kwemeza burundu</u> Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere yerekeranye n'inguzanyo ya miliyari makumyabiri n'umunani na miliyoni magana cyenda n'eshatu n'ibihumbi magana atandatu na makumyabiri na birindwi na magana inani na mirongo itatu z'Amayeni y'Ubuyapani (JPY 28.903.627.830) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023, ari ku mugereka w'iri teka, yemejwe burundu kandi atangiye gukurikizwa uko yakabaye. <u>Ingingo ya 2: Abayobozi bashinzwe gushyira mu bikorwa iri teka</u> Minisitiri w'Intebe, Minisitiri w'Imari n'Igenamigambi, Minisitiri w'Ububanyi n'Amahanga n'Ubutwererane, na Minisitiri w'Ibikorwa Remezo bashinzwe gushyira mu bikorwa iri teka.	After consideration and approval by the Cabinet; DO ORDER: <u>Article One: Ratification</u> The Loan Agreement between the Republic of Rwanda and the African Development Bank relating to the loan of twenty-eight billion, nine hundred and three million, six hundred and twenty-seven thousand eight hundred and thirty Japanese Yen (JPY 28,903,627,830) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023, annexed to this Order, is ratified and becomes fully effective. <u>Article 2: Authorities responsible for the implementation of this Order</u> The Prime Minister, the Minister of Finance and Economic Planning, the Minister of Foreign Affairs and International Cooperation, and the Minister of Infrastructure are entrusted with the implementation of this Order.	Après examen et adoption par le Conseil des Ministres ; AVONS ARRÊTÉ: <u>Article premier : Ratification</u> L'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement relatif au prêt de vingt-huit milliards neuf cent trois millions six cent vingt-sept mille huit cent trente yens japonais (28.903.627.830 JPY) pour le programme de transformation durable de l'approvisionnement en eau et de l'assainissement au Rwanda, Phase 1, signé à Kigali, au Rwanda, le 20 décembre 2023, annexé au présent arrêté, est ratifié et sort son plein et entier effet. <u>Article 2: Autorités chargées de l'exécution du présent arrêté</u> Le Premier Ministre, le Ministre des Finances et de la Planification Économique, et le Ministre des Affaires Étrangères et de la Coopération Internationale, et le Ministre des Infrastructures sont chargés de l'exécution du présent arrêté.
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<u>Ingingo ya 3: Ingingo y’ururimi</u> Iri teka ryateguwe mu rurimi rw’Icyongereza. <u>Ingingo ya 4: Gutangira gukurikizwa</u> Iri teka ritangira gukurikizwa ku munsu ritangarijweho mu Igazeti ya Leta ya Repubulika y’u Rwanda.	<u>Article 3: Language provision</u> This Order was drafted in English. <u>Article 4: Entry into force</u> This Order comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	<u>Article 3: Disposition linguistique</u> Le présent arrêté a été rédigé en anglais. <u>Article 4: Entrée en vigueur</u> Le présent arrêté entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEKA RYA PEREZIDA N° 041/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE YEREKERANYE N'INGUZANYO YA MILIYARI MAKUMYABIRI N'UMUNANI NA MILIYONI MAGANA CYENDA N'ESHATU N'IBIHUMBI MAGANA ATANDATU NA MAKUMYABIRI NA BIRINDWI NA MAGANA INANI NA MIRONGO ITATU Z'AMAYENI Y'UBUYAPANI (JPY 28.903.627.830) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	ANNEX TO PRESIDENTIAL ORDER N° 041/01 OF 08/03/2024 RATIFYING THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK RELATING TO THE LOAN OF TWENTY-EIGHT BILLION, NINE HUNDRED AND THREE MILLION, SIX HUNDRED AND TWENTY-SEVEN THOUSAND EIGHT HUNDRED AND THIRTY JAPANESE YEN (JPY 28,903,627,830) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ANNEXE À L'ARRÊTÉ PRÉSIDENTIEL N° 041/01 DU 08/03/2024 RATIFIANT L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT RELATIF AU PRÊT DE VINGT-HUIT MILLIARDS NEUF CENT TROIS MILLIONS SIX CENT VINGT-SEPT MILLE HUIT CENT TRENTE YENS JAPONAIS (28.903.627.830 JPY) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, AU RWANDA, LE 20 DÉCEMBRE 2023
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AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE YEREKERANYE N'INGUZANYO YA MILIYARI MAKUMYABIRI N'UMUNANI NA MILIYONI MAGANA CYENDA N'ESHATU N'IBIHUMBI MAGANA ATANDATU NA MAKUMYABIRI NA BIRINDWI NA MAGANA INANI NA MIRONGO ITATU Z'AMAYENI Y'UBUYAPANI (JPY 28.903.627.830) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND AFRICAN DEVELOPMENT BANK RELATING TO THE LOAN OF TWENTY-EIGHT BILLION, NINE HUNDRED AND THREE MILLION, SIX HUNDRED AND TWENTY-SEVEN THOUSAND EIGHT HUNDRED AND THIRTY JAPANESE YEN (JPY 28,903,627,830) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT RELATIF AU PRÊT DE VINGT-HUIT MILLIARDS NEUF CENT TROIS MILLIONS SIX CENT VINGT-SEPT MILLE HUIT CENT TRENTE YENS JAPONAIS (28.903.627.830 JPY) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, AU RWANDA, LE 20 DÉCEMBRE 2023
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PROGRAM ID: P-RW-E00-014
LOAN No.: 2000300000902

LOAN AGREEMENT

BETWEEN

REPUBLIC OF RWANDA

AND

AFRICAN DEVELOPMENT BANK

**(RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER
AND SANITATION PROGRAM, PHASE I)**

ALS

**LOAN AGREEMENT
RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION
PROGRAM, PHASE I**

**PROGRAM ID: P-RW-E00-014
LOAN No.: 2000300000902**

This LOAN AGREEMENT, (the "Agreement") is entered into this 20th day of December 2023, between the REPUBLIC OF RWANDA (the "Borrower") and the AFRICAN DEVELOPMENT BANK (the "Bank").

WHEREAS:

- (A) The Borrower has requested the Bank to provide a loan out of its resources, to assist in financing the Rwanda Transformative and Sustainable Water and Sanitation Program, Phase I (the "Program") as further described in Schedule II (*Program Description*) of this Agreement;
- (B) Water and Sanitation Corporation (WASAC) Group shall be the Executing Agency for the Program (the "Executing Agency");
- (C) On or about the Date of the Loan Agreement, the Bank acting as administrator of the Africa Growing Together Fund (AGTF) entered into a loan agreement with the Borrower (the "AGTF Loan Agreement") for the financing of the Program in an amount of Fifty Million United States Dollars (USD 50,000,000) (the "AGTF Loan"); and
- (D) The Bank has agreed on the basis, *inter alia*, of the foregoing to extend to the Borrower as a loan, the amount specified in Section 2.01 (*Amount*) of this Agreement on the terms and conditions set forth or referred to in this Agreement .

NOW THEREFORE, the Parties hereto hereby agree as follows:

**ARTICLE I
GENERAL CONDITIONS, CONVERSION GUIDELINES, DEFINITIONS**

Section 1.01. **General Conditions and Conversion Guidelines.** The *General Conditions Applicable to the African Development Bank Loan Agreements and Guarantee Agreements (Sovereign Entities)* dated February 2009, as amended from time to time, (the "General Conditions") and the Conversion Guidelines as defined herein constitute an integral part of this Agreement.

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Section 1.02. **Inconsistency.** In the event of an inconsistency between any provision of this Agreement and the General Conditions or the Conversion Guidelines, the provisions of this Agreement shall prevail.

Section 1.03. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in Schedule I (*Definitions*) to this Agreement.

Section 1.04. **Schedules.** The Schedules to this Agreement form an integral part of this Agreement and shall have effect as if set out in full herein.

ARTICLE II **THE LOAN**

Section 2.01. **Amount.** The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, a loan of an amount not exceeding Twenty-Eight Billion, Nine Hundred and Three Million, Six Hundred and Twenty-Seven Thousand Eight Hundred and Thirty Japanese Yen (JPY 28,903,627,830), which amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement and the Conversion Guidelines (the "Loan"), to assist in financing the Program.

Section 2.02. **Loan Tenor and Grace Period.** The tenor of the Loan shall be twenty-five (25) years which shall include a grace period of eight (8) years (the "Grace Period") commencing on the Date of the Loan Agreement.

Section 2.03. **Payment Dates.** The Payment Dates are:

- (a) 1 May and 1 November in each year for USD, EUR, and JPY; and
- (b) 1 February, 1 May, 1 August and 1 November of each year for ZAR.

Section 2.04. **Front-End Fee**

- (a) The Borrower shall pay the Bank a non-refundable Front-End Fee on the Loan amount at a rate equal to zero point twenty-five percent (0.25%) of the Loan. The Borrower shall pay the Front-End Fee no later than sixty (60) days after the Date of Entry into Force, or at first disbursement, whichever is the earlier.
- (b) **Deduction of Front-End Fee.** The Borrower may, by notice in writing, request that the Front-End Fee be paid out of the proceeds of the Loan and, the Bank shall upon receipt of such request, on behalf of the Borrower, withdraw an amount equivalent to the Front-End Fee from the Loan and pay to itself such fee.

- (c) The Borrower shall pay the Front-End Fee on the full Loan amount notwithstanding any full or partial cancellation of the Loan occurring after the Date of Entry into Force.
- (d) No disbursement of the Loan shall be made until the Bank has received from the Borrower payment in full of the Front-End Fee.

Section 2.05. **Commitment Charge.** The Borrower shall pay a Commitment Charge computed at a rate equal to zero point twenty-five per cent (0.25%) per annum on the Undisbursed Loan Balance, which shall begin to accrue sixty (60) days after the Date of the Loan Agreement. The Commitment Charge shall be payable on each Payment Date including during the Grace Period. The Commitment Charge shall cease to accrue upon full disbursement or cancellation of the Loan.

Section 2.06. **Interest.**

- (a) Until the first Interest Rate Conversion, and for all Interest Rate Conversions from a Fixed Base Rate to a Floating Base Rate, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, the interest payable by the Borrower on the Disbursed Loan Balance, for each Interest Period (or, in the case of a Loan in USD or JPY, for any day during an Interest Period) shall be at a percentage rate per annum equal to the sum of the:
 - (i) Floating Base Rate;
 - (ii) Funding Cost Margin;
 - (iii) Lending Margin; and
 - (iv) Maturity Premium of twenty (20) basis points per annum;

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.
- (b) If any day during an Interest Period for a Loan in USD or JPY is not a RFR Banking Day, the interest rate on that Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.
- (c) **Notification of Interest Rates.** The Bank shall notify the Borrower of the interest rate applicable for each Interest Period as soon as it determines such interest rate.
- (d) Pursuant to an Interest Rate Conversion from a Floating Base Rate to a Fixed Base Rate, the interest payable by the Borrower on the Disbursed Loan Balance that is subject to the Interest Rate Conversion, for each Interest Period shall, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, be at a percentage rate per annum equal to the sum of the:

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- (i) Fixed Base Rate;
- (ii) Funding Cost Margin;
- (iii) Lending Margin; and
- (iv) Maturity Premium of twenty (20) basis points per annum;

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.

- (e) **Payment of Interest.** The Borrower shall pay the accrued interest in paragraphs (a) and (d) herein on each Payment Date including during the Grace Period.

Section 2.07. **Interest Rate Substitution.** If, for any reason whatsoever, the Bank cannot determine or calculate the Floating Base Rate or the Fixed Base Rate (for amounts for which a Fixed Base Rate has not previously been determined) in accordance with Section 2.06 (*Interest*) of this Agreement, the Bank shall promptly notify and consult the Borrower in order to decide on a substitute interest rate in accordance with Section 3.03 (b) and (c) (*Interest*) of the General Conditions.

Section 2.08. **Computations.** Any Interest, Commitment Charge and fee accruing under this Agreement shall be computed on the basis of actual days elapsed (including the first day but excluding the last day) occurring in the period for which such Interest or Commitment Charge is payable and (i) a year of three hundred and sixty (360) days for USD and EUR; (ii) a year of three hundred and sixty-five (365) days for ZAR and JPY; and (iii) in respect of any currency other than USD, EUR, JPY and ZAR, such market convention calendar days as determined by the Bank and notified to the Borrower.

Section 2.09. **Repayment of Principal.** Without prejudice to Section 7.01 (*Events of Acceleration*) of the General Conditions, the Borrower shall repay the Disbursed Loan Balance over a period of seventeen (17) years after the expiration of the Grace Period by means of thirty-four (34) equal and consecutive semi-annual installments payable on each Payment Date. The first of such installments shall be payable on the first Payment Date immediately following the expiration of the Grace Period.

Section 2.10. **Prepayment.**

- (a) Pursuant to the provisions of Section 3.06 (*Repayment and Prepayment*) of the General Conditions, the Borrower shall have the right to prepay all or part of the Disbursed Loan Balance prior to its maturity without any prepayment costs other than any applicable Conversion Unwinding Costs which shall be determined by the Bank and notified to the Borrower.
- (b) If a Conversion has been effected on any Loan amount that is to be prepaid, the Borrower shall, at the time of the prepayment, pay the applicable Conversion

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Unwinding Costs, and a transaction fee for the early termination of the Conversion, in such amount or at such rate as notified by the Bank and in effect at the time of receipt by the Bank of the notice of prepayment.

- (c) Unless otherwise expressly indicated by the Borrower in its prepayment notice, prepaid amounts shall be applied *pro rata* to all outstanding Loan maturities.
- (d) Any partial prepayment in respect of an amount of the Loan to which a Conversion has been effected shall not be in an amount less than the minimum principal amount for Conversions provided in the Conversion Guidelines.
- (e) The Borrower may not re-borrow from the Bank, amounts prepaid under this Agreement.

Section 2.11. **Partial Payments.** If the Borrower at any time, makes a payment to the Bank, which is less than the full amount of all sums due and payable to the Bank hereunder, such payment shall, unless the Bank otherwise agrees, be applied in the following order: Front-End Fee, Commitment Charge, Conversion Unwinding Costs, transaction fee if applicable, interest, and lastly to principal.

Section 2.12. **Currencies, Mode and Place of Payments.**

- (a) Subject to the provisions of Section 4.04 (*Temporary Currency Substitution*) of the General Conditions, all amounts due to the Bank under this Agreement shall be payable in the Loan Currency.
- (b) Any amount due to the Bank pursuant to this Agreement, shall be payable without being subject to any restriction, tax set-off or deduction on account of exchange rate fluctuations, transmission, other transfer charges or other reasons of any nature whatsoever.
- (c) Such amounts shall be paid into a bank account of the Bank, which the Bank shall notify to the Borrower from time to time, and shall be deemed to have been paid only when and to the extent that the Bank has actually received the full amount due in the Loan Currency on the due date. If the due date falls on a day which is not a Business Day, such amount shall be paid so that it is actually received by the Bank on the next Business Day in its account and interest and Commitment Charge shall continue to accrue for the period from such due date to the next succeeding Business Day.

Section 2.13. **Certificates and Determinations.** Any certification or determination by the Bank of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

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ARTICLE III CONVERSION OF LOAN TERMS

Section 3.01. **Conversions Generally.** The Borrower may at any time request any of the following Conversions of the terms of any portion of the Loan in order to facilitate prudent debt management: (i) Currency Conversion; (ii) Interest Rate Conversion; (iii) Interest Rate Cap; or (iv) Interest Rate Collar. Each such request shall be furnished by the Borrower to the Bank in accordance with the Conversion Guidelines and, shall, upon acceptance and effectuation by the Bank, be considered a Conversion for the purposes of this Loan Agreement and the Conversion Guidelines.

Section 3.02. **Conversion Fees.** The Borrower shall, upon receipt of notice in writing, pay to the Bank:

- (a) the applicable transaction fee for the Conversion, and for each early termination of a Conversion, including any early termination pursuant to Section 2.10 (b) (*Prepayment*) of this Agreement and Section 7.01 (*Events of Acceleration*) of the General Conditions; and
- (b) Conversion Unwinding Costs, if any, for each early termination of a Conversion, in such amount or at such rate, in such currency and at such times as announced by the Bank from time to time in accordance with the applicable Conversion Guidelines.

ARTICLE IV ENTRY INTO FORCE AND DISBURSEMENT

Section 4.01. **Entry into Force.** The Loan Agreement shall enter into force upon fulfillment by the Borrower of the provisions of Section 12.01 (*Entry into Force*) of the General Conditions.

Section 4.02. **Disbursement.** The proceeds of the Loan shall be disbursed by the Bank, subject to the provisions of (a) Article V (*Disbursement of the Loan*) of the General Conditions; (b) the Disbursement Handbook; (c) the Disbursement Letter; (d) Article IV (*Entry into Force and Disbursement*) of this Agreement; and (e) such additional instructions as the Bank may specify by notice to the Borrower, to finance Eligible Expenditures as set forth in Schedule III (*Allocation of the Loan*) to this Agreement.

Section 4.03. **Currencies of Disbursement.** Subject to Section 4.04 (*Temporary Currency Substitution*) of the General Conditions, all disbursements of the Loan shall be denominated in the Original Loan Currency, unless and until such time as they become part of a Currency Conversion in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement and the Conversion Guidelines.

Section 4.04. **Conditions Precedent to First Disbursement.** In addition to the provisions of

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Section 4.01 (*Entry into Force*), the obligation of the Bank to make the first disbursement of the Loan shall be subject to the satisfaction of the following conditions by the Borrower, submission of :

- (a) the execution and delivery of a Subsidiary Agreement between the Executing Agency and the Borrower in form and substance satisfactory to the Bank; and
- (b) the evidence of the designation of staff for the Program Implementation Team ("PIT") with qualifications and terms of reference acceptable to the Bank, as follows: (i) Program Coordinator; (ii) Procurement Officer; (iii) Financial Management Specialist; (iv) Environmental Safeguards Expert; (v) Social Safeguards Expert; (vi) Monitoring and Evaluation Expert; (vii) Water Engineer; and (viii) Sanitation Engineer.

Section 4.05. **Conditions Precedent to Disbursements for Works Involving Resettlement financed by the Bank.** Subject to the provisions of Section 4.01 (*Entry into Force*) and Section 4.04 (*Conditions Precedent to First Disbursement*) of this Agreement, the obligation of the Bank to disburse the Loan for works that involve resettlement shall be subject to the satisfaction of the following additional conditions by the Borrower, submission of :

- (a) a works and compensation schedule prepared in accordance with the Full Resettlement Action Plan ("FRAP") and the Bank's Safeguards Policies in form and substance satisfactory to the Bank detailing: (i) each section of civil works under the Program, and (ii) the timeframe for compensation and/or resettlement of all Program Affected Persons (PAPs) in respect of each section and government valuer's report on the respective section(s) requiring compensation;
- (b) the evidence of the opening of a foreign currency special account (the "Special Account") and a local currency program account (the "Program Account") with the National Bank of Rwanda in the name of the Program, dedicated to receiving the Bank's portion of financing allocated to compensation and/or resettlement of the Program Affected Persons (PAPs) in accordance with the RAP;
- (c) For subsequent disbursements:
 - (A) provision of 100% justification on prior advance received accompanied by: (i) a completed and signed disbursement request (Form A1), (ii) a completed and signed appropriate statement of expenditures (Form A2), (iii) special account reconciliation statement, and (iv) bank statements covering the period of justification; and
 - (B) submission of approved valuation reports.

Section 4.06 **Pro-rata Disbursements.** Subject to Section 4.04 (*Condition Precedent to First Disbursement*) of this Agreement, the disbursements of the Loan and will be made pro-rata with the AGTF Loan.




Section 4.07. **Closing Date.** For purposes of Section 6.03 (*Cancellation by the Bank*) of the General Conditions, the Closing Date shall be **30 June 2030**, or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE V **UNDERTAKINGS**

Section 5.01. The Borrower declares its commitment to the objectives of the Program. To this end, the Borrower shall carry out the Program, and shall cause the Executing Agency and, its contractors and/or agents to carry out the Program, in accordance with the provisions of Article IX (*Project Implementation - Cooperation and Information*) of the General Conditions and this Agreement.

Section 5.02 **Institutional Arrangements.**

- (a) WASAC Group shall be the Executing Agency for the Program.
- (b) The Executing Agency shall be responsible for inter alia the following:
 - (i) the day-to-day implementation of the Program including preparation and submission of the Program quarterly progress reports, interim quarterly financial reports, and audit report to the Bank;
 - (ii) facilitating collaborations with stakeholders; and
 - (iii) all Program related monitoring and evaluation activities including compliance with the Bank's procurement, financial management and control requirements.
- (c) The Borrower shall, and shall cause the Executing Agency to maintain the Program Implementation Team (the "PIT") within the Executing Agency. The PIU shall remain operational at all times until completion of the Program, with the mandate, staffing and resources acceptable to the Bank.
- (d) The PIT shall be comprised of the following experts: (i) Program Coordinator; (ii) Water Engineer; (iii) Sanitation Engineer; (iv) Procurement Expert; (v) Program Accountant/Financial Management Specialist ; (vi) Environmental Safeguards Expert; (vii) Social Safeguards Expert; and (viii) Monitoring and Evaluation Expert..
- (e) The Borrower shall and shall cause the Executing Agency to nominate a Program Coordinator who will provide guidance and direction for the implementation of the Program and facilitate collaboration with government and government counterparts including within municipalities.

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- (f) In implementing catchment management investment component, the Executing Agency will collaborate with Ministry of Environment and Rwanda Water Resources Board.
- (g) The Borrower shall and shall cause the Executing Agency to establish a Program Steering Committee ("PSC") comprising Permanent Secretaries and Director Generals from all concerned ministries (Ministries of Infrastructure, Environment, Health, Education, Agriculture and Animal Resources, Finance and Economic Planning, Gender and Family Promotion, Local Government, Rwanda Water Resources Board, and Rwanda Utilities Regulatory Board). The PSC will provide policy and strategic guidance on the implementation of the Program. The PSC will be chaired by the Permanent Secretary for Ministry of Infrastructure and will meet at least once every six (6) months to review progress and approve the work plan and budget for the Program. The PIT will provide secretariat services to the PSC.

Section 5.03. **Environmental and Social Safeguards**

- (a) The Borrower shall, and shall cause the Executing Agency and all its contractors, sub-contractors and agents to:
 - (i) carry out the Program in accordance with the Environmental and Social Management Plan ("ESMP"), and the Full Resettlement Action Plan ("FRAP") and /or the agreed works and compensation schedule, the Bank's Safeguards Policies and the applicable national legislation in a manner and in substance satisfactory to the Bank;
 - (ii) prepare and submit to the Bank, as part of the Program Report in Section 8.01 (*Program Report*) of this Agreement, monthly reports on the implementation of the ESMP and the FRAP including any deficiencies identified and the corrective measures thereto; and
 - (iii) refrain from taking any action which would prevent or interfere with the implementation of the ESMP, and the FRAP, including any amendment, suspension, waiver, and/or avoidance of any provision thereof, whether in whole or in part, without the prior written concurrence of the Bank.
- (b) The Borrower shall not, and shall cause the Executing Agency and all its contractors, sub-contractors and agents not to commence implementation of any works on any section under the Program, unless all PAPs on such section have been compensated and/or resettled in accordance with the FRAP and/or the agreed works and compensation schedule.

Section 5.04. **Integrity.** The Borrower shall, and shall cause the Executing Agency, and any of its contractors or agents to, carry out the Program in accordance with the provisions of the Anti-Corruption Policies.

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Section 5.05. Other Conditions

- (a) The Borrower shall submit the evidence of the establishment of a Program Steering Committee ("PSC") comprising Permanent Secretaries and Director Generals from all concerned ministries will provide policy and strategic guidance on the implementation of the Program, within three (3) months of the first disbursement of the Loan.
- (b) The Borrower shall submit the evidence of the recruitment of the following technical assistants: (i) Electromechanical Engineering Expert; (ii) Civil Engineering Expert; (iii) Contract Management Expert; (iv) Procurement Expert; (v) Water Treatment Expert; (vi) Sanitation Expert and (vii) Gender Expert) to enhance capacity of the Executing Agency, within nine (9) months of the first disbursement of the Loan.

Section 5.06. Borrower Counterpart Contribution.

- (a) The Borrower shall and shall cause the Executing Agency to make available the amount of Nineteen Thousand Three Hundred and Twenty-Seven Thousand Eight Hundred and Sixty-Seven United States Dollars (USD 19,327,867) as its counterpart contribution (the "Counterpart Contribution") towards the costs of the Program. To this end, the Borrower shall within one (1) year after entry into force of the Loan Agreement or such later date as may be approved by the Bank, submit evidence of an allocation of a portion of the Counterpart Contribution in the budget for the fiscal year 2024-2025 and shall submit evidence of annual allocations of other portions of the Counterpart Contribution in the subsequent fiscal years, during the Program implementation period, to the Bank, in form and substance acceptable to the Bank.
- (b) The Borrower shall within three (3) months of the first disbursement of the Loan or such later date as may be approved by the Bank, provide office space, in accordance with agreed specifications acceptable to the Bank, as its in-kind contribution (the "Counterpart Contribution") towards the costs of the Program.

Section 5.07. Subsidiary Agreement

- (a) To facilitate the implementation of the Program, the Borrower shall on-grant the proceeds of the Loan to the Executing Agency under a subsidiary agreement between the Borrower and the Executing Agency (the "Subsidiary Agreement") under terms and conditions approved by the Bank, which shall include inter alia (i) the roles and responsibilities of the Executing Agency with regard to the implementation of the Program; and (ii) the obligation of the Executing Agency to comply with the reporting, financial management, technical, fiduciary, safeguards, monitoring and other relevant requirements applicable to the Program in accordance with the provisions of this Agreement.




- (b) The Borrower shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interest of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.
- (c) Notwithstanding the foregoing, in the event of a conflict between the provisions of the Subsidiary Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

ARTICLE VI

ADDITIONAL REMEDIES OF THE BANK

Section 6.01. **Other Events of Suspension.** For the purpose of Section 6.02 (1) (I) (*Other Events of Suspension*) of the General Conditions, the other event of suspension consists of the following:

- (i) The Executing Agency's Legislation has been amended, suspended, repealed or waived or in the opinion of the Bank, the legal character, ownership or control of the Executing Agency has changed from that prevailing as of the Date of the Loan Agreement, so as to materially and adversely affect the ability of the Executing Agency to perform any of its obligations arising under or entered into pursuant to the Loan Agreement, or to achieve the objectives of the Program ;
- (ii) Any action has been taken for the dissolution, disestablishment or suspension of operations of the Executing Agency;
- (iii) The Executing Agency has failed to perform any of its obligation under the Subsidiary Agreement;
- (iv) Any circumstance arising which in the opinion of the Bank interferes with or threatens to interfere with the successful completion of the Program or the accomplishment of its purposes;
- (v) The Borrower has failed to make payment when due (notwithstanding the fact that such payment may have been made by the Guarantor or a third party) of principal, interest, Commitment Charge, Conversion Unwinding Costs, transaction fees or any other amount due to the Bank under the AGTF Loan Agreement; and
- (vi) The Bank has suspended, in whole or in part, the right of the Borrower to request for, and receive disbursements under the AGTF Loan Agreement because of a failure by the Borrower to perform any of its obligations under the AGTF Loan Agreement.




Section 6.02. **Other Events of Acceleration.** In addition to events in Section 7.01 (*Events of Acceleration*) of the General Conditions, the other event of acceleration consist of any event specified in Section 6.01 (*Other Events of Suspension*) of this Agreement has occurred and is continuing for a period of thirty (30) days after notice of the event has been given by the Bank to the Borrower or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE VII **PROCUREMENT**

Section 7.01. **Procurement.** All Goods, Works, Non-Consulting Services and Consulting Services required for the Program and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in the Procurement Framework and the Borrower's Procurement Plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement which may be amended from time to time in accordance with Section 7.03 (*Procurement Plan*) of this Agreement.

Section 7.02. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Article VII (*Procurement*) including those describing particular procurement methods or methods of review by the Bank of particular contracts, have the meanings ascribed to them in the Procurement Framework.

Section 7.03. **Procurement Plan.** The Procurement Plan shall cover the first eighteen (18) months of the Program implementation period and shall be updated by the Borrower on an annual basis or as needed, and each such update shall, to the extent practicable, cover a period of at least eighteen (18) months of the Program implementation period. Any revisions or updates to the Procurement Plan shall be made in writing with the Bank's prior approval.

Section 7.04. **Use of the Borrower's Procurement System.**

- (a) **Eligibility.** The proceeds of the Loan shall be used for the procurement of Goods, Works, Non-Consulting Services and Consulting Services satisfying the applicable country of origin requirements prescribed in the Law No. 031/2022 dated November 21, 2022 (the "**Borrower's Procurement System**"), except that, the proceeds of the Loan shall not be used for the procurement of :
- (i) firms from a country or goods manufactured in, a country excluded in compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and/ or
 - (ii) firms sanctioned by the Bank in accordance with the Anti- Corruption Policies ; and/or




- (iii) goods manufactured in, or services supplied from, territories of non-Member States for contracts with a value exceeding the equivalent of One Million Units of Account (UA 1,000,000) for Goods, Six Million Units of Account (UA 6,000,000) for Works, and Three Hundred Thousand Units of Account (UA 300,000) for Consulting Services.

(b) **Methods.**

The following procurement will be undertaken in accordance with the Borrower's Procurement System using the relevant National Standard Bidding Documents or National Model Bidding Documents and the methods prescribed in the Procurement Plan:

- (i) Each contract for **Works** with an estimated value of less than Three Million Units of Account (UA3,000,000), required for the Program ;
- (ii) Each contract for **Non-Consulting Services** required for the Program ;
- (iii) Each contract for **Goods** with an estimated value of less than Five Hundred Thousand Units of Accounts (UA500,000), required for the Program ;
- (iv) Each contract for **Consulting Services** for individuals with an estimated value of less than Fifty Thousand Units of Accounts (UA50,000) required for the Program; and
- (v) Each contract for **Consulting Services** for selection of a firm with an estimated value of less than Four Hundred Thousand Units of Accounts (UA400,000) required for the Program .

(c) **Reservation of Rights by the Bank.** The Bank reserves the right to, in its sole discretion, require the use of the Bank's Procurement Methods and Procedures in the event that:

- (i) a revision introduced in the Borrower's Procurement System adversely and substantially impacts the execution of procurement activities under the Program ; or
- (ii) any required risk mitigation measures are not satisfactorily implemented and/ or heightened risks are observed; or
- (iii) any audit finds deficiencies and inadequacies in the Borrower's Procurement System; or
- (iv) complaints are not properly addressed under the Borrower's complaints handling procedures and mechanisms, which no longer provide a credible recourse as well as an impartial and equitable dispute resolution mechanism; or




- (v) any other event or circumstances occur which, in the reasonable opinion of the Bank, may require the use of the Bank's Procurement Methods and Procedures.

(d) **Procurement Oversight.**

- (i) The Borrower shall cause the Office of Auditor General or a competitively recruited external auditor to carry out a procurement audit in accordance with the Borrower's Procurement System on an annual basis. The annual procurement audit report shall be submitted to the Bank no later than six (6) months after the end of each calendar year.
- (ii) The Bank may, in its sole discretion, require independent procurement audits or inspections to be undertaken by independent auditors appointed by the Bank. The costs of such independent audits or inspections shall be borne by the Bank.

Section 7.05. **Use of the Bank's Procurement Methods and Procedures (PMPs)**

- (a) **Eligibility.** Subject to the provisions of Section 7.04 (a) (iii) (*Use of the Borrower's Procurement System*) of this Agreement, the proceeds of the Loan shall be used exclusively for the procurement of goods manufactured in, or services supplied from the territories of the Member States .
- (b) **Methods.** The following procurement will be undertaken in accordance with the Bank's Procurement Methods and Procedures using the relevant Standard Solicitation Documents and the methods prescribed in the Procurement Plan:
 - (i) Each contract for **Works** with an estimated value of Three Million Units of Account (UA3,000,000) or more, required for the Program ;
 - (ii) Each contract for **Goods** with an estimated value of Five Hundred Thousand Units of Accounts (UA500,000) or more, required for the Program ;
 - (iii) Each contract for **Consulting Services** for individuals with an estimated value of Fifty Thousand Units of Accounts (UA50,000) or more required for the Program; and
 - (iv) Each contract for **Consulting Services** for selection of a firm with an estimated value of Four Hundred Thousand Units of Accounts (UA400,000) or more required for the Program .
- (c) **Procurement Oversight**
 - (i) The Procurement Plan shall set forth those contracts which shall be subject to the Bank's Prior Review and Post Review.




- (ii) In accordance with Section 9.02 (c) (*Cooperation and Information*) of the General Conditions, the Bank may, upon reasonable notice to the Borrower, conduct supervision missions, independent procurement reviews and inspection concerning the procurement undertaken using the proceeds of the Loan.

Section 7.06. Reports and Retention of Documents.

- (a) The Borrower shall and shall cause the Executing Agency to maintain and record all relevant information concerning the procurement activities undertaken for the Program and shall include said information in each Program Report to be submitted to the Bank on a quarterly basis in accordance with the provisions of Section 8.01 (*Program Report*) of this Agreement.
- (b) The Borrower shall and shall cause the Executing Agency to retain copies of records (contracts, orders, invoices, bills, receipts and other documents) for periodic review and inspection by the Bank in accordance with Section 9.09 (c) (*Accounts, Records and Audit*) of the General Conditions.
- (c) Notwithstanding the provisions of sub-section (b) above, the Bank may, by notice in writing, require the Borrower to keep all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures financed with the Loan for a longer period as stipulated in the notice, in the event of an investigation or inquiry by the Bank under the Program, including without limitation in the following instances: (i) the Borrower fails to submit the Program audit reports; (ii) qualified Program audit reports are received by the Bank; and/or (iii) ineligible expenditures have been incurred by the Borrower and have not been fully reimbursed to the Bank.

**ARTICLE VIII
PROGRAM REPORTING**

Section 8.01. Program Report. The Borrower shall and shall cause the Executing Agency to monitor the progress of the Program and prepare Program Reports in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions and on the basis of indicators acceptable to the Bank. Each Program Report shall cover a period of one (1) calendar quarter and shall be furnished to the Bank no later than forty-five (45) days after the end of the period covered by such report.

Section 8.02. Completion Report. The Borrower shall prepare and submit to the Bank a Completion Report, pursuant to Section 9.10 (*Completion Report*) of the General Conditions, no later than six (6) months after the Closing Date.

ARTICLE IX

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FINANCIAL MANAGEMENT

Section 9.01. **Internal Control.** The Borrower shall and shall cause the Executing Agency to maintain proper records and procedures in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions.

Section 9.02. **Interim Financial Reporting.** Without limitations to the provisions of Article IX (*Financial Management*) of this Agreement, the Borrower shall prepare and furnish to the Bank interim quarterly financial reports for the Program no later than forty-five (45) days after the end of the respective quarter in form and substance satisfactory to the Bank.

Section 9.03. **Financial Audit.**

- (a) The Borrower shall and shall cause the Executing Agency to have the financial statements for the Program audited and certified in accordance with terms of reference acceptable to the Bank by Office of the Auditor General for State Finances or by a competitively recruited independent auditor appointed by the Borrower with the approval of the Bank.
- (b) Each audit of the financial statements shall cover a period of one (1) financial year except (i) the first audit, which may cover a period not exceeding eighteen (18) months after the date of first disbursement of the Loan, if such first disbursement occurs in the second half of the applicable financial year; and (ii) the final audit, which may cover a period not exceeding eighteen (18) months, if the Closing Date occurs within the first half of the applicable financial year.
- (c) The audit reports shall comprise inter alia (i) a complete set of financial statements for the applicable financial year with the auditor's opinion on said financial statement and (ii) the management letter, shall be furnished to the Bank no later than six (6) months after the end of the financial year. The last complete set of the annual audit report at the end of the Program shall be submitted to the Bank no later than six (6) months after the Closing Date.
- (d) The cost of the external audit will be borne out of the proceeds of the Loan whenever such external audit is conducted by a competitively recruited independent auditor.

ARTICLE X

AUTHORIZED REPRESENTATIVES, DATE, ADDRESSES

Section 10.01. **Authorized Representatives.** The Minister of Finance and Economic Planning or such other person as the Minister of Finance and Economic Planning may designate in writing shall be the authorized representative for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions.




Section 10.02. Date of the Loan Agreement. For all purposes of this Agreement, the date of this Agreement shall be that appearing in the preamble hereof.

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Section 10.03. Addresses. The following addresses are specified for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions:

For the Borrower: **Mailing Address:**
Ministry of Finance and Economic Planning
B. P. 158 - Kigali
REPUBLIC OF RWANDA
Tel: (250) 252 575 756
Fax: (250) 252 577 581

Attention: Minister of Finance and Economic Planning

For the Bank: **Headquarters Address:**
African Development Bank
01 B.P. 1387
Abidjan 01
REPUBLIC OF COTE D'IVOIRE
Tel: (225) 27 20.26.39.00

Attention: Director AHWS

Country Office Mailing Address:
African Development Bank Group
BPR-PCD Towers
10th Floor
Nyarugenge-District
Kigali-Rwanda P.O. Box 7329
Kigali
REPUBLIC OF RWANDA
Tel: (+250) 252 504250
Fax: (+250) 252 504298

Attention: **Country Manager**
Rwanda Country Office (CORW)

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IN WITNESS WHEREOF the Borrower and the Bank, each acting through its authorized representative, have signed this Agreement in two (2) original counterparts in English on the date appearing in the opening sentence of this Agreement.

THE REPUBLIC OF RWANDA



UZZIEL NDAGIJIMANA
MINISTER OF FINANCE AND ECONOMIC PLANNING



FOR AFRICAN DEVELOPMENT BANK



AISSA TOURE SARR
COUNTRY MANAGER
RWANDA COUNTRY OFFICE

SCHEDULE I
DEFINITIONS

1. **“Agreement”** means, this loan agreement as may be amended from time to time as well as all the schedules and supplements thereto.
2. **“Anti-Corruption Policies”** means, the Uniform Framework for Preventing and Combating Fraud and Corruption dated September 2006, the Whistleblowing Policy dated January 2023, the Procurement Framework, the Cross- Debarment Agreement and the Sanctions Procedures of the African Development Bank Group issued November 18, 2014 as the same may be amended from time to time.
3. **“Approved Currency”** means, any currency approved as a lending currency by the Bank which, upon the Conversion, becomes the Loan Currency.
4. **“Bank”** means, the African Development Bank.
5. **“Bank’s Safeguards Policies”** means, the policies, procedures and guidelines of the Bank that concern environmental and social matters including, the Bank Group Integrated Safeguards System (Policy Statement, Operational Safeguards and Guidance Materials), the Involuntary Resettlement Policy, the Environmental and Social Assessment Procedures, the Bank Group Policy for Disclosure and Access to Information, the Bank Group Policy on Poverty Reduction, and the Gender Policy as may be amended and revised from time to time.
6. **“Business Day”** means any day (other than a Saturday or Sunday) on which commercial banks or money markets are open for general business for such transactions as are required by this Agreement at any given place, including the following days and places:
 - (i) in relation to the determination of SOFR and TONA , a day which is a RFR Banking Day relating to that Loan;
 - (ii) TARGET2 for EURIBOR resets and payments in EUR;
 - (iii) Johannesburg for JIBAR resets and payments in ZAR;
 - (iv) New York for payments in USD;
 - (v) Tokyo for payments in JPY;
 - (vi) in relation to any date for payment or purchase of a currency other than EUR, JPY, USD or ZAR) the principal financial centre of the country of that currency; and
 - (vii) Abidjan and Kigali for any other transaction under the Agreement.
7. **“Completion Report”** means, a comprehensive report on the execution and the initial operation of the Program , including its cost and benefits derived and to be derived from




it, the performance by the Parties' respective obligations under the Agreement, the accomplishment of the purposes of the Loan and the plan designed to ensure the sustainability of the Program achievements, amongst others to be prepared and submitted by the Borrower to the Bank in accordance with the terms of this Agreement.

8. **"Compounded Reference Rate"** means, in relation to any RFR Banking Day during the Interest Period of a Loan, the percentage rate per annum which is the Daily Non-Cumulative Compounded RFR for that RFR Banking Day.
9. **"Compounding Methodology Supplement"** means, in relation to the Daily Non-Cumulative Compounded RFR, a document which:
 - a. is adopted by the Bank after consultation with the Borrower;
 - b. specifies a calculation methodology for that rate, which supersedes and replaces the one in Schedule VI (*Daily Non-Cumulative Compounded RFR*); and
 - c. has been made available to the Borrower.
10. **"Conversion"** means, a conversion as described in Section 3.01 (*Conversions Generally*) of this Agreement.
11. **"Conversion Guidelines"** means, the *African Development Bank Guidelines for Conversion of Loan Terms* issued from time to time by the Bank, and in effect at the time of the Conversion.
12. **"Conversion Unwinding Costs"** means any cost the Bank may incur in relation to cancellation or adjustment in the Conversion contracts executed by the Bank upon request from the Borrower in case of (i) prepayment in full or part of the Loan before maturity, (ii) payment default or (iii) cancellation or adjustment in the Conversion transaction(s) for any reason under the Agreement.
13. **"Cross Debarment Agreement"** means the Agreement for Mutual Enforcement of Debarment Decisions dated 9 April 2010 and entered into, amongst the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group and the World Bank Group as the same may be amended from time to time.
14. **"Currency Conversion"** means a change of the Loan Currency of all or a portion of the disbursed or undisbursed amount of the Loan, to an Approved Currency in accordance with the Conversion Guidelines.
15. **"Daily Non-Cumulative Compounded RFR"** means, in relation to any RFR Banking Day during an Interest Period for a Loan, the percentage rate per annum determined by the Bank in accordance with the methodology set out in Schedule VI (*Daily Non-Cumulative Compounded RFR*) or, if the Bank decides so, in any relevant Compounding Methodology Supplement.

16. **“Daily Rate”** means the rate specified as such in the Reference Rate Terms.
17. **“Disbursed Loan Balance”** means the principal amount of the Loan disbursed to the Borrower and outstanding from time to time.
18. **“Disbursement Handbook”** means the Disbursement Handbook of the African Development Bank Group dated March 2020 setting out the disbursement policies, guidelines, practices, and procedures of the Bank Group as amended from time to time.
19. **“Eligible Expenditures”** means expenditure determined as eligible for Bank Group financing under the Policy on Expenditure Eligible for Bank Group Financing dated March 2008 as amended from time to time.
20. **“Environmental and Social Impact Assessment”** or **“ESIA”** means a tool to identify and assess the likely environmental and social impacts of the Program , to determine their magnitude and significance, and to define management or mitigation measures designed to avoid and minimize where possible, or if not, to offset or compensate for adverse impacts and risks.
21. **“Environmental and Social Management Plan”** or **“ESMP”** means an instrument developed as the outcome of an ESIA of the Program that sets out the action plan of environmental and social management measures to be implemented by the Borrower, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
22. **“EURIBOR”** means, in relation to each Interest Period, the Euro Interbank Offered Rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for deposits in Euro for a six (6)-month period displayed on page EURIBOR01 of the Thomson Reuters screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters, as of 11:00 a.m. (Brussels time), two TARGET Days prior to the relevant Reset Date. If such page or service ceases to be available, the Bank may specify another page or service displaying the relevant rate after consultation with the Borrower.
23. **“Euro(s)”** or **“EUR”** shall mean the single currency of the European Participating Member States.
24. **“European Participating Member States”** means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.
25. **“Executing Agency’s Legislation”** means Organic Law N° 001/2020.OL of 08/06/2020 establishing general provisions governing public institutions and, following




the Shareholder resolutions of September 2023, Water and Sanitation Corporation Limited changed to WASAC Group Limited and established two subsidiaries, i.e. WASAC Development Limited that is responsible for Water and Sanitation infrastructure investment and development and WASAC Utility that is responsible for delivering water and sanitation services ,operations, management and maintenance of water and sanitation utilities.

26. **“Fixed Base Rate”** means the amortizing market swap rate determined in accordance with financial market conditions and calculated on the Fixing Date based on the principal amortizing schedule of one or several particular tranches of the Loan.
27. **“Fixing Date”** means, for a loan for which a Fixed Base Rate is requested, a maximum of two (2) Business Days before the Fixed Base Rate value date.
28. **“Floating Base Rate”** means, for any Interest Period, the relevant Reference Rate.
29. **“Front-End Fee”** means the fee described and specified in Section 2.04 (*Front-End Fee*).
30. **“Full Resettlement Action Plan”** or **“FRAP”** means a comprehensive planning document prepared by the Borrower in accordance with the Bank’s Safeguards Policies that specifies the procedures that an involuntary resettlement process that involves two hundred (200) or more Project affected persons (PAPs) or any project that is likely to have adverse effects on vulnerable groups shall follow, and the actions that shall be taken to compensate PAPs and communities, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
31. **“Funding Cost Margin”** means, the six (6)-month adjusted average of the difference between: (i) the refinancing rate of the Bank as to the borrowings linked to the relevant Floating Base Rate and allocated to all its floating interest loans denominated in the loan currency; and (ii) the relevant Floating Base Rate for each semester ending on 30 June and on 31 December; which shall be added to the relevant Floating Base Rate which resets on 1 February and on 1 August. The Funding Cost Margin shall be determined semi-annually on 1 January for the semester ending on 31 December and on 1 July for the semester ending on 30 June. With respect to amounts of the Loan to which Currency Conversion applies, the respective Funding Cost Margin of the new Loan Currency as advised to the Borrower by the Bank will be applicable.
32. **“Interest Period”** means: (i) a six (6) month period for USD, EUR and JPY; or (ii) a three (3) month period for ZAR, based on the relevant Reference Rate and beginning two (2) months before a Payment Date and ending two months before the next Payment Date, except:
 - a. the first Interest Period which, shall begin to run on the date of the first disbursement of the Loan to:
 - i. two (2) months before the first Payment Date immediately following such disbursement, if there is at least two (2) months between the first

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disbursement of the Loan and the first Payment Date; otherwise

- ii. two (2) months before the second Payment Date following the first disbursement of the Loan.

b. the last Interest Period which shall end on the Maturity Date.

Each Interest Period thereafter, shall begin to run at the date of expiry of the preceding Interest Period, even if the first day of this Interest Period is not a Business Day. Notwithstanding the foregoing, any period less than six (6) months for USD, EUR and JPY or three (3) months for ZAR, running from the date of a disbursement to the Payment Date immediately following such disbursement or ending on the Maturity Date shall be deemed an Interest Period.

- 33. **“Interest Rate Cap”** means the establishment of an upper limit to the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.
- 34. **“Interest Rate Collar”** means the establishment of an upper limit and a lower limit on the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.
- 35. **“Interest Rate Conversion”** means a change of the interest rate basis applicable to all or any portion of the Disbursed Loan Balance from a Floating Base Rate to a Fixed Based Rate, or vice versa in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.
- 36. **“Japanese Yen”** or **“JPY”** respectively, shall mean the lawful currency of Japan.
- 37. **“JIBAR”** means, in relation to each Interest Period, the rate determined on each Reset Date utilizing the three (3) month Johannesburg Interbank Agreed Rate which is the mid-rate as polled and published by the South African Futures Exchange (or its successor-in-title) and which appears on the Reuters Screen SAFEX page, expressed as a yield rate. If such page or service ceases to be available, the Bank may specify another page or service displaying the relevant rate after consultation with the Borrower.
- 38. **“Lending Margin”** means eighty basis points (0.80%) per annum.
- 39. **“Loan Currency”** shall have the meaning ascribed thereto in the General Conditions, provided however that, if the Loan or any portion thereof is subject to a Currency Conversion, **“Loan Currency”** means the Approved Currency in which the Loan, or any portion thereof, is denominated from time to time and if the Loan is denominated in more than one currency, **“Loan Currency”** shall refer separately to each of such Currencies.
- 40. **“Loan”** means the maximum amount provided by the Bank by virtue of this Agreement




and specified in Section 2.01 (*Amount*) of this Agreement.

41. **“Lookback Period”** means the number of days specified as such in the Reference Rate Terms.
42. **“Member State”** means, a member state of the Bank under Article 3 (*Membership and Geographical Area*) of the Bank Agreement.
43. **“Original Loan Currency”** means, the currency in which the Loan is denominated and specified in Section 2.01 (*Amount*) of this Agreement, as at the Date of the Loan Agreement.
44. **“Prior Review”** means the review by the Bank of the following documents with regards to procurement under the Bank’s procurement methods and procedures as the same may be further defined in the Procurement Framework: (i) General Procurement Notices; (ii) Specific Procurement Notices; (iii) Bidding Documents and Requests for Proposals from Consultants; (iv) Bid Evaluation Reports or Reports on Evaluation of Consultants’ Proposals, including shortlists and recommendations for contract awards; (v) draft contracts, if these have been amended and differ from the drafts included in the bid/tender documents; and (vi) modification of signed contracts and such other document or information that the Bank may request.
45. **“Procurement Framework”** means the (i) Procurement Policy for Bank Group Funded Operations dated October 2015 and effective January 1, 2016; (ii) Methodology for Implementation of the Procurement Policy of the African Development Bank; (iii) Operations Procurement Manual for the African Development Bank; and (iv) Procurement Toolkit for the African Development Bank as the same may be amended from time to time.
46. **“Procurement Plan”** means the procurement plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement prepared in accordance with the Procurement Framework indicating, among other things: (i) the particular activities required to implement the Program ; (ii) the proposed methods for procurement; and (iii) the applicable review procedures as the same may be updated from time to time in agreement with the Bank.
47. **“Program Report”** means the report prepared by the Borrower pursuant to this Agreement containing Program information that includes amongst others, sources and uses of funds including those committed, with the corresponding budgets, progress on Program implementation made in the achievement of the results as well as progress on compliance with the environmental and social safeguards requirements including the implementation of the ESMP and the FRAP, (where applicable), together with other supporting schedules and highlighting issues that require attention.
48. **“Reference Rate”** means:

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- a. the Compounded Reference Rate for USD and JPY;
 - b. for any Interest Period:
 - (i) EURIBOR for EUR; and
 - (ii) JIBAR for ZAR;
 - c. if the Bank determines that SOFR (in respect of USD), TONA (in respect of JPY), EURIBOR (in respect of Euro) or JIBAR (in respect of ZAR) has permanently ceased to be published or is no longer the reference rate in use by the relevant market for such currency, or if in the opinion of the Bank, this Reference Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement, such other comparable reference rate for the relevant currency as the Bank may determine pursuant to Section 3.03 (*Interest*) of the General Conditions;
 - d. in respect of any currency other than USD, EUR, JPY and ZAR, such reference rate as notified to the Borrower by the Bank; and
 - e. with respect to amounts of the Loan to which a Currency Conversion applies, the Reference Rate applicable to the new Loan Currency as notified to the Borrower by the Bank.
49. **“Reference Rate Terms”** means the terms set out in Schedule V (*Reference Rate Terms*).
50. **“Relevant Market”** means the market specified as such in the Reference Rate Terms.
51. **“Reset Date”** means, 1 February and 1 August for EURIBOR; and 1 February, 1 May, 1 August and 1 November for JIBAR.
52. **“RFR Banking Day” (Risk-Free Rates Banking Day)** means a SOFR Banking Day and a TONA Banking Day.
53. **“SOFR” (Secured Overnight Financing Rate)** means the rate specified as such in the Reference Rate Terms.
54. **“SOFR Banking Day”** means any day specified as such in the Reference Rate Terms.
55. **“South African Rand” or “ZAR”** respectively, shall mean the lawful currency of the Republic of South Africa.
56. **“Subsidiary Agreement”** means the agreement between the Borrower and the Executing Agency setting forth their respective obligations under the Program.
57. **“TARGET2”** means, the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on 19 November 2007.

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- 58. **"TARGET Day"** means any day on which TARGET2 is open for the settlement of payments in EUR.
- 59. **"TONA" (Tokyo Overnight Average Rate)** means the rate specified as such in the Reference Rate Terms.
- 60. **"TONA Banking Day"** means any day specified as such in the Reference Rate Terms.
- 61. **"Undisbursed Loan Balance"** means the amount of the Loan remaining undisbursed and uncanceled from time to time.
- 62. **"US Dollar(s)" or "USD"** respectively, shall mean the lawful currency of the United States of America.

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SCHEDULE II

PROGRAM DESCRIPTION

The objective of the Program is to improve access to water supply and sanitation services, water resources management and operational performance of water and sanitation service providers in program areas. Phase 1 of the program will cover the districts of Kigali, Gicumbi, Nyaruguru, Huye, Gisagara, Ngoma, Gatsibo and Karongi Districts. When fully implemented, the Program will transform the livelihoods of the communities in these targeted areas by improved health and economic opportunities. The program will strengthen the resilience of the populations against climate change and variability.

The proposed Program will have four components: (i) Water Supply Investments, (ii) Catchment Management Investments, (iii) Sanitation Investments, and (iv) Program Management and Sector Support.

(i) Component A: Water Supply Investments

This component will support the rehabilitation of existing and/or construction of new water supply systems for Mwange, Nyaruguru, Muhazi, Mugesera and Kivu Belt. The component will finance goods, services (including construction supervision) and works which will include civil and electrical/mechanical installations for water supply production (intakes, etc., as well as disinfection, and pumping as required), and transmission and distribution (networks, storage, meters, etc.) to households in the program areas. It will finance infrastructure investments for rural water supply, including the construction and rehabilitation of water supply schemes based on a sector-approved menu of technology options (that considers water quality standards, gender-informed design and climate adaptation strategies). This component will also improve integrated access to water supply facilities in schools and health centers and will complement interventions to improve health impacts, decrease school dropout rates, and increase resilience of WSS services to floods and droughts and reduce the contamination of water bodies. The rehabilitation and development of new water supply infrastructure will increase the available water supply and the reliability of its service provision, thereby making the beneficiaries less vulnerable to water shortages and droughts. These activities will be complemented with measures to protect water sources, improve water quality, and increase sustainable water use, thereby increasing resilience to climate exacerbated droughts and floods.

(ii) Component B: Catchment Management Investments

This component will finance goods, works and services for conservation of selected catchment areas for resilience against climate change and water source protection for the water supply systems. The program will establish frameworks for climate resilience catchment management, implement concrete adaptation actions for resilient and sustained ecosystems, landscapes and other livelihoods as well as building climate change adaptive capacities of institutions and communities while managing knowledge. Catchment management activities form an integral part of cost-effective WSS services. For instance, water source protection is included in water supply projects to ensure quality and quantity of water resource. The




activities under this component will include: (i) strengthening Catchment Management Committees and enhance communities' awareness on catchment protection and management and (ii) implementing catchment management interventions including soil and water conservation measures such as construction of stone bunds, soil bunds, infiltration pits, gully plugs, terracing of steep slopes, check dams; environment management measures that include tree planting, conservation and demarcation of wetland systems, and restoration of riverbanks using trees, control of water pollution, and livelihood improvement activities including natural resources-based businesses such as growing of fruit trees etc.

(iii) Component C: Sanitation Investments

This component will finance goods, works and services to provide strategic support for improved sanitation within the target communities and to enhance the Government's strategy for improved sanitation in the Program towns. Investments will include: (i) construction of inclusive and climate resilient sanitation facilities in public schools, markets, and health centres (an estimated 80 Public/communal latrines/sanitation facilities will be constructed) (ii) the creation of sanitation marketing centers; and (iii) on-site treatment at public sanitation facilities, and (iv) undertake technical studies for centralized sewerage systems for Kigali City (phase II) and Bugesera and sanitary landfill in Bugesera. This component will finance retrofitting of existing sanitary facilities in selected schools and other eligible public buildings within the Program areas (for example health clinics). In addition, the component will involve promotion of sanitation and hygiene services and nutrition smart WASH to the communities in the targeted towns and school friendly WASH campaigns and collaboration with other key stakeholders in sanitation, e.g., UNICEF, etc. An estimated 10,400 community members (50% women) will be sensitized on improved sanitation and hygiene. Development of sanitation infrastructure will enhance the residents' resilience to floods.

(iv) Component D: Program Management and Sector Support

- (a) **Subcomponent D1 - Program Management:** This will include support to the Program Implementation Team (PIT) for program coordination, implementation, supervision, monitoring, and evaluation (M&E). The activities will include: (i) hiring of specialists for the PIT; (ii) purchase of project implementation goods and services (Information and Communications Technology/equipment, software, vehicles); and (iii) operational costs for the management, implementation and supervision of the program's fiduciary and safeguards aspects. The component will support the governance and oversight management of the Program through supporting the functions of the Program Steering Committee (PSC).
- (b) **Subcomponent D2 - Sector Support:** This will focus on strengthening the water sector, including WASAC and SWAp Secretariat. The activities will include: (i) continuous skills upgrading through targeted courses for staff of WASAC especially in sanitation; (ii) implementation of recommendations of the capacity assessment report , (iii) equipping of central laboratory, and (iv) supporting training young graduates through internship program.

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- (c) **Subcomponent D3. Water supply and operational efficiency improvement.** The component will complement to the GoR support in reducing the NRW in Kigali from the current average of 43% to 30% by 2029. Measures will include: (a) establishment of performance based systems to incentivize the reduction of NRW; (b) TA and studies for situation assessment and development of NRW reduction and management interventions, development of billing and accounting systems, customer care, FM improvement, network management, (c) capacity building and training on billing and accounting and, improvement in the customer data base and citizen engagement, gender and utility management; (d) installation of 10,000 bulk water meter systems and piloting of modern meter reading and collection technology and other efficiency interventions for possible scale-up; and (d) public awareness creation and communication strategy for demand management.

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SCHEDULE III
ALLOCATION OF THE LOAN

The table below indicates the categories of Eligible Expenditures to be financed out of the proceeds of the Loan and the amount allocated to each category:

Category	Expenditure In JPY (Millions)		
	Local Currency	Foreign Currency	Total
Goods	56.33	78.23	134.56
Services	169.41	1,775.04	1,944.45
Works	6,703.90	19,275.27	25,979.17
Miscellaneous / Operating Costs	845.43	-	845.43
Total cost	7,775.08	21,128.55	28,903.63

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SCHEDULE IV
PROCUREMENT PLAN

Procurement System	Package No.	Package Description	Category	Lot No.	Lot Description	Estimated Cost (JPY (Mil))	Procurement Method	Pre-or Post-Qualification	Procurement Oversight	Planned SPN Publication Date
Bank	NA	Construction of Huye-Gisagara-Nyaruguru Water Supply System	Works	NA	NA	69.47	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Rehabilitation of Nzove 1 Water Treatment Plant	Works	NA	NA	15.03	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of Mwange-Gicumbi Water Supply System	Works	NA	NA	22.78	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of SAKE Water Supply System (Phase II)	Works	NA	NA	10.70	OCBI	Post	Bank Prior Review	Nov 2024
Bank	NA	Construction of MUHAZI Water Supply System (Phase II)	Works	NA	NA	19.10	OCBI	Post	Bank Prior Review	Dec 2024
Bank	NA	Construction of KIVU Water Supply System (Phase II)	Works	NA	NA	16.20	OCBI	Post	Bank Prior Review	Dec 2024
BPS	NA	Construction of toilets in public schools, markets and h/centres in targeted areas	Works	NA	NA	1.34	BPS	BPS	Procurement Audit	Jul 2024
BPS	NA	Procurement of six project vehicles	Goods	NA	NA	0.271	OCBI	Post	Procurement Audit	Mar 2024

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Bank	NA	Supervision of Construction works for Huye-Gisagara-Nyaruguru Water Supply System	Consulting Services (Firm)	NA	NA	4.17	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Rehabilitation of Nzove I Water Treatment Plant	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Mwange-Gicumbi Water Supply System	Consulting Services (Firm)	NA	NA	1.37	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for SAKE Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.64	QCBS	Shortlisting	Bank Prior Review	Apr 2024
Bank	NA	Supervision of Construction works for MUHAZI Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	1.15	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Supervision of Construction works for KIVU Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.97	QCBS	Shortlisting	Bank Prior Review	Jun 2024
BPS	NA	Supervision services for the construction of latrines for Schools, Public places and Health facilities	Consulting Services (Firm)	NA	NA	0.08	BPS	BPS	Procurement Audit	Jun 2024

Bank	NA	Consultancy service for catchment management	Consulting Services (Firm)	NA	NA	0.53	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Feasibility Study and Detailed study for Kigali Centralized Sewerage System Phase II	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Centralized Sewerage System	Consulting Services (Firm)	NA	NA	0.38	BPS	BPS	Procurement Audit	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Sanitary Landfill	Consulting Services (Firm)	NA	NA	0.23	BPS	BPS	Procurement Audit	Jun 2024
Bank	NA	Electromechanical Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Civil Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Sanitation Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Contract Management Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Water Treatment Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Procurement Expert	Consulting Services (Individual)	NA	NA	0.18	IC	Shortlisting	Bank Prior Review	Mar 2024

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Bank	NA	Gender Expert	Consulting Services (Individual)	NA	NA	0.27	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	ESMP Audit Expert	Consulting Services (Individual)	NA	NA	0.23	IC	Shortlisting	Bank Prior Review	Sep 2024

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SCHEDULE V
REFERENCE RATE TERMS

Part 1: Dollars

CURRENCY: Dollars.

Definitions

Daily Rate: The "Daily Rate" for any SOFR Banking Day is:

- (a) SOFR for that SOFR Banking Day; or
- (b) if SOFR is not available for that SOFR Banking Day, SOFR for the previous SOFR Banking Day; or
- (c) if SOFR continues to be unavailable for five consecutive SOFR Banking Days, SOFR for the previous SOFR Banking Day.

Lookback Period: N/A.

Relevant Market: The market for overnight cash borrowing collateralised by United States Federal Government securities.

SOFR: The secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

SOFR Banking Day: Any day other than:

- (a) a Saturday or Sunday; and
- (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States Federal Government securities.




Part 2: Japanese Yen

CURRENCY: Japanese Yen

Definitions

Daily Rate: The "Daily Rate" for any TONA Banking Day is:

- (a) TONA for that TONA Banking Day; or
- (b) if TONA is not available for that TONA Banking Day, TONA for the previous TONA Banking Day; or
- (c) if TONA continues to be unavailable for five consecutive TONA Banking Days, TONA for the previous TONA Banking Day.

Lookback Period: N/A.

Relevant Market: The Japanese Yen uncollateralised call market.

TONA: The Tokyo Overnight Average Rate (TONA) administered by the Bank of Japan (or any other person which takes over the administration of that rate) published by the Bank of Japan (or any other person which takes over the publication of that rate).

TONA Banking Day: A day (other than a Saturday or Sunday) on which banks are open for general business in Tokyo.

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SCHEDULE VI**Daily Non-Cumulative Compounded RFR with lookback without observation shift**

The "Daily Non-Cumulative Compounded RFR" for any RFR Banking Day "i" during an Interest Period for a Loan is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{dcc}{n_i}$$

where:

"UCCDR_i" means the Unannualised Cumulative Compounded Daily Rate for that RFR Banking Day "i";

"UCCDR_{i-1}" means, in relation to that RFR Banking Day "i", the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period;

"dcc" means 360 or, in any case where market practice in the Relevant Market is to use a different number for quoting the number of days in a year, that number;

"n_i" means the number of calendar days from, and including, that RFR Banking Day "i" up to, but excluding, the following RFR Banking Day; and

the "Unannualised Cumulative Compounded Daily Rate" for any RFR Banking Day (the "Cumulated RFR Banking Day") during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose):

$$ACCDR \times \frac{tn_i}{dcc}$$

where:

"ACCDR" means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Banking Day;

"tn_i" means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period;

"Cumulation Period" means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, that Cumulated RFR Banking Day;




"**dcc**" has the meaning given to that term above; and

the "**Annualised Cumulative Compounded Daily Rate**" for that Cumulated RFR Banking Day is the percentage rate per annum (rounded to five decimal places) calculated as set out below:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{\text{dcc}} \right) - 1 \right] \times \frac{\text{dcc}}{t_{n_1}}$$

where:

"**d₀**" means the number of RFR Banking Days in the Cumulation Period;

"**Cumulation Period**" has the meaning given to that term above;

"**i**" means a series of whole numbers from one to **d₀**, each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

"**DailyRate_{i-LP}**" means, for any RFR Banking Day "**i**" in the Cumulation Period, the Daily Rate for the RFR Banking Day which is the Lookback Period prior to that RFR Banking Day "**i**";

"**n_i**" means, for any RFR Banking Day "**i**" in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day "**i**" up to, but excluding, the following RFR Banking Day;

"**dcc**" has the meaning given to that term above; and

"**t_{n₁}**" has the meaning given to that term above.

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Bibonywe kugira ngo bishyirwe ku mugereka w'Iteka rya Perezida n° 041/01 ryo ku wa 08/03/2024 ryemeza burundu Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere yerekeranye n'inguzanyo ya miliyari makumyabiri n'umunani na miliyoni magana cyenda n'eshatu n'ibihumbi magana atandatu na makumyabiri na birindwi na magana inani na mirongo itatu z'Amayeni y'Ubuyapani (JPY 28.903.627.830) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023	Seen to be annexed to Presidential Order n° 041/01 of 08/03/2024 ratifying the Loan Agreement between the Republic of Rwanda and the African Development Bank relating to the loan of twenty-eight billion, nine hundred and three million, six hundred and twenty-seven thousand eight hundred and thirty Japanese Yen (JPY 28,903,627,830) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023	Vu pour être annexé à l'Arrêté Présidentiel n° 041/01 du 08/03/2024 ratifiant l'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement relatif au prêt de vingt-huit milliards neuf cent trois millions six cent vingt-sept mille huit cent trente yens japonais (28.903.627.830 JPY) pour le programme de transformation durable de l'approvisionnement en eau et de l'assainissement au Rwanda, Phase 1, signé à Kigali, au Rwanda, le 20 décembre 2023
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w’Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w’Ubutabera akaba n’Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

ITEKA RYA PEREZIDA N° 042/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE, NK'URWEGO RUYOBORA AFRICA GROWING TOGETHER FUND, YEREKERANYE N'INGUZANYO YA MILIYONI MIRONGO ITANU Z'AMADOLARI Y'ABANYAMERIKA (USD 50.000.000) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023	PRESIDENTIAL ORDER N° 042/01 OF 08/03/2024 RATIFYING THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE AFRICAN DEVELOPMENT BANK, AS ADMINISTRATOR OF THE AFRICA GROWING TOGETHER FUND, RELATING TO THE LOAN OF FIFTY MILLION UNITED STATES DOLLARS (USD 50,000,000) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ARRÊTÉ PRÉSIDENTIEL N° 042/01 DU 08/03/2024 RATIFIANT L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, EN TANT QU'ADMINISTRATEUR D'AFRICA GROWING TOGETHER FUND, RELATIF AU PRÊT DE CINQUANTE MILLIONS DE DOLLARS AMÉRICAINS (50.000.000 USD) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, AU RWANDA, LE 20 DÉCEMBRE 2023
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Itsura Amajyambere nk'urwego ruyobora <i>Africa Growing Together Fund</i>, yerekeranye n'inguzanyo ya miliyoni mirongo itanu z'Amadolari y'Abanyamerika (50.000.000 USD) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023; Tumaze kubona Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere, nk'urwego ruyobora <i>Africa Growing Together Fund</i> yerekeranye n'inguzanyo ya miliyoni mirongo itanu z'Amadolari y'Abanyamerika (USD 50.000.000) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023; Bisabwe na Minisitiri w'Imari n'Igenamigambi; Inama y'Abaminisitiri imaze kubisuzuma no kubyemeza; DUTEGETSE:	Africa Growing Together Fund, relating to the loan of fifty million American Dollars (USD 50,000,000) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023; Considering the Loan Agreement between the Republic of Rwanda and the African Development Bank, as administrator of the Africa Growing Together Fund, relating to the loan of fifty million United States Dollars (USD 50,000,000) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023; On proposal by the Minister of Finance and Economic Planning; After consideration and approval by the Cabinet; DO ORDER:	qu'administrateur d'<i>Africa Growing Together Fund</i>, relatif au prêt de cinquante millions de dollars Américains (50.000.000 USD) pour le programme de transformation durable de l'approvisionnement en eau potable et de l'assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023 ; Considérant l'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, en tant qu'administrateur d'<i>Africa Growing Together Fund</i>, relatif au prêt de cinquante millions de dollars Américains (50.000.000 USD) pour le programme de transformation durable de l'approvisionnement en eau et de l'assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023; Sur proposition du Ministre des Finances et de la Planification Économique ; Après examen et adoption par le Conseil des Ministres; AVONS ARRÊTÉ :
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<u>Ingingo ya mbere: Kwemeza burundu</u> Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere, nk'urwego ruyobora <i>Africa Growing Together Fund</i>, yerekeranye n'inguzanyo ya miliyoni mirongo itanu z'Amadolari y'Abanyamerika (USD 50.000.000) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023, ari ku mugereka w'iri teka, yemejwe burundu kandi atangiye gukurikizwa uko yakabaye. <u>Ingingo ya 2: Abayobozi bashinzwe gushyira mu bikorwa iri teka</u> Minisitiri w'Intebe, Minisitiri w'Imari n'Igenamigambi, Minisitiri w'Ububanyi n'Amahanga n'Ubutwererane, na Minisitiri w'Ibikorwa Remezo bashinzwe gushyira mu bikorwa iri teka. <u>Ingingo ya 3: Ingingo y'ururimi</u> Iri teka ryateguwe mu rurimi rw'Icyongereza.	<u>Article One: Ratification</u> The Loan Agreement between the Republic of Rwanda and the African Development Bank, as administrator of the Africa Growing Together Fund, relating to the loan of fifty million United States Dollars (USD 50,000,000) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023, annexed to this Order, is ratified and becomes fully effective. <u>Article 2: Authorities responsible for the implementation of this Order</u> The Prime Minister, the Minister of Finance and Economic Planning, the Minister of Foreign Affairs and International Cooperation, and the Minister of Infrastructure are entrusted with the implementation of this Order. <u>Article 3: Language provision</u> This Order was drafted in English.	<u>Article premier: Ratification</u> L'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, en tant qu'administrateur d'<i>Africa Growing Together Fund</i>, relatif au prêt de cinquante millions de dollars Américains (50.000.000 USD) pour le programme de transformation durable de l'approvisionnement en eau et de l'assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023, annexé au présent arrêté, est ratifié et sort son plein et entier effet. <u>Article 2 : Autorités chargées de l'exécution du présent arrêté</u> Le Premier Ministre, le Ministre des Finances et de la Planification Économique, et le Ministre des Affaires Étrangères et de la Coopération Internationale, et le Ministre des Infrastructures sont chargés de l'exécution du présent arrêté. <u>Article 3 : Disposition linguistique</u> Le présent arrêté a été rédigé en anglais.
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<u>Ingingo ya 4: Gutangira gukurikizwa</u> Iri teka ritangira gukurikizwa ku muni ritangarijweho mu Igazeti ya Leta ya Repubulika y'u Rwanda.	<u>Article 4: Entry into force</u> This Order comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	<u>Article 4 : Entrée en vigueur</u> Le présent arrêté entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEKA RYA PEREZIDA N° 042/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE, NK'URWEGO RUYOBORA AFRICA GROWING TOGETHER FUND, YEREKERANYE N'INGUZANYO YA MILIYONI MIRONGO ITANU Z'AMADOLARI Y'ABANYAMERIKA (USD 50.000.000) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023 KU WA 14 UKUBOZA 2023	ANNEX TO PRESIDENTIAL ORDER N° 042/01 OF 08/03/2024 RATIFYING THE LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE AFRICAN DEVELOPMENT BANK, AS ADMINISTRATOR OF THE AFRICA GROWING TOGETHER FUND, RELATING TO THE LOAN OF FIFTY MILLION UNITED STATES DOLLARS (USD 50,000,000) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ANNEXE À L'ARRÊTÉ PRÉSIDENTIEL N° 042/01 DU 08/03/2024 RATIFIANT L'ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, EN TANT QU'ADMINISTRATEUR D'AFRICA GROWING TOGETHER FUND, RELATIF AU PRÊT DE CINQUANTE MILLIONS DE DOLLARS AMÉRICAINS (50.000.000 USD) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, AU RWANDA, LE 20 DÉCEMBRE 2023
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AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA NA BANKI NYAFURIKA ITSURA AMAJYAMBERE, NK'URWEGO RUYOBORA AFRICA GROWING TOGETHER FUND, YEREKERANYE N'INGUZANYO YA MILIYONI MIRONGO ITANU Z'AMADOLARI Y'ABANYAMERIKA (USD 50.000.000) IGENEWE GAHUNDA Y'U RWANDA YO KUVUGURURA MU BURYO BURAMBYE IBIKORWA BYO GUKWIRAKWIZA AMAZI, ISUKU N'ISUKURA, ICYICIRO CYA 1, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 20 UKUBOZA 2023 KU WA 14 UKUBOZA 2023	LOAN AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE AFRICAN DEVELOPMENT BANK, AS ADMINISTRATOR OF THE AFRICA GROWING TOGETHER FUND RELATING TO THE LOAN OF FIFTY MILLION UNITED STATES DOLLARS (USD 50,000,000) FOR RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION PROGRAM, PHASE 1, SIGNED IN KIGALI, RWANDA, ON 20 DECEMBER 2023	ACCORD DE PRÊT ENTRE LA RÉPUBLIQUE DU RWANDA ET LA BANQUE AFRICAINE DE DÉVELOPPEMENT, EN TANT QU'ADMINISTRATEUR D'AFRICA GROWING TOGETHER FUND, RELATIF AU PRÊT DE CINQUANTE MILLIONS DE DOLLARS AMÉRICAINS (50.000.000 USD) POUR LE PROGRAMME DE TRANSFORMATION DURABLE DE L'APPROVISIONNEMENT EN EAU ET DE L'ASSAINISSEMENT AU RWANDA, PHASE 1, SIGNÉ À KIGALI, AU RWANDA, LE 20 DÉCEMBRE 2023
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PROGRAM ID: P-RW-E00-014

LOAN No.: 5050300002251

LOAN AGREEMENT

BETWEEN

REPUBLIC OF RWANDA

AND

AFRICAN DEVELOPMENT BANK

(As Administrator of the Africa Growing Together Fund)

**RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND
SANITATION PROGRAM, PHASE I**

AS

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LOAN AGREEMENT
RWANDA TRANSFORMATIVE AND SUSTAINABLE WATER AND SANITATION
PROGRAM, PHASE I

PROGRAM ID: P-RW-E00-014

LOAN No.: 5050300002251

This LOAN AGREEMENT, (the "Agreement") is entered into this 20th day of December 2023, between the Republic Of Rwanda (the "Borrower") and the AFRICAN DEVELOPMENT BANK (the "Bank") in its capacity as administrator of the AFRICA GROWING TOGETHER FUND (the "AGTF").

WHEREAS:

- (A) By virtue of the Agreement for the establishment of the AGTF dated 22 May 2014 as amended on 28 July 2017 (the "AGTF Agreement") between the Bank and the People's Bank of China (the "AGTF Contributor"), the Bank has agreed to receive from, and administer on behalf of, the AGTF Contributor, funds to be utilized to bridge funding gaps in public and private sector projects so as to promote and facilitate economic growth of the Regional Member Countries;
- (B) The Borrower has requested the Bank, acting as Administrator of the AGTF, to assist in financing the Rwanda Transformative And Sustainable Water And Sanitation Program, Phase I (the "Program") as further described in Schedule II (*Program Description*) of this Agreement, and the Bank, acting in such capacity, has agreed to extend a loan to the Borrower from the resources of the AGTF for such purpose, in the amount specified in Section 2.01 (*Amount*) of this Agreement, on the terms and conditions set forth or referred to in this Agreement;
- (C) Water and Sanitation Corporation (WASAC) Group shall be the Executing Agency for the Program; and
- (D) On or about the Date of the Loan Agreement, the Bank entered into a loan agreement with the Borrower (the "AfDB Loan Agreement") for the financing of the Program in an amount of exceeding Twenty-Eight Billion, Nine Hundred and Three Million, Six Hundred and Twenty-Seven Thousand Eight Hundred and Thirty Japanese Yen (JPY 28,903,627,830) (the "AfDB Loan").

NOW THEREFORE, the Parties hereto hereby agree as follows:




ARTICLE I GENERAL CONDITIONS, DEFINITIONS

Section 1.01. **General Conditions.** The *General Conditions Applicable to the African Development Bank Loan Agreements and Guarantee Agreements (Sovereign Entities)* dated February 2009, as amended from time to time, (the “General Conditions”) constitute an integral part of this Agreement.

Section 1.02. **Inconsistency.** In the event of an inconsistency between any provision of this Agreement and the General Conditions, the provisions of this Agreement shall prevail.

Section 1.03. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in Schedule I (*Definitions*) to this Agreement.

Section 1.04. **Schedules.** The Schedules to this Agreement form an integral part of this Agreement and shall have effect as if set out in full herein.

ARTICLE II THE LOAN

Section 2.01. **Amount.** The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, a loan of an amount not exceeding Fifty Million United States Dollars (USD 50,000,000) (the “Loan”), to assist in financing the Program.

Section 2.02. **Loan Tenor and Grace Period.** The tenor of the Loan shall be twenty-five (25) years which shall include a grace period of eight (8) years (the “Grace Period”) commencing on the Date of the Loan Agreement.

Section 2.03. **Payment Dates.** The Payment Dates are 1 May and 1 November in each year.

Section 2.04. **Front-End Fee.**

- (a) The Borrower shall pay the Bank a non-refundable Front-End Fee on the Loan amount at a rate equal to zero point twenty-five percent (0.25%) of the Loan. The Borrower shall pay the Front-End Fee no later than sixty (60) days after the Date of Entry into Force, or at first disbursement, whichever is the earlier.
- (b) **Deduction of Front-End Fee.** The Borrower may, by notice in writing, request that the Front-End Fee be paid out of the proceeds of the Loan and, the Bank shall upon receipt of such request, on behalf of the Borrower, withdraw an amount equivalent to the Front-End Fee from the Loan and pay to itself such fee.

- (c) The Borrower shall pay the Front-End Fee on the full Loan amount notwithstanding any full or partial cancellation of the Loan occurring after the Date of Entry into Force.
- (d) No disbursement of the Loan shall be made until the Bank has received from the Borrower payment in full of the Front-End Fee.

Section 2.05. **Commitment Charge.** The Borrower shall pay a Commitment Charge computed at a rate equal to zero point twenty-five per cent (0.25%) per annum on the Undisbursed Loan Balance, which shall begin to accrue sixty (60) days after the Date of the Loan Agreement. The Commitment Charge shall be payable on each Payment Date including during the Grace Period. The Commitment Charge shall cease to accrue upon full disbursement or cancellation of the Loan.

Section 2.06. **Interest**

- (a) Until the first Interest Rate Conversion, and for all Interest Rate Conversions from a Fixed Base Rate to a Floating Base Rate, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, the interest payable by the Borrower on the Disbursed Loan Balance for each Interest Period (or, in the case of a Loan in USD, for any day during an Interest Period) shall be at a percentage rate per annum equal to the sum of the:
 - (i) Floating Base Rate;
 - (ii) Funding Cost Margin
 - (iii) Lending Margin; and
 - (iv) Maturity Premium of twenty (20) basis points per annum;

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.

- (b) If any day during an Interest Period for a Loan in USD is not a RFR Banking Day, the interest rate on that Loan for that day will be the rate applicable to the immediately preceding RFR Banking Day.
- (c) **Notification of Interest Rates.** The Bank shall notify the Borrower of the interest rate applicable for each Interest Period as soon as it determines such interest rate.
- (d) Pursuant to an Interest Rate Conversion from a Floating Base Rate to a Fixed Base Rate, the interest payable by the Borrower on the Disbursed Loan Balance that is subject to the Interest Rate Conversion, for each Interest Period shall, subject to Section 2.07 (*Interest Rate Substitution*) of this Agreement, be at a percentage rate per annum equal to the sum of the:

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- (i) Fixed Base Rate;
- (ii) Funding Cost Margin;
- (iii) Lending Margin; and
- (iv) Maturity Premium of twenty (20) basis points per annum

provided, however, that if the interest payable is less than zero, the interest rate shall be deemed to be zero.

- (e) **Payment of Interest.** The Borrower shall pay the accrued interest in paragraphs (a) and (d) herein on each Payment Date including during the Grace Period.

Section 2.07. **Interest Rate Substitution.** If, for any reason whatsoever, the Bank cannot determine or calculate the Floating Base Rate, the Fixed Base Rate (for amounts for which a Fixed Base Rate has not previously been determined) in accordance with Section 2.06 (*Interest*) of this Agreement, the Bank shall promptly notify and consult the Borrower in order to decide on a substitute interest rate in accordance with Section 3.03 (b) and (c) (*Interest*) of the General Conditions.

Section 2.08. **Computations.** Any Interest, Commitment Charge and fee accruing under this Agreement shall be computed on the basis of actual days elapsed (including the first day but excluding the last day) occurring in the period for which such Interest or Commitment Charge is payable and a year of three hundred and sixty (360) days.

Section 2.09. **Repayment of Principal.** Without prejudice to Section 7.01 (*Events of Acceleration*) of the General Conditions, the Borrower shall repay the Disbursed Loan Balance over a period of seventeen (17) years after the expiration of the Grace Period by means of thirty-four (34) semi-annual installments payable on each Payment Date. The first of such installments shall be payable on the first Payment Date immediately following the expiration of the Grace Period.

Section 2.10. **Prepayment.**

- (a) Pursuant to the provisions of Section 3.06 (*Repayment and Prepayment*) of the General Conditions, the Borrower shall have the right to prepay all or part of the Disbursed Loan Balance prior to its maturity without any prepayment costs other than any applicable Conversion Unwinding Costs, which shall be determined by the Bank and notified to the Borrower.
- (b) If a Conversion has been effected on any Loan amount that is to be prepaid, the Borrower shall, at the time of the prepayment, pay the applicable Conversion Unwinding Costs, and a transaction fee for the early termination of the Conversion, in such amount or at such rate as notified by the Bank and in effect at the time of receipt by the Bank of the notice of prepayment.

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- (c) Unless otherwise expressly indicated by the Borrower in its prepayment notice, prepaid amounts shall be applied *pro rata* to all outstanding Loan maturities.
- (d) Any partial prepayment in respect of an amount of the Loan to which a Conversion has been effected shall not be in an amount less than the minimum principal amount for Conversions provided in the Conversion Guidelines.
- (e) The Borrower may not re-borrow from the Bank, amounts prepaid under this Agreement.

Section 2.11. Partial Payments. If the Borrower at any time, makes a payment to the Bank, which is less than the full amount of all sums due and payable to the Bank hereunder, such payment shall, unless the Bank otherwise agrees, be applied in the following order: Front-End Fee, Commitment Charge, Conversion Unwinding Costs, transaction fee if applicable, interest, and lastly to principal.

Section 2.12. Currencies, Mode and Place of Payments.

- (a) Subject to the provisions of Section 4.04 (*Temporary Currency Substitution*) of the General Conditions, all amounts due to the Bank under this Agreement shall be payable in the Loan Currency.
- (b) Any amount due to the Bank pursuant to this Agreement, shall be payable without being subject to any restriction, tax set-off or deduction on account of exchange rate fluctuations, transmission, other transfer charges or other reasons of any nature whatsoever.
- (c) Such amounts shall be paid into a bank account of the Bank, which the Bank shall notify to the Borrower from time to time, and shall be deemed to have been paid only when and to the extent that the Bank has actually received the full amount due in the Loan Currency on the due date. If the due date falls on a day which is not a Business Day, such amount shall be paid so that it is actually received by the Bank on the next Business Day in its account and interest and Commitment Charge shall continue to accrue for the period from such due date to the next succeeding Business Day.

Section 2.13 Certificates and Determinations. Any certification or determination by the Bank of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

ARTICLE III **CONVERSION OF LOAN TERMS**

Section 3.01. Conversions Generally. The Borrower may at any time request any of the following Conversions of the terms of any portion of the Loan in order to facilitate prudent debt

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management: (i) Interest Rate Conversion; (ii) Interest Rate Cap; or (iii) Interest Rate Collar. Each such request shall be furnished by the Borrower to the Bank in accordance with the Conversion Guidelines and, shall, upon acceptance and effectuation by the Bank, be considered a Conversion for the purposes of this Loan Agreement and the Conversion Guidelines.

Section 3.02. Conversion Fees. The Borrower shall, upon receipt of notice in writing, pay to the Bank:

- (a) the applicable transaction fee for the Conversion and for each early termination of a Conversion, including any early termination pursuant to Section 2.10(b) (*Prepayment*) of this Agreement and Section 7.01 (*Events of Acceleration*) of the General Conditions; and
- (b) Conversion Unwinding Costs, if any, for each early termination of a Conversion, in such amount or at such rate, in such currency and at such times as announced by the Bank from time to time in accordance with the applicable Conversion Guidelines.

ARTICLE IV **ENTRY INTO FORCE AND DISBURSEMENT**

Section 4.01. Entry into Force. The Loan Agreement shall enter into force upon fulfillment by the Borrower of the provisions of Section 12.01 (*Entry into Force*) of the General Conditions.

Section 4.02. Disbursement. The proceeds of the Loan shall be disbursed by the Bank, subject to the provisions of (a) Article V (*Disbursement of the Loan*) of the General Conditions; (b) the Disbursement Handbook; (c) the Disbursement Letter; (d) Article IV (*Entry into Force and Disbursement*) of this Agreement; and (e) such additional instructions as the Bank may specify by notice to the Borrower, to finance Eligible Expenditures as set forth in Schedule III (*Allocation of the Loan*) to this Agreement.

Section 4.03. Conditions Precedent to First Disbursement. In addition to the provisions of Section 4.01 (*Entry into Force*), the obligation of the Bank to make the first disbursement of the Loan shall be subject to the satisfaction of the following conditions by the Borrower, submission of:

- (a) the execution and delivery of a Subsidiary Agreement between the Executing Agency and the Borrower in form and substance satisfactory to the Bank; and
- (b) the evidence of the designation of staff for the Program Implementation Team ("PIT"), with qualifications and terms of reference acceptable to the Bank, as follows: (i) Program Coordinator; (ii) Procurement Officer; (iii) Financial Management Specialist; (iv) Environmental Safeguards Expert; (v) Social Safeguards Expert; (vi) Monitoring and Evaluation Expert; (vii) Water Engineer; and (viii) Sanitation Engineer.

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Section 4.04. Conditions Precedent to Disbursements for Works Involving Resettlement financed by the Bank. Subject to the provisions of Section 4.01 (*Entry into Force*) and Section 4.03 (*Conditions Precedent to First Disbursement*) of this Agreement, the obligation of the Bank to disburse the Loan for works that involve resettlement shall be subject to the satisfaction of the following additional conditions by the Borrower, submission of :

- (a) a works and compensation schedule prepared in accordance with the Full Resettlement Action Plan ("FRAP") and the Bank's Safeguards Policies in form and substance satisfactory to the Bank detailing: (i) each section of civil works under the Program, and (ii) the timeframe for compensation and/or resettlement of all Program Affected Persons (PAPs) in respect of each section and government valuer's report on the respective section(s) requiring compensation;
- (b) the evidence of the opening of a foreign currency special account (the "Special Account") and a local currency program account (the "Program Account") with the *National Bank of Rwanda* in the name of the Program, dedicated to receiving the Bank's portion of financing allocated to compensation and/or resettlement of the Program Affected Persons (PAPs) in accordance with the RAP;
- (c) For subsequent disbursements,:
 - (A) provision of 100% justification on prior advance received accompanied by: (i) a completed and signed disbursement request (Form A1), (ii) a completed and signed appropriate statement of expenditures (Form A2), (iii) special account reconciliation statement, and (iv) bank statements covering the period of justification; and
 - (B) submission of approved valuation reports.

Section 4.05 Pro-rata Disbursements. Subject to Section 4.03 (*Conditions Precedent to First Disbursement*) of this Agreement, the disbursements of the Loan and will be made pro-rata with the AfDB Loan.

Section 4.06. Closing Date. For purposes of Section 6.03 (*Cancellation by the Bank*) of the General Conditions, the Closing Date shall be 30 June 2030, or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE V **UNDERTAKINGS**

Section 5.01. The Borrower declares its commitment to the objectives of the Program . To this end, the Borrower shall carry out the Program, and shall cause the Executing Agency and, its contractors and/or agents to carry out the Program, in accordance with the provisions of Article IX

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(Project Implementation - Cooperation and Information) of the General Conditions and this Agreement.

Section 5.02. Institutional Arrangements.

- (a) WASAC Group shall be the Executing Agency for the Program.
- (b) The Executing Agency shall be responsible for inter alia the following:
 - (i) the day-to-day implementation of the Program including preparation and submission of the Program quarterly progress reports, interim quarterly financial reports, and audit report to the Bank;
 - (ii) facilitating collaborations with stakeholders; and
 - (iii) all Program related monitoring and evaluation activities including compliance with the Bank's procurement, financial management and control requirements.
- (c) The Borrower shall, and shall cause the Executing Agency to maintain the Program Implementation Team (the "PIT") within the Executing Agency. The PIT shall remain operational at all times until completion of the Program, with the mandate, staffing and resources acceptable to the Bank.
- (d) The PIT shall be comprised of the following experts: (i) Program Coordinator; (ii) Water Engineer; (iii) Sanitation Engineer; (iv) Procurement Expert; (v) Program Accountant/Financial Management Specialist; (vi) Environmental Safeguards Expert; (vii) Social Safeguards Expert; and (viii) Monitoring and Evaluation Expert.
- (e) The Borrower shall and shall cause the Executing Agency to nominate a Program Coordinator who will provide guidance and direction for the implementation of the Program and facilitate collaboration with government and government counterparts including within municipalities.
- (f) In implementing catchment management investment component, the Executing Agency will collaborate with Ministry of Environment and Rwanda Water Resources Board.
- (g) The Borrower shall and shall cause the Executing Agency to establish a Program Steering Committee ("PSC") comprising Permanent Secretaries and Director Generals from all concerned ministries (Ministries of Infrastructure, Environment, Health, Education, Agriculture and Animal Resources, Finance and Economic Planning, Gender and Family Promotion, Local Government, Rwanda Water Resources Board, and Rwanda Utilities Regulatory Board). The PSC will provide policy and strategic guidance on the implementation of the Program. The PSC will be chaired by the Permanent Secretary for Ministry of Infrastructure and will meet at least once every six (6) months to review




progress and approve the work plan and budget for the Program. The PIT will provide secretariat services to the PSC.

Section 5.03. Environmental and Social Safeguards

- (a) The Borrower shall, and shall cause the Executing Agency and all its contractors, sub-contractors and agents to:
 - (i) carry out the Program in accordance with the Environmental and Social Management Plan ("ESMP"), and the Full Resettlement Action Plan ("FRAP") and /or the agreed works and compensation schedule, the Bank's Safeguards Policies and the applicable national legislation in a manner and in substance satisfactory to the Bank;
 - (ii) prepare and submit to the Bank, as part of the Program Report in Section 8.01 (*Program Report*) of this Agreement, monthly reports on the implementation of the ESMP and the FRAP including any deficiencies identified and the corrective measures thereto; and
 - (iii) refrain from taking any action which would prevent or interfere with the implementation of the ESMP, and the FRAP, including any amendment, suspension, waiver, and/or avoidance of any provision thereof, whether in whole or in part, without the prior written concurrence of the Bank.
- (b) The Borrower shall not, and shall cause the Executing Agency and all its contractors, sub-contractors and agents not to commence implementation of any works on any section under the Program, unless all PAPs on such section have been compensated and/or resettled in accordance with the FRAP and/or the agreed works and compensation schedule.

Section 5.04 Integrity. The Borrower shall, and shall cause the Executing Agency, and any of its contractors or agents to, carry out the Program in accordance with the provisions of the Anti-Corruption Policies.

Section 5.05. Subsidiary Agreement

- (a) To facilitate the implementation of the Program , the Borrower shall on-grant the proceeds of the Loan to the Executing Agency under a subsidiary agreement between the Borrower and the Executing Agency (the "Subsidiary Agreement") under terms and conditions approved by the Bank, which shall include inter alia (i) the roles and responsibilities of the Executing Agency with regard to the implementation of the Program ; and (ii) the obligation of the Executing Agency to comply with the reporting, financial management, technical, fiduciary, safeguards, monitoring and other relevant requirements applicable to the Program in accordance with the provisions of this Agreement.




- (b) The Borrower shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interest of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.
- (c) Notwithstanding the foregoing, in the event of a conflict between the provisions of the Subsidiary Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

Section 5.06. Other Conditions

- (a) The Borrower shall submit the evidence of the establishment of a Program Steering Committee (PSC) comprising Permanent Secretaries and Director Generals from all concerned ministries will provide policy and strategic guidance on the implementation of the Program, within three (3) months of the first disbursement of the Loan.
- (b) The Borrower shall submit the evidence of the recruitment of the following technical assistants: (i) Electromechanical Engineering Expert; (ii) Civil Engineering Expert; (iii) Contract Management Expert; (iv) Procurement Expert; (v) Water Treatment Expert; (vi) Sanitation Expert; and (vii) Gender Expert to enhance capacity of the Executing Agency, within nine (9) months of the first disbursement of the Loan.

ARTICLE VI ADDITIONAL REMEDIES OF THE BANK

Section 6.01. Other Events of Suspension. For purposes of Section 6.02 (1) (I) (*Other Events of Suspension*) of the General Conditions, the other events of suspension consist of the following:

- (a) The Executing Agency's Legislation has been amended, suspended, repealed or waived or in the opinion of the Bank, the legal character, ownership or control of the Executing Agency has changed from that prevailing as of the Date of the Loan Agreement, so as to materially and adversely affect the ability of the Executing Agency to perform any of its obligations arising under or entered into pursuant to the Loan Agreement, or to achieve the objectives of the Program ;
- (b) Any action has been taken for the dissolution, disestablishment or suspension of operations of the Executing Agency;
- (c) The Executing Agency has failed to perform any of its obligation under the Subsidiary Agreement;




- (d) The Borrower has failed to make payment when due (notwithstanding the fact that such payment may have been made by the Guarantor or a third party) of principal, interest, Commitment Charge, Conversion Unwinding Costs, transaction fees or any other amount due to the Bank under the AfDB Loan Agreement;
- (e) The Bank has suspended, in whole or in part, the right of the Borrower to request for, and receive disbursements under the AfDB Loan Agreement because of a failure by the Borrower to perform any of its obligations under the AfDB Loan Agreement; and
- (f) Any circumstance arising which in the opinion of the Bank interferes with or threatens to interfere with the successful completion of the Program or the accomplishment of its purposes.

Section 6.02. **Other Events of Acceleration.** In addition to events in Section 7.01 (*Events of Acceleration*) of the General Conditions, the other event of acceleration consists of any event specified in Section 6.01 (*Other Events of Suspension*) of this Agreement has occurred and is continuing for a period of thirty (30) days after notice of the event has been given by the Bank to the Borrower or such later date as shall be agreed upon in writing between the Borrower and the Bank.

ARTICLE VII **PROCUREMENT**

Section 7.01. **Procurement.** All Goods, Works, Non-Consulting Services and Consulting Services required for the Program and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in the Procurement Framework and the Borrower's Procurement Plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement which may be amended from time to time in accordance with Section 7.03 (*Procurement Plan*) of this Agreement.

Section 7.02. **Definitions.** Unless the context otherwise requires, the capitalized terms used in this Article VII (*Procurement*) including those describing particular procurement methods or methods of review by the Bank of particular contracts, have the meanings ascribed to them in the Procurement Framework.

Section 7.03. **Procurement Plan.** The Procurement Plan shall cover the first 18 months of the Program implementation period and shall be updated by the Borrower on an annual basis or as needed, and each such update shall, to the extent practicable, cover a period of at least eighteen (18) months of the Program implementation period. Any revisions or updates to the Procurement Plan shall be made in writing with the Bank's prior approval.




Section 7.04. Use of the Borrower's Procurement System.

(a) **Eligibility.** The proceeds of the Loan shall be used for the procurement of Goods, Works, Non-Consulting Services and Consulting Services satisfying the applicable country of origin requirements prescribed in the Law No. 031/2022 dated November 21, 2022 (the "Borrower's Procurement System"), except that, the proceeds of the Loan shall not be used for the procurement of :

- (i) firms from a country or goods manufactured in, a country excluded in compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and/ or
- (ii) firms sanctioned by the Bank in accordance with the Anti- Corruption Policies; and/or
- (iii) goods manufactured in, or services supplied from, territories of non-Member States for contracts with a value exceeding the equivalent of One Million Units of Account (UA 1,000,000) for Goods, Six Million Units of Account (UA 6,000,000) for Works, and Three Hundred Thousand Units of Account (UA 300,000) for Consulting Services.

(b) **Methods.**

The following procurement will be undertaken in accordance with the Borrower's Procurement System using the relevant National Standard Bidding Documents or National Model Bidding Documents and the methods prescribed in the Procurement Plan:

- (i) Each contract for **Works** with an estimated value of less than Three Million Units of Account (UA3,000,000), required for the Program;
- (ii) Each contract for **Non-Consulting Services** required for the Program;
- (iii) Each contract for **Goods** with an estimated value of less than Five Hundred Thousand Units of Accounts (UA500,000), required for the Program;
- (iv) Each contract for **Consulting Services** for individuals with an estimated value of less than Fifty Thousand Units of Accounts (UA50,000) required for the Program; and
- (v) Each contract for **Consulting Services** for selection of a firm with an estimated value of less than Four Hundred Thousand Units of Accounts (UA400,000) required for the Program .

(c) **Reservation of Rights by the Bank.** The Bank reserves the right to, in its sole discretion, require the use of the Bank's Procurement Methods and Procedures in the event that:

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- (i) a revision introduced in the Borrower's Procurement System adversely and substantially impacts the execution of procurement activities under the Program ;
 - (ii) any required risk mitigation measures are not satisfactorily implemented and/ or heightened risks are observed; or
 - (iii) any audit finds deficiencies and inadequacies in the Borrower's Procurement System; or
 - (iv) complaints are not properly addressed under the Borrower's complaints handling procedures and mechanisms, which no longer provide a credible recourse as well as an impartial and equitable dispute resolution mechanism; or
 - (v) any other event or circumstances occur which, in the reasonable opinion of the Bank, may require the use of the Bank's Procurement Methods and Procedures.
- (d) **Procurement Oversight.**
- (i) The Borrower shall cause the Office of Auditor General or a competitively recruited external auditor to carry out a procurement audit in accordance with the Borrower's Procurement System on an annual basis. The annual procurement audit report shall be submitted to the Bank no later than six (6) months after the end of each calendar year.
 - (ii) The Bank may, in its sole discretion, require independent procurement audits or inspections to be undertaken by independent auditors appointed by the Bank. The costs of such independent audits or inspections shall be borne by the Bank.

Section 7.05. Use of the Bank's Procurement Methods and Procedures (PMPs)

- (a) **Eligibility.** Subject to the provisions of Section 7.04 (a) (iii) (*Use of the Borrower's Procurement System*) of this Agreement, the proceeds of the Loan shall be used exclusively for the procurement of goods manufactured in, or services supplied from the territories of the Member States .
- (b) **Methods.** The following procurement will be undertaken in accordance with the Bank's Procurement Methods and Procedures using the relevant Standard Solicitation Documents and the methods prescribed in the Procurement Plan:
 - (i) Each contract for **Works** with an estimated value of Three Million Units of Account (UA3,000,000) or more, required for the Program ;
 - (ii) Each contract for **Goods** with an estimated value of Five Hundred Thousand Units of Accounts (UA500,000) or more, required for the Program ;

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- (iii) Each contract for **Consulting Services** for individuals with an estimated value of Fifty Thousand Units of Accounts (UA50,000) or more required for the Program; and
 - (iv) Each contract for **Consulting Services** for selection of a firm with an estimated value of Four Hundred Thousand Units of Accounts (UA400,000) or more required for the Program .
- (c) **Procurement Oversight**
- (i) The Procurement Plan shall set forth those contracts which shall be subject to the Bank's Prior Review and Post Review.
 - (ii) In accordance with Section 9.02 (c) (*Cooperation and Information*) of the General Conditions, the Bank may, upon reasonable notice to the Borrower, conduct supervision missions, independent procurement reviews and inspection concerning the procurement undertaken using the proceeds of the Loan.

Section 7.06. Reports and Retention of Documents.

- (a) The Borrower shall and shall cause the Executing Agency to maintain and record all relevant information concerning the procurement activities undertaken for the Program and shall include said information in each Program Report to be submitted to the Bank on a quarterly basis in accordance with the provisions of Section 8.01 (*Program Report*) of this Agreement.
- (b) The Borrower shall and shall cause the Executing Agency to retain copies of records (contracts, orders, invoices, bills, receipts and other documents) for periodic review and inspection by the Bank in accordance with Section 9.09 (c) (*Accounts, Records and Audit*) of the General Conditions.
- (c) Notwithstanding the provisions of sub-section (b) above, the Bank may, by notice in writing, require the Borrower to keep all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures financed with the Loan for a longer period as stipulated in the notice, in the event of an investigation or inquiry by the Bank under the Program, including without limitation in the following instances: (i) the Borrower fails to submit the Program audit reports; (ii) qualified Program audit reports are received by the Bank; and/or (iii) ineligible expenditures have been incurred by the Borrower and have not been fully reimbursed to the Bank.

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ARTICLE VIII

PROGRAM REPORTING

Section 8.01. **Program Report.** The Borrower shall and shall cause the Executing Agency to monitor the progress of the Program and prepare Program Reports in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions and on the basis of indicators acceptable to the Bank. Each Program Report shall cover a period of one (1) calendar quarter and shall be furnished to the Bank no later than forty-five (45) days after the end of the period covered by such report.

Section 8.02. **Completion Report.** The Borrower shall prepare and submit to the Bank a Completion Report, pursuant to Section 9.10 (*Completion Report*) of the General Conditions, no later than six (6) months after the Closing Date.

ARTICLE IX

FINANCIAL MANAGEMENT

Section 9.01. **Internal Control.** The Borrower shall and shall cause the Executing Agency to maintain proper records and procedures in accordance with the provisions of Section 9.09 (*Accounts, Records and Audit*) of the General Conditions.

Section 9.02. **Interim Financial Reporting.** Without limitations to the provisions of Article IX (*Financial Management*) of this Agreement, the Borrower shall prepare and furnish to the Bank quarterly interim financial reports for the Program no later than forty-five (45) days after the end of the respective quarter in form and substance satisfactory to the Bank.

Section 9.03. **Financial Audit.**

- (a) The Borrower shall and shall cause the Executing Agency to have the financial statements for the Program audited and certified in accordance with terms of reference acceptable to the Bank by the Office of the Auditor General for State Finances or a competitively recruited independent auditor appointed by the Borrower with the approval of the Bank.
- (b) Each audit of the financial statements shall cover a period of one (1) financial year except (i) the first audit, which may cover a period not exceeding eighteen (18) months after the date of first disbursement of the Loan, if such first disbursement occurs in the second half of the applicable financial year; and (ii) the final audit, which may cover a period not exceeding eighteen (18) months, if the Closing Date occurs within the first half of the applicable financial year.
- (c) The audit reports shall comprise inter alia (i) a complete set of financial statements for the applicable financial year with the auditor's opinion on said financial statement and

(ii) the management letter shall be furnished to the Bank no later than six (6) months after the end of the financial year. The last complete set of the annual audit report at the end of the Program shall be submitted to the Bank no later than six (6) months after the Closing Date.

- (d) The cost of the external audit will be borne out of the proceeds of the Loan whenever such external audit is conducted by a competitively recruited independent auditor.

ARTICLE X MISCELLANEOUS PROVISIONS

Section 10.01. **AGTF Agreement Termination.** Pursuant to Section 11.05 (*Assignment of the Loan Agreement*) of the General Conditions, the Borrower hereby agrees that, in the event of termination of the AGTF Agreement, the Bank shall, unless otherwise expressly agreed, assign or transfer to the AGTF Contributor all of its rights or obligations under the Loan Agreement, within twenty (20) calendar days of such termination. The Borrower and the Bank will endeavor to consult in relation to the transfer or assignment of the rights or obligations under the Loan Agreement to the AGTF Contributor as contemplated herein.

Section 10.02. **Disclosure of Information.** The Borrower hereby consents and agrees to the disclosure of information concerning the Program and the Loan Agreement to the AGTF Contributor in order to enable the AGTF Contributor to *inter alia* monitor the progress of the Program and the performance of the Loan.

ARTICLE XI AUTHORIZED REPRESENTATIVES, DATE, AND ADDRESSES

Section 11.01. **Authorized Representatives.** The Minister of Finance and Economic Planning or such other person as the Minister of Finance and Economic Planning may designate in writing shall be the authorized representative for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions.

Section 11.02. **Date of the Loan Agreement.** For all purposes of this Agreement, the date of this Agreement shall be that appearing in the preamble hereof.




Section 11.03. **Addresses.** The following addresses are specified for the purposes of Article XI (*Miscellaneous Provisions*) of the General Conditions:

For the Borrower: **Mailing Address:**
 Ministry of Finance and Economic Planning
 B. P. 158
 Kigali
 REPUBLIC OF RWANDA
 Tel: (250) 252 575 756
 Fax: (250) 252 577 581

Attention: Minister of Finance and Economic Planning

For the Bank: **Headquarters Address:**
 African Development Bank
 01 B.P. 1387
 Abidjan 01
 REPUBLIC OF COTE D'IVOIRE
 Tel: (225) 27 20.26.39.00

Attention: **Attention: Director AHWS**

Country Office Mailing Address:
 African Development Bank Group
 BPR-PCD TOWERS
 Plot 6, KN 67&30, Nyarungenge Dist.
 250 Kigali City – Rwanda
 P.O. Box 7329
 Kigali
 REPUBLIC OF RWANDA
 Tel: (+250) 252 504250
 Fax: (+250) 252 504298

Attention: Country Manager,
 Rwanda Country Office (CORW)

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IN WITNESS WHEREOF the Borrower and the Bank, each acting through its authorized representative, have signed this Agreement in two (2) original counterparts in English on the date appearing in the opening sentence of this Agreement.

THE REPUBLIC OF RWANDA



UZZIEL NDAGIJIMANA
MINISTER OF FINANCE AND ECONOMIC PLANNING



FOR AFRICAN DEVELOPMENT BANK
(As Administrator of the Africa Growing Together Fund)



AISSA TOURE SARR
COUNTRY MANAGER
RWANDA COUNTRY OFFICE

SCHEDULE I
DEFINITIONS

1. **“Agreement”** means, this loan agreement as may be amended from time to time as well as all the schedules and supplements thereto.
2. **“Anti-Corruption Policies”** means, the Uniform Framework for Preventing and Combating Fraud and Corruption dated September 2006, the Whistleblowing Policy dated January 2023, the Procurement Framework, the Cross- Debarment Agreement and the Sanctions Procedures of the African Development Bank Group issued November 18, 2014 as the same may be amended from time to time.
3. **“Bank”** means, the African Development Bank.
4. **“Bank’s Safeguards Policies”** means, the policies, procedures and guidelines of the Bank that concern environmental and social matters including, the Bank Group Integrated Safeguards System (Policy Statement, Operational Safeguards and Guidance Materials), the Involuntary Resettlement Policy, the Environmental and Social Assessment Procedures, the Bank Group Policy for Disclosure and Access to Information, the Bank Group Policy on Poverty Reduction, and the Gender Policy as may be amended and revised from time to time.
5. **“Business Day”** means any day (other than a Saturday or Sunday) on which commercial banks or money markets are open for general business for such transactions as are required by this Agreement at any given place, including the following days and places:
 - (i) in relation to the determination of SOFR, a day which is a RFR Banking Day relating to that Loan;
 - (ii) New York for payments in USD; and
 - (iii) Abidjan and Kigali, for any other transaction under the Agreement.
6. **“Completion Report”** means, a comprehensive report on the execution and the initial operation of the Program, including its cost and benefits derived and to be derived from it, the performance by the Parties’ respective obligations under the Agreement, the accomplishment of the purposes of the Loan and the plan designed to ensure the sustainability of the Program achievements, amongst others to be prepared and submitted by the Borrower to the Bank in accordance with the terms of this Agreement.
7. **“Compounded Reference Rate”** means, in relation to any RFR Banking Day during the Interest Period of a Loan, the percentage rate per annum which is the Daily Non-Cumulative Compounded RFR for that RFR Banking Day.

8. **“Compounding Methodology Supplement”** means, in relation to the Daily Non-Cumulative Compounded RFR, a document which:
 - i. is adopted by the Bank after consultation with the Borrower ;
 - ii. specifies a calculation methodology for that rate , which supersedes and replaces the one in Schedule VI (*Daily Non-Cumulative Compounded RFR*); and
 - iii. has been made available to the Borrower.
9. **“Conversion”** means, a conversion as described in Section 3.01 (*Conversions Generally*) of this Agreement.
10. **“Conversion Guidelines”** means, the *African Development Bank Guidelines for Conversion of Loan Terms* issued from time to time by the Bank, and in effect at the time of the Conversion.
11. **“Conversion Unwinding Costs”** means any cost the Bank may incur in relation to cancellation or adjustment in the Conversion contracts executed by the Bank upon request from the Borrower in case of (i) prepayment in full or part of the Loan before maturity, (ii) payment default or (iii) cancellation or adjustment in the Conversion transaction(s) for any reason under the Agreement.
12. **“Cross Debarment Agreement”** means the Agreement for Mutual Enforcement of Debarment Decisions dated 9 April 2010 and entered into, amongst the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group and the World Bank Group as the same may be amended from time to time.
13. **“Daily Non-Cumulative Compounded RFR”** means, in relation to any RFR Banking Day during an Interest Period for a Loan, the percentage rate per annum determined by the Bank in accordance with the methodology set out in Schedule VI (Daily Non-Cumulative Compounded RFR) or if the Bank decides so, in any relevant Compounding Methodology Supplement.
14. **“Daily Rate”** means the rate specified as such in the Reference Rate Terms.
15. **“Disbursed Loan Balance”** means the principal amount of the Loan disbursed to the Borrower and outstanding from time to time.
16. **“Disbursement Handbook”** means the Disbursement Handbook of the African Development Bank Group dated March 2020 setting out the disbursement policies, guidelines, practices, and procedures of the Bank Group as amended from time to time.




17. **“Eligible Expenditures”** means expenditure determined as eligible for Bank Group financing under the Policy on Expenditure Eligible for Bank Group Financing dated March 2008 as amended from time to time.
18. **“Environmental and Social Impact Assessment”** or **“ESIA”** means a tool to identify and assess the likely environmental and social impacts of the Program, to determine their magnitude and significance, and to define management or mitigation measures designed to avoid and minimize where possible, or if not, to offset or compensate for adverse impacts and risks.
19. **“Environmental and Social Management Plan”** or **“ESMP”** means an instrument developed as the outcome of an ESIA of the Program that sets out the action plan of environmental and social management measures to be implemented by the Borrower, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
20. **“Executing Agency’s Legislation”** means Organic Law N° 001/2020.OL of 08/06/2020 establishing general provisions governing public institutions and, following the Shareholder resolutions of September 2023, Water and Sanitation Corporation Limited changed to WASAC Group Limited and established two subsidiaries, i.e. WASAC Development Limited that is responsible for Water and Sanitation infrastructure investment and development and WASAC Utility that is responsible for delivering water and sanitation services ,operations, management and maintenance of water and sanitation utilities.
21. **“Fixed Base Rate”** means the amortizing market swap rate determined in accordance with financial market conditions and calculated on the Fixing Date based on the principal amortizing schedule of one or several particular tranches of the Loan.
22. **“Fixing Date”** means, for a loan for which a Fixed Base Rate is requested, a maximum of two (2) Business Days before the Fixed Base Rate value date.
23. **“Floating Base Rate”** means, for any Interest Period, the relevant Reference Rate.
24. **“Front-End Fee”** means the fee described and specified in Section 2.04 (*Front-End Fee*).
25. **“Full Resettlement Action Plan”** or **“FRAP”** means a comprehensive planning document prepared by the Borrower in accordance with the Bank’s Safeguards Policies that specifies the procedures that an involuntary resettlement process that involves two hundred (200) or more Project affected persons (PAPs) or any project that is likely to have adverse effects on vulnerable groups shall follow, and the actions that shall be taken to compensate PAPs and communities, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
26. **“Funding Cost Margin”** means, the six (6)-month adjusted average of the difference between: (i) the refinancing rate of the Bank as to the borrowings linked to the relevant

Floating Base Rate and allocated to all its floating interest loans denominated in the loan currency; and (ii) the relevant Floating Base Rate for each semester ending on 30 June and on 31 December; which shall be added to the relevant Floating Base Rate which resets on 1 February and on 1 August. The Funding Cost Margin shall be determined semi-annually on 1 January for the semester ending on 31 December and on 1 July for the semester ending on 30 June.

27. **“Interest Period”** means a six (6) month period for USD based on the relevant Reference Rate and beginning two (2) months before a Payment Date and ending two (2) months before the next Payment Date, except

a. the first Interest Period which, shall begin to run on the date of the first disbursement of the Loan to :

i. two (2) months before the first Payment Date immediately following such disbursement, if there is at least two (2) months between the first disbursement of the Loan and the first Payment Date; otherwise

ii. two (2) months before the second Payment Date following the first disbursement of the Loan.

b. the last Interest Period which shall end on the Maturity Date.

Each Interest Period thereafter, shall begin to run at the date of expiry of the preceding Interest Period, even if the first day of this Interest Period is not a Business Day. Notwithstanding the foregoing, any period less than six (6) months for USD, running from the date of a disbursement to the Payment Date immediately following such disbursement or ending on the Maturity Date shall be deemed an Interest Period.

28. **“Interest Rate Cap”** means the establishment of an upper limit to the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.

29. **“Interest Rate Collar”** means the establishment of an upper limit and a lower limit on the Floating Base Rate on all or any portion of the Disbursed Loan Balance in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.

30. **“Interest Rate Conversion”** means a change of the interest rate basis applicable to all or any portion of the Disbursed Loan Balance from a Floating Base Rate to a Fixed Based Rate, or vice versa in accordance with the provisions of Article III (*Conversion of Loan Terms*) of this Agreement.

31. **“Lending Margin”** means eighty basis points (0.80%) per annum.

32. **“Loan Currency”** means the currency in which the Loan is denominated which is United States Dollars as specified in Section 2.01 (*Amount*) of this Agreement.
33. **“Loan”** means the maximum amount provided by the Bank by virtue of this Agreement and specified in Section 2.01 (*Amount*) of this Agreement.
34. **“Lookback Period”** means the number of days specified as such in the Reference Rate Terms.
35. **“Member State”** means, a member state of the Bank under Article 3 (*Membership and Geographical Area*) of the Bank Agreement.
36. **“Prior Review”** means the review by the Bank of the following documents with regards to procurement under the Bank’s procurement methods and procedures as the same may be further defined in the Procurement Framework: (i) General Procurement Notices; (ii) Specific Procurement Notices; (iii) Bidding Documents and Requests for Proposals from Consultants; (iv) Bid Evaluation Reports or Reports on Evaluation of Consultants’ Proposals, including shortlists and recommendations for contract awards; (v) draft contracts, if these have been amended and differ from the drafts included in the bid/tender documents; and (vi) modification of signed contracts and such other document or information that the Bank may request.
37. **“Procurement Framework”** means the (i) Procurement Policy for Bank Group Funded Operations dated October 2015 and effective January 1, 2016; (ii) Methodology for Implementation of the Procurement Policy of the African Development Bank; (iii) Operations Procurement Manual for the African Development Bank; and (iv) Procurement Toolkit for the African Development Bank as the same may be amended from time to time.
38. **“Procurement Plan”** means the procurement plan for the Program set forth in Schedule IV (*Procurement Plan*) of this Agreement prepared in accordance with the Procurement Framework indicating, among other things: (i) the particular activities required to implement the Program; (ii) the proposed methods for procurement; and (iii) the applicable review procedures as the same may be updated from time to time in agreement with the Bank.
39. **“Program Report”** means the report prepared by the Borrower pursuant to this Agreement containing program information that includes amongst others, sources and uses of funds including those committed, with the corresponding budgets, progress on program implementation made in the achievement of the results as well as progress on compliance with the environmental and social safeguards requirements including the implementation of the site specific ESMP and the FRAP, (where applicable), together with other supporting schedules and highlighting issues that require attention.

40. **“Resettlement Action Plan” or “RAP”** means, a comprehensive planning document prepared by the Borrower in accordance with the Bank’s Safeguards Policies that specifies the procedures that an involuntary resettlement process shall follow, and the actions that shall be taken to compensate Project affected persons and communities, as the same may be amended, supplemented or updated from time to time in concurrence with the Bank.
41. **“Reference Rate”** means:
- a. the Compounded Reference Rate for USD;
 - b. if the Bank determines that SOFR (in respect of USD) has permanently ceased to be published or is no longer the reference rate in use by the relevant market for such currency, or if in the opinion of the Bank, this Reference Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement, such other comparable reference rate for the relevant currency as the Bank may determine pursuant to Section 3.03 (*Interest*) of the General Conditions;
 - c. in respect of any currency other than USD, such reference rate as notified to the Borrower by the Bank; and
 - d. with respect to amounts of the Loan to which a Currency Conversion applies, the Reference Rate applicable to the new Loan Currency as notified to the Borrower by the Bank.
42. **“Reference Rate Terms”** means the terms set out in Schedule V (*Reference Rate Terms*).
43. **“Relevant Market”** means the market specified as such in the Reference Rate Terms.
44. **“Reset Date”** means, 1 February and 1 August;
45. **RFR Banking Day** means (Risk-Free Rates Banking Day) means a SOFR Banking Day.
46. **“SOFR”** (Secured Overnight Financing Rate) means the rate specified as such in the Reference Rate Terms.
47. **“SOFR Banking Day”** means any day specified as such in the Reference Rate Terms.
48. **“Regional Member Countries”** means any of the Member States located in the continent of Africa or the African islands.
49. **“Subsidiary Agreement”** means the agreement between the Borrower and the Executing Agency setting forth their respective obligations under the Program.
50. **“Undisbursed Loan Balance”** means the amount of the Loan remaining undisbursed and uncanceled from time to time.
51. **“United States Dollar(s)” or “USD”** respectively, shall mean the lawful currency of the United States of America.

SCHEDULE II

PROGRAM DESCRIPTION

The objective of the Program is to improve access to water supply and sanitation services, water resources management and operational performance of water and sanitation service providers in program areas. Phase 1 of the program will cover the districts of Kigali, Gicumbi, Nyaruguru, Huye, Gisagara, Ngoma, Gatsibo and Karongi Districts. When fully implemented, the Program will transform the livelihoods of the communities in these targeted areas by improved health and economic opportunities. The program will strengthen the resilience of the populations against climate change and variability.

The proposed Program will have four components: (i) Water Supply Investments; (ii) Catchment Management Investments; (iii) Sanitation Investments; and (iv) Program Management and Sector Support.

(i) Component A: Water Supply Investments

This component will support the rehabilitation of existing and/or construction of new water supply systems for Mwange, Nyaruguru, Muhazi, Mugesera and Kivu Belt. The component will finance goods, services (including construction supervision) and works which will include civil and electrical/mechanical installations for water supply production (intakes, etc., as well as disinfection, and pumping as required), and transmission and distribution (networks, storage, meters, etc.) to households in the program areas. It will finance infrastructure investments for rural water supply, including the construction and rehabilitation of water supply schemes based on a sector-approved menu of technology options (that considers water quality standards, gender-informed design and climate adaptation strategies). This component will also improve integrated access to water supply facilities in schools and health centers and will complement interventions to improve health impacts, decrease school dropout rates, and increase resilience of WSS services to floods and droughts and reduce the contamination of water bodies. The rehabilitation and development of new water supply infrastructure will increase the available water supply and the reliability of its service provision, thereby making the beneficiaries less vulnerable to water shortages and droughts. These activities will be complemented with measures to protect water sources, improve water quality, and increase sustainable water use, thereby increasing resilience to climate exacerbated droughts and floods.

(ii) Component B: Catchment Management Investments

This component will finance goods, works and services for conservation of selected catchment areas for resilience against climate change and water source protection for the water supply systems. The program will establish frameworks for climate resilience catchment management, implement concrete adaptation actions for resilient and sustained ecosystems, landscapes and other livelihoods as well as building climate change adaptive capacities of institutions and communities while managing knowledge. Catchment management activities form an integral part of cost-effective WSS services. For instance, water source protection is included in water supply projects to ensure quality and quantity of water resource. The

activities under this component will include: (i) strengthening Catchment Management Committees and enhance communities' awareness on catchment protection and management and (ii) implementing catchment management interventions including soil and water conservation measures such as construction of stone bunds, soil bunds, infiltration pits, gully plugs, terracing of steep slopes, check dams; environment management measures that include tree planting, conservation and demarcation of wetland systems, and restoration of riverbanks using trees, control of water pollution, and livelihood improvement activities including natural resources-based businesses such as growing of fruit trees etc.

(iii) Component C: Sanitation Investments

This component will finance goods, works and services to provide strategic support for improved sanitation within the target communities and to enhance the Government's strategy for improved sanitation in the Program towns. Investments will include: (i) construction of inclusive and climate resilient sanitation facilities in public schools, markets, and health centres (an estimated 80 Public/communal latrines/sanitation facilities will be constructed) (ii) the creation of sanitation marketing centers; and (iii) on-site treatment at public sanitation facilities, and (iv) undertake technical studies for centralized sewerage systems for Kigali City (phase II) and Bugesera and sanitary landfill in Bugesera. This component will finance retrofitting of existing sanitary facilities in selected schools and other eligible public buildings within the Program areas (for example health clinics). In addition, the component will involve promotion of sanitation and hygiene services and nutrition smart WASH to the communities in the targeted towns and school friendly WASH campaigns and collaboration with other key stakeholders in sanitation, e.g., UNICEF, etc. An estimated 10,400 community members (50% women) will be sensitized on improved sanitation and hygiene. Development of sanitation infrastructure will enhance the residents' resilience to floods.

(iv) Component D: Program Management and Sector Support

- (a) **Subcomponent D1 - Program Management:** This will include support to the Program Implementation Team (PIT) for program coordination, implementation, supervision, monitoring, and evaluation (M&E). The activities will include: (i) hiring of specialists for the PIT; (ii) purchase of project implementation goods and services (Information and Communications Technology/equipment, software, vehicles); and (iii) operational costs for the management, implementation and supervision of the program's fiduciary and safeguards aspects. The component will support the governance and oversight management of the Program through supporting the functions of the Program Steering Committee (PSC).
- (b) **Subcomponent D2 - Sector Support.** This will focus on strengthening the water sector, including WASAC and SWAp Secretariat. The activities will include: (i) continuous skills upgrading through targeted courses for staff of WASAC especially in sanitation; (ii) implementation of recommendations of the capacity assessment report , (iii) equipping of central laboratory, and (iv) supporting training young graduates through internship program.




- (c) **Subcomponent D3. Water supply and operational efficiency improvement.** The component will complement to the GoR support in reducing the NRW in Kigali from the current average of 43% to 30% by 2029. Measures will include: (a) establishment of performance based systems to incentivize the reduction of NRW; (b) TA and studies for situation assessment and development of NRW reduction and management interventions, development of billing and accounting systems, customer care, FM improvement, network management, (c) capacity building and training on billing and accounting and, improvement in the customer data base and citizen engagement, gender and utility management; (d) installation of 10,000 bulk water meter systems and piloting of modern meter reading and collection technology and other efficiency interventions for possible scale-up; and (d) public awareness creation and communication strategy for demand management .

SCHEDULE III
ALLOCATION OF THE LOAN

The table below indicates the categories of Eligible Expenditures to be financed out of the proceeds of the Loan and the amount allocated to each category:

Category	AGTF Loan Expenditure in USD (Millions)		
	Local Currency	Foreign Currency	Total
Goods	0.00	0.00	0.00
Services	0.73	6.45	7.18
Works	10.70	32.11	42.82
Miscellaneous /Operating Costs	0.00	0.00	0.00
Total cost	11.43	38.57	50.00

SCHEDULE IV PROCUREMENT PLAN

Procurement System	Package No.	Package Description	Category	Lot No.	Lot Description	Estimated Cost (UA (Mil))	Procurement Method	Pre-or Post-Qualification	Procurement Oversight	Planned SPN Publication Date
Bank	NA	Construction of Huye-Gisagara-Nyaruguru Water Supply System	Works	NA	NA	69.47	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Rehabilitation of Nzove I Water Treatment Plant	Works	NA	NA	15.03	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of Mwange-Gicumbi Water Supply System	Works	NA	NA	22.78	OCBI	Post	Bank Prior Review	Oct 2024
Bank	NA	Construction of SAKA Water Supply System (Phase II)	Works	NA	NA	10.70	OCBI	Post	Bank Prior Review	Nov 2024
Bank	NA	Construction of MUHAZI Water Supply System (Phase II)	Works	NA	NA	19.10	OCBI	Post	Bank Prior Review	Dec 2024
Bank	NA	Construction of KIVU Water Supply System (Phase II)	Works	NA	NA	16.20	OCBI	Post	Bank Prior Review	Dec 2024
BPS	NA	Construction of toilets in public schools, markets and h/centres in targeted areas	Works	NA	NA	1.34	BPS	BPS	Procurement Audit	Jul 2024
BPS	NA	Procurement of six project vehicles	Goods	NA	NA	0.271	OCBI	Post	Procurement Audit	Mar 2024

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Bank	NA	Supervision of Construction works for Huye-Gisagara-Nyaruguru Water Supply System	Consulting Services (Firm)	NA	NA	4.17	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Rehabilitation of Nzove 1 Water Treatment Plant	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for Mwange-Gicumbi Water Supply System	Consulting Services (Firm)	NA	NA	1.37	QCBS	Shortlisting	Bank Prior Review	Feb 2024
Bank	NA	Supervision of Construction works for SAKE Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.64	QCBS	Shortlisting	Bank Prior Review	Apr 2024
Bank	NA	Supervision of Construction works for MUHAZI Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	1.15	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Supervision of Construction works for KIVU Water Supply System (Phase II)	Consulting Services (Firm)	NA	NA	0.97	QCBS	Shortlisting	Bank Prior Review	Jun 2024

BPS	NA	Supervision services for the construction of latrines for Schools, Public places and Health facilities	Consulting Services (Firm)	NA	NA	0.08	BPS	BPS	Procurement Audit	Jun 2024
Bank	NA	Consultancy service for catchment management	Consulting Services (Firm)	NA	NA	0.53	QCBS	Shortlisting	Bank Prior Review	Jun 2024
Bank	NA	Feasibility Study and Detailed study for Kigali Centralized Sewerage System Phase II	Consulting Services (Firm)	NA	NA	0.90	QCBS	Shortlisting	Bank Prior Review	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Centralized Sewerage System	Consulting Services (Firm)	NA	NA	0.38	BPS	BPS	Procurement Audit	Jun 2024
BPS	NA	Feasibility Study and Detailed study for Bugesera Sanitary Landfill	Consulting Services (Firm)	NA	NA	0.23	BPS	BPS	Procurement Audit	Jun 2024
Bank	NA	Electromechanical Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Civil Engineering Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Sanitation Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024

Bank	NA	Contract Management Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Water Treatment Expert	Consulting Services (Individual)	NA	NA	0.36	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Procurement Expert	Consulting Services (Individual)	NA	NA	0.18	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	Gender Expert	Consulting Services (Individual)	NA	NA	0.27	IC	Shortlisting	Bank Prior Review	Mar 2024
Bank	NA	ESMP Audit Expert	Consulting Services (Individual)	NA	NA	0.23	IC	Shortlisting	Bank Prior Review	Sep 2024

SCHEDULE V
REFERENCE RATE TERMS

Part 1: Dollars

CURRENCY:

Dollars.

Definitions

Daily Rate:

The "Daily Rate" for any SOFR Banking Day is:

- (a) SOFR for that SOFR Banking Day; or
- if SOFR is not available for that SOFR Banking Day, SOFR for the previous SOFR Banking Day; or
- if SOFR continues to be unavailable for five consecutive SOFR Banking Days, SOFR for the previous SOFR Banking Day.

Lookback Period:

N/A.

Relevant Market:

The market for overnight cash borrowing collateralised by United States Federal Government securities.

SOFR:

The secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

SOFR Banking Day:

Any day other than:
a Saturday or Sunday; and
a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States Federal Government securities.




SCHEDULE VI

Daily Non-Cumulative Compounded RFR with lookback without observation shift

The "Daily Non-Cumulative Compounded RFR" for any RFR Banking Day "i" during an Interest Period for a Loan is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{dcc}{n_i}$$

where:

"UCCDR_i" means the Unannualised Cumulative Compounded Daily Rate for that RFR Banking Day "i";

"UCCDR_{i-1}" means, in relation to that RFR Banking Day "i", the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period;

"dcc" means 360 or, in any case where market practice in the Relevant Market is to use a different number for quoting the number of days in a year, that number;

"n_i" means the number of calendar days from, and including, that RFR Banking Day "i" up to, but excluding, the following RFR Banking Day; and

the "Unannualised Cumulative Compounded Daily Rate" for any RFR Banking Day (the "Cumulated RFR Banking Day") during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Bank performing the calculation, taking into account the capabilities of any software used for that purpose):

$$ACCDR \times \frac{tn_i}{dcc}$$

where:

"ACCDR" means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Banking Day;

"tn_i" means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period;

"Cumulation Period" means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, that Cumulated RFR Banking Day;

"dcc" has the meaning given to that term above; and

the **"Annualised Cumulative Compounded Daily Rate"** for that Cumulated RFR Banking Day is the percentage rate per annum (rounded to five decimal places) calculated as set out below:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{\text{dcc}} \right) - 1 \right] \times \frac{\text{dcc}}{tn_i}$$

where:

"d₀" means the number of RFR Banking Days in the Cumulation Period;

"Cumulation Period" has the meaning given to that term above;

"i" means a series of whole numbers from one to d₀, each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

"DailyRate_{i-LP}" means, for any RFR Banking Day "i" in the Cumulation Period, the Daily Rate for the RFR Banking Day which is the Lookback Period prior to that RFR Banking Day "i";

"n_i" means, for any RFR Banking Day "i" in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day "i" up to, but excluding, the following RFR Banking Day;

"dcc" has the meaning given to that term above; and

"tn_i" has the meaning given to that term above.

Bibonywe kugira ngo bishyirwe ku mugereka w'Iteka rya Perezida n° 042/01 ryo ku wa 08/03/2024 ryemeza burundu Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda na Banki Nyafurika Itsura Amajyambere, nk'urwego ruyobora <i>Africa Growing Together Fund</i> yerekeranye n'inguzanyo ya miliyoni mirongo itanu z'Amadolari y'Abanyamerika (USD 50.000.000) igenewe gahunda y'u Rwanda yo kuvugurura mu buryo burambye ibikorwa byo gukwirakwiza amazi, isuku n'isukura, icyiciro cya 1, yashyiriweho umukono i Kigali mu Rwanda, ku wa 20 Ukuboza 2023	Seen to be annexed to Presidential Order n° 042/01 of 08/03/2024 ratifying the Loan Agreement between the Republic of Rwanda and the African Development Bank, as administrator of the Africa Growing Together Fund, relating to the loan of fifty million United States Dollars (USD 50,000,000) for Rwanda transformative and sustainable water and sanitation program, Phase 1, signed in Kigali, Rwanda, on 20 December 2023	Vu pour être annexé à l'Arrêté Présidentiel n° 042/01 du 08/03/2024 ratifiant l'Accord de prêt entre la République du Rwanda et la Banque Africaine de Développement, en tant qu'administrateur d'<i>Africa Growing Together Fund</i>, relatif au prêt de cinquante millions de dollars Américains (50.000.000 USD) pour le programme de transformation durable de l'approvisionnement en eau et de l'assainissement au Rwanda, Phase 1, signé à Kigali, Rwanda, le 20 décembre 2023
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

ITEKA RYA PEREZIDA N° 043/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y’U RWANDA NA GUVERINOMA Y’UBWAMI HACHÉMITE BWA YORODANIYA YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N’IKUMIRA RY’INYEREZWA RY’UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024 <u>ISHAKIRO</u> <u>Ingingo ya mbere:</u> Kwemeza burundu <u>Ingingo ya 2:</u> Abayobozi bashinzwe gushyira mu bikorwa iri teka <u>Ingingo ya 3:</u> Ingingo y’ururimi <u>Ingingo ya 4:</u> Gutangira gukurikizwa	PRESIDENTIAL ORDER N° 043/01 OF 08/03/2024 RATIFYING THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA ON 07 JANUARY 2024 <u>TABLE OF CONTENTS</u> <u>Article One:</u> Ratification <u>Article 2:</u> Authorities responsible for the implementation of this Order <u>Article 3:</u> Language provision <u>Article 4:</u> Entry into force	ARRÊTÉ PRÉSIDENTIEL N° 043/01 DU 08/03/2024 RATIFIANT L’ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L’ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D’IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L’ÉVASION FISCALES, SIGNÉ À KIGALI, AU RWANDA, LE 07 JANVIER 2024 <u>TABLE DES MATIÈRES</u> <u>Article premier:</u> Ratification <u>Article 2:</u> Autorités chargées de l’exécution du présent arrêté <u>Article 3 :</u> Disposition linguistique <u>Article 4 :</u> Entrée en vigueur
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ITEKA RYA PEREZIDA N° 043/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y’U RWANDA NA GUVERINOMA Y’UBWAMI HACHÉMITE BWA YORODANIYA YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N’IKUMIRA RY’INYEREZWA RY’UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024 Twebwe, KAGAME Paul, Perezida wa Repubulika; Dushingiye ku Itegeko Nshinga rya Repubulika y’u Rwanda, cyane cyane mu ngingo zaryo, iya 112 n’iya 168; Dushingiye ku Itegeko n° 031/2024 ryo ku wa 01/03/2024 ryemera kwemeza burundu Amasezerano hagati ya Guverinoma ya Repubulika y’u Rwanda na Guverinoma y’Ubwami Hachémite bwa Jordanie yo guca burundu gusoresha kabiri ku byerekeye imisoro ku musaruro n’ikumira ry’inyerezwa ry’umusoro no kutishyura umusoro,	PRESIDENTIAL ORDER N° 043/01 OF 08/03/2024 RATIFYING THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA ON 07 JANUARY 2024 We, KAGAME Paul, President of the Republic; Pursuant to the Constitution of the Republic of Rwanda, especially in Articles 112 and 168; Pursuant to Law n° 031/2024 of 01/03/2024 approving ratification of the Agreement between the Government of the Republic of Rwanda and the Government of the Hashemite Kingdom of Jordan for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance, signed in Kigali, Rwanda, on 07 January 2024;	ARRÊTÉ PRÉSIDENTIEL N° 043/01 DU 08/03/2024 RATIFIANT L’ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L’ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D’IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L’ÉVASION FISCALES, SIGNÉ À KIGALI, AU RWANDA, LE 07 JANVIER 2024 Nous, KAGAME Paul, Président de la République; Vu la Constitution de la République du Rwanda, spécialement en ses articles 112 et 168; Vu la Loi n° 031/2024 du 01/03/2024 approuvant la ratification de l’Accord entre le Gouvernement de la République du Rwanda et le Gouvernement du Royaume Hachémite de Jordanie pour l’élimination de la double imposition en matière d’impôts sur le revenu et la prévention de l’évasion et la fraude fiscales signé à Kigali, Rwanda, le 07 janvier 2024;
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yashyiriweho umukono i Kigali mu Rwanda, ku wa 07 Mutarama 2024; Tumaze kubona Amasezerano hagati ya Guverinoma ya Repubulika y'u Rwanda na Guverinoma y'Ubwami Hachémite bwa Yorodaniya yo guca burundu gusoresha kabiri ku byerekeye imisoro ku musaruro n'ikumira ry'inyerezwa ry'umusoro no kutishyura umusoro, yashyiriweho umukono i Kigali mu Rwanda, ku wa 07 Mutarama 2024; Bisabwe na Minisitiri w'Imari n'Igenamigambi; Inama y'Abaminisitiri imaze kubisuzuma no kubyemeza; DUTEGETSE: <u>Ingingo ya mbere:</u> Kwemeza burundu Amasezerano hagati ya Guverinoma ya Repubulika y'u Rwanda na Guverinoma y'Ubwami Hachémite bwa Yorodaniya yo guca burundu gusoresha kabiri ku byerekeye imisoro ku musaruro n'ikumira ry'inyerezwa ry'umusoro no kutishyura umusoro, yashyiriweho umukono i Kigali mu Rwanda, ku wa 07 Mutarama 2024 mu Rwanda, ku wa 20 Ukuboza 2023, ari ku mugereka w'iri	Considering the Agreement between the Government of the Republic of Rwanda and the Government of the Hashemite Kingdom of Jordan for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance, signed in Kigali, Rwanda, on 07 January 2024; On proposal by the Minister of Finance and Economic Planning; After consideration and approval by the Cabinet; DO ORDER: <u>Article One:</u> Ratification The Agreement between the Government of the Republic of Rwanda and the Government of the Hashemite Kingdom of Jordan for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance, signed in Kigali, Rwanda, on 07 January 2024, annexed to this Order, is ratified and becomes fully effective.	Considérant l'Accord entre le Gouvernement de la République du Rwanda et le Gouvernement du Royaume Hachémite de Jordanie pour l'élimination de la double imposition en matière d'impôts sur le revenu et la prévention de l'évasion et la fraude fiscales signé à Kigali, au Rwanda, le 07 janvier 2024; Sur proposition du Ministre des Finances et de la Planification Économique; Après examen et adoption par le Conseil des Ministres ; AVONS ARRÊTÉ: <u>Article premier:</u> Ratification L'Accord entre le Gouvernement de la République du Rwanda et le Gouvernement du Royaume Hachémite de Jordanie pour l'élimination de la double imposition en matière d'impôts sur le revenu et la prévention de l'évasion et la fraude fiscales signé à Kigali, au Rwanda, le 07 janvier 2024, annexé au présent arrêté, est ratifié et sort son plein et entier effet.
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teka, yemejwe burundu kandi atangiye gukurikizwa uko yakabaye. <u>Ingingo ya 2: Abayobozi bashinzwe gushyira mu bikorwa iri teka</u> Minisitiri w’Intebe, Minisitiri w’Imari n’Igenamigambi, na Minisitiri w’Ububanyi n’Amahanga n’Ubutwererane bashinzwe gushyira mu bikorwa iri teka. <u>Ingingo ya 3: Ingingo y’ururimi</u> Iri teka ryateguwe mu rurimi rw’Icyongereza. <u>Ingingo ya 4: Gutangira gukurikizwa</u> Iri teka ritangira gukurikizwa ku munsu ritangarijweho mu Igazeti ya Leta ya Repubulika y’u Rwanda.	<u>Article 2: Authorities responsible for the implementation of this Order</u> The Prime Minister, the Minister of Finance and Economic Planning, and the Minister of Foreign Affairs and International Cooperation are entrusted with the implementation of this Order. <u>Article 3: Language provision</u> This Order was drafted in English. <u>Article 4: Entry into force</u> This Order comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	<u>Article 2: Autorités chargées de l’exécution du présent arrêté</u> Le Premier Ministre, le Ministre des Finances et de la Planification Économique, et le Ministre des Affaires Étrangères et de la Coopération Internationale sont chargés de l’exécution du présent arrêté. <u>Article 3: Disposition linguistique</u> Le présent arrêté a été rédigé en anglais. <u>Article 4: Entrée en vigueur</u> Le présent arrêté entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEKA RYA PEREZIDA N° 043/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y'U RWANDA NA GUVERINOMA Y'UBWAMI HACHÉMITE BWA YORODANIYA YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N'IKUMIRA RY'INYEREZWA RY'UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024	ANNEX TO PRESIDENTIAL ORDER N° 043/01 OF 08/03/2024 RATIFYING THE AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA ON 07 JANUARY 2024	ANNEXE À L'ARRÊTÉ PRÉSIDENTIEL N° 043/01 DU 08/03/2024 RATIFIANT L'ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L'ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D'IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L'ÉVASION FISCALES, SIGNÉ À KIGALI, AU RWANDA, LE 07 JANVIER 2024
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AMASEZERANO HAGATI YA GUVERINOMA YA REPUBULIKA Y’U RWANDA NA GUVERINOMA Y’UBWAMI HACHÉMITE BWA YORODANIYA YO GUCA BURUNDU GUSORESHA KABIRI KU BYEREKEYE IMISORO KU MUSARURO N’IKUMIRA RY’INYEREZWA RY’UMUSORO NO KUTISHYURA UMUSORO, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, KU WA 07 MUTARAMA 2024	AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF RWANDA AND THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN FOR THE ELIMINATION OF DOUBLE TAXATION WITH RESPECT TO TAXES ON INCOME AND THE PREVENTION OF TAX EVASION AND AVOIDANCE, SIGNED IN KIGALI, RWANDA ON 07 JANUARY 2024	ACCORD ENTRE LE GOUVERNEMENT DE LA RÉPUBLIQUE DU RWANDA ET LE GOUVERNEMENT DU ROYAUME HACHÉMITE DE JORDANIE POUR L’ÉLIMINATION DE LA DOUBLE IMPOSITION EN MATIÈRE D’IMPÔTS SUR LE REVENU ET LA PRÉVENTION DE LA FRAUDE ET L’ÉVASION FISCALES, SIGNÉ À KIGALI, AU RWANDA, LE 07 JANVIER 2024
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AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF RWANDA

AND

THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN

FOR THE ELIMINATION OF DOUBLE TAXATION

WITH RESPECT TO TAXES ON INCOME

AND THE PREVENTION OF

TAX EVASION AND AVOIDANCE

The Government of the Hashemite Kingdom of Jordan, and the Government of the Republic of Rwanda,

Desiring to further develop their economic relationship and to enhance their cooperation in tax matters,

Intending to conclude an Agreement for the elimination of double taxation with respect to taxes on income without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance (including through treaty-shopping arrangements aimed at obtaining reliefs provided in this Agreement for the indirect benefit of residents of third states),

Have agreed as follows:

Article 1 Persons Covered

1. This Agreement shall apply to persons who are residents of one or both of the Contracting States.
2. For the purposes of this Agreement, income derived by or through an entity or arrangement that is treated as wholly or partly fiscally transparent under the tax law of either Contracting State shall be considered to be income of a resident of a Contracting State but only to the extent that the income is treated, for purposes of taxation by that State, as the income of a resident of that State.

Article 2 Taxes Covered

1. This Agreement shall apply to taxes on income imposed on behalf of a Contracting State or of its political subdivisions or local authorities, irrespective of the manner in which they are levied.
2. There shall be regarded as taxes on income all taxes imposed on total income or on elements of income, including taxes on gains from the alienation of

movable or immovable property as well as taxes on the total amounts of wages or salaries paid by enterprises.

3. The existing taxes to which the Agreement shall apply are in particular:

(a) in Jordan

- the income tax

(hereinafter referred to as "Jordanian tax").

(b) in Rwanda:

- i. Personal Income Tax;
- ii. Corporate Income Tax;
- iii. The Withholding Taxes;
- iv. Capital gain tax; and
- v. Tax on Rent of Immovable Property.

(hereinafter referred to as "Rwandan tax").

4. The Agreement shall apply also to any identical or substantially similar taxes that are imposed after the date of signature of the Agreement in addition to, or in place of, the existing taxes. The competent authorities of the Contracting States shall notify each other of any significant changes that have been made in their respective taxation laws.

Article 3 **General Definitions**

1. For the purposes of this Agreement, unless the context otherwise requires:

- (a) the term "Jordan" means the Hashemite Kingdom of Jordan and when used in a geographical sense; includes the territory of the Hashemite Kingdom of Jordan, the territorial waters of Jordan, and the seabed and subsoil of the territorial waters, and includes any area extending beyond the limits of the territorial waters of Jordan, and the seabed and subsoil of

any such area, which has been or may hereafter be designated, under the laws of Jordan, and in accordance with international law, as an area over which Jordan has sovereign rights for the purposes of exploring, exploiting, extraction and investing the natural resources, whether living or non-living;

- (b) the term "Rwanda" means the Republic of Rwanda and when used in geographical sense, includes all the territory, lakes and any other area in the lakes and air within which Rwanda may exercise sovereign rights or jurisdiction in accordance with international law;
- (c) the terms "a Contracting State" and "the other Contracting State" mean Jordan or Rwanda as the context requires;
- (d) the term "person" includes an individual, a company and any other body of persons;
- (e) the term "company" means any body corporate or any entity that is treated as a body corporate for tax purposes;
- (f) the term "national", in relation to a Contracting State, means:
 - (i) any individual possessing the nationality of that Contracting State;
 - (ii) any legal person, partnership or association deriving its status as such from the laws in force in that Contracting State;
- (g) the term "enterprise" applies to the carrying on of any business;
- (h) the terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean respectively an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State;
- (i) the term "international traffic" means any transport by a ship or aircraft operated by an enterprise of a Contracting State, except when the ship or aircraft is operated solely between places in the other Contracting State;
- (j) the term "competent authority" means:

- (i) in Jordan, the Minister of Finance or his authorised representative;
- (ii) in Rwanda, the Minister in Charge of Finance or his authorised representative and;

(k) the term "business" includes the performance of professional services and of other activities of an independent character;

2. As regards the application of the provisions of the Agreement at any time by a Contracting State, any term not defined therein shall, unless the context otherwise requires, have the meaning that it has at that time under the law of that State for the purposes of the taxes to which the Agreement applies, any meaning under the applicable tax laws of that State prevailing over a meaning given to the term under other laws of that State.

Article 4 **Resident**

1. For the purposes of this Agreement, the term "resident of a Contracting State" means any person who, under the laws of that State, is liable to tax therein by reason of that person's domicile, residence, place of incorporation, place of management or any other criterion of a similar nature, and also includes that State and any political subdivision or local authority thereof. This term, however, does not include any person who is liable to tax in that State in respect only of income from sources in that State or capital situated therein.
2. Where by reason of the provisions of paragraph 1 of this Article an individual is a resident of both Contracting States, then that individual's status shall be determined as follows:
 - (a) the individual shall be deemed to be a resident only of the Contracting State in which a permanent home is available to the individual; if a permanent home is available to the individual in both States, the individual shall be deemed to be a resident only of the State with which the individual's personal and economic relations are closer (centre of vital interests);
 - (b) if the State in which the centre of vital interests is situated cannot be determined, or if the individual has not a permanent home available in

either Contracting State, the individual shall be deemed to be a resident only of the Contracting State in which the individual has an habitual abode;

- (c) if the individual has an habitual abode in both Contracting States or in neither of them, the individual shall be deemed to be a resident only of the Contracting State of which the individual is a national;
 - (d) if the individual is a national of both States or of neither of them, the competent authorities of the Contracting States shall settle the question by mutual agreement.
3. Where by reason of the provisions of paragraph 1 a person - other than an individual - is a resident of both Contracting States, then it shall be deemed to be a resident only of the Contracting State in which its place of effective management is situated. If its place of effective management cannot be determined, the competent authorities of the Contracting States shall settle the question by mutual agreement. In the absence of such agreement, such person shall not be entitled to any relief or exemption from tax provided by this agreement except to the extent and in such manner as may be agreed upon by the competent authorities of the Contracting States.

Article 5

Permanent Establishment

1. For the purposes of this Agreement, the term "permanent establishment" means a fixed place of business through which the business of an enterprise is wholly or partly carried on.
2. The term "permanent establishment" includes especially:
 - (a) a place of management;
 - (b) a branch;
 - (c) an office;
 - (d) a factory;

- (e) a workshop;
- (f) a mine, an oil or gas well, a quarry or any other place of extraction, exploration or exploitation of natural resources, drilling rig or working ship used for extraction, exploration or exploitation of natural resources.
- (g) a warehouse in relation to a person providing storage facilities for others;
- (h) a farm, plantation or other place where agricultural, forestry or related activities are carried on; and
- (i) a sales outlet.

3. The term “permanent establishment” shall be deemed to include:

- (a) a building site, a construction, assembly or installation project or any supervisory activity in connection with such site or project, but only if such site, project or activity last more than 183 days in any twelve months’ period commencing or ending in the fiscal year concerned;
- (b) the furnishing of services, including consultancy or administrative services, by an enterprise of a Contracting State through employees or other personnel engaged by the enterprise for such purpose in the other Contracting State, but only if activities of that nature continue (for the same or a connected project) within the other Contracting State for a period or periods aggregating more than 183 days in any twelve months’ period commencing or ending in the fiscal year concerned;

The duration of activities under subparagraphs (a) and (b) shall be determined by aggregating the periods during which activities are carried on in a Contracting State by closely related enterprises, provided that the activities of such closely related enterprise in that Contracting State are connected with the activities carried on in that Contracting State by its closely related enterprise. The period during which two or more closely related enterprises are carrying on concurrent activities shall be counted only for the purpose of determining the duration of activities.

4. Notwithstanding the preceding provisions of this Article, the term "permanent establishment" shall be deemed not to include:
 - (a) the use of facilities solely for the purpose of storage or display of goods or merchandise belonging to the enterprise;
 - (b) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of storage or display;
 - (c) the maintenance of a stock of goods or merchandise belonging to the enterprise solely for the purpose of processing by another enterprise;
 - (d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or of collecting information, for the enterprise of a Contracting State;
 - (e) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs (a) to (d), provided that the overall activity of the fixed place of business resulting from this combination is of a preparatory or auxiliary character.
5. Notwithstanding the provisions of paragraphs, 1 and 2 but subject to the provisions of paragraph 7 where a person is acting in a Contracting State on behalf of an enterprise, that enterprise shall be deemed to have a permanent establishment in the first-mentioned Contracting State in respect of any activities which the person undertakes for the enterprise, if such person:
 - (a) habitually concludes contracts, or habitually plays the principal role leading to the conclusion of contracts that are routinely concluded without material modification by the enterprise, and these contracts are:
 - (i) in the name of the enterprise, or
 - (ii) for the transfer of the ownership of, or for the granting of the right to use, property owned by that enterprise or that the enterprise has the right to use, or
 - (iii) for the provision of services by that enterprise,

unless the activities of such person are limited to those mentioned in paragraph 4 which, if exercised through a fixed place of business, would not make this fixed place of business a permanent establishment under the provisions of that paragraph; or

- (b) does not conclude contracts nor plays the principal role leading to the conclusion of such contracts, but habitually maintains in the first-mentioned State a stock of goods or merchandise from which he regularly delivers goods or merchandise on behalf of the enterprise.
6. Notwithstanding the preceding provisions of this Article, an insurance enterprise of a Contracting State shall, except with regard to reinsurance, be deemed to have a permanent establishment in the other Contracting State if it collects premiums in that other State or insures risks situated therein through a person other than an agent of an independent status to whom paragraph 7 applies.
 7. An enterprise of a contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent or any other agent of an independent status, provided that such persons are acting in the ordinary course of their business. However, when the activities of such agent devoted exclusively or almost exclusively for or on behalf of that enterprises or its associated enterprises that agent will not be considered to be an independent agent within the meaning of this paragraph.
 8. The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other Contracting State (whether through a permanent establishment or otherwise), shall not of itself constitute either company a permanent establishment of the other.
 9. For the purposes of this Article, a person is closely related to an enterprise if, based on all the relevant facts and circumstances, one has control of the other or both are under the control of the same persons or enterprises. In any case, a person shall be considered to be closely related to an enterprise if one possesses directly or indirectly more than 50 per cent of the beneficial interest in the other (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company's shares or of the beneficial equity interest in the company) or if another person possesses directly or indirectly

more than 50 per cent of the beneficial interest (or, in the case of a company, more than 50 per cent of the aggregate vote and value of the company's shares or of the beneficial equity interest in the company) in the person and the enterprise.

Article 6

Income from Immovable Property

1. Income derived by a resident of a Contracting State from immovable property (including income from agriculture or forestry) situated in the other Contracting State may be taxed in that other Contracting State.
2. The term "immovable property" shall have the meaning which it has under the law of the Contracting State in which the property in question is situated. The term shall in any case include property accessory to immovable property, livestock and equipment used in agriculture and forestry, rights to which the provisions of general law respecting landed property apply, usufruct of immovable property and rights to variable or fixed payments as consideration for the working of, or the right to work, mineral deposits and other natural resources; ships and aircraft shall not be regarded as immovable property.
3. The provisions of paragraph 1 of this Article shall apply to income derived from the direct use, letting, or use in any other form of immovable property.
4. The provisions of paragraphs 1 and 3 of this Article shall also apply to the income from immovable property of an enterprise.

Article 7

Business Profits

1. The profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed in the other Contracting State but only so much of them as is attributable to:
 - (a) that permanent establishment;

- (b) sales in that other State of goods or merchandise of the same or similar kind as those sold through that permanent establishment;
 - (c) other business activities carried on in that other State of the same or similar kind as those effected through that permanent establishment.
2. Subject to the provisions of paragraph 3 of this Article, where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.
 3. In determining the profits of a permanent establishment there shall be allowed as deductions expenses which are incurred for the purposes of the business of the permanent establishment, including executive and general administrative expenses so incurred, whether in the Contracting State in which the permanent establishment is situated or elsewhere. However, no such deduction shall be allowed in respect of amounts, if any, paid (otherwise than towards reimbursement of actual expenses) by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission, for specific services performed or for management, or, except in the case of a banking enterprise, by way of interest on moneys lent to the permanent establishment. Likewise, no account shall be taken, in the determination of the profits of a permanent establishment, for amounts charged (otherwise than towards reimbursement of actual expenses) by the permanent establishment to the head office of the enterprise or any of its other offices, by way of royalties, fees or other similar payments in return for the use of patents or other rights, or by way of commission for specific services performed or for management, or, except in the case of a banking enterprise, by way of interest on moneys lent to the head office of the enterprise or any of its other offices.
 4. Insofar as it has been customary in a Contracting State to determine the profits to be attributed to a permanent establishment on the basis of an apportionment

of the total profits of the enterprise to its various parts, nothing in paragraph 2 of this Article shall preclude that Contracting State from determining the profits to be taxed by such an apportionment as may be customary. The method of apportionment adopted shall, however, be such that the result shall be in accordance with the principles contained in this Article.

5. No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment of goods or merchandise for the enterprise.
6. For the purposes of the preceding paragraphs, the profits to be attributed to the permanent establishment shall be determined by the same method year by year unless there is good and sufficient reason to the contrary.
7. Where profits include items of income which are dealt with separately in other Articles of this Agreement, then the provisions of those Articles shall not be affected by the provisions of this Article.

Article 8

International Shipping and Air Transport

1. Profits of an enterprise of a Contracting State from the operation of ships or aircraft in international traffic shall be taxable only in that Contracting State.
2. The provisions of paragraph 1 of this Article shall also apply to profits from the participation in a pool, a joint business or an international operating agency.
3. For the purposes of this Article, profits from the operation of ships or aircraft in international traffic shall include:
 - (a) profits derived from the rental on a bareboat basis of ships or aircraft;
 - (b) profits from the use, maintenance or rental of containers including related equipment for the transport of containers, used for the transport of goods or merchandise; and

- (c) interest on deposits connected directly with the operations of ships or aircraft.

if such profits are incidental to the profits to which the provisions of paragraph 1 apply.

Article 9

Associated Enterprises

1. Where

- (a) an enterprise of a Contracting State participates directly or indirectly in the management, control or capital of an enterprise of the other Contracting State, or
- (b) the same persons participate directly or indirectly in the management, control or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

and in either case conditions are made or imposed between the two enterprises in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

2. Where a Contracting State includes in the profits of an enterprise of that State - and taxes accordingly - profits on which an enterprise of the other Contracting State has been charged to tax in that other Contracting State and the profits so included are profits which would have accrued to the enterprise of the first-mentioned State if the conditions made between the two enterprises had been those which would have been made between independent enterprises, then that other Contracting State shall make an appropriate adjustment to the amount of the tax charged therein on those profits. In determining such adjustment, due regard shall be had to the other provisions of this Agreement and the competent authorities of the Contracting States shall if necessary consult each other.

3. The provisions of paragraph 2 shall not apply where judicial, administrative or other legal proceedings have resulted in a final ruling that by actions giving rise to an adjustment of profits under paragraph 1, one of the enterprises concerned is liable to penalty with respect to tax fraud or tax evasion.

Article 10

Dividends

1. Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.
2. However, such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident and according to the laws of that State, but if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the dividends.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

3. The term "dividends" as used in this Article means income from shares, founders' shares or other rights participating in profits, (not being debt – claims) as well as income from other corporate rights which is subjected to the same taxation treatment as income from shares by the laws of the Contracting State of which the company making the distribution is a resident.
4. The provisions of paragraphs 1 and 2 of this Article, shall not apply if the beneficial owner of the dividends, being a resident of a Contracting State, carries on business in the other Contracting State of which the company paying the dividends is a resident, through a permanent establishment situated therein, and the holding in respect of which the dividends are paid is effectively connected with such permanent establishment. In such case, the provisions of Article 7 of this Agreement shall apply.

5. Where a company which is a resident of a Contracting State derives profits or income from the other Contracting State, that other Contracting State may not impose any tax on the dividends paid by the company, except insofar as such dividends are paid to a resident of that other Contracting State or insofar as the holding in respect of which the dividends are paid is effectively connected with a permanent establishment situated in that other Contracting State, nor subject the company's undistributed profits to a tax on the company's undistributed profits, even if the dividends paid or the undistributed profits consist wholly or partly of profits or income arising in such other Contracting State.

Article 11 **Interest**

1. Interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.
2. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State, but if the beneficial owner of the interest is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the interest.
3. Notwithstanding the provisions of paragraph 2 of this Article, interest arising in a Contracting State shall be exempt from tax in that State, if such interest is paid to:
 - (a) the Government of the other Contracting State or its political subdivisions or local authorities thereof;
 - (b) the Central Bank of the other Contracting State and its wholly - owned companies;
 - (c) investment funds wholly owned by the Government of the other Contracting State which are set up to invest and manage the assets of the Government of the other Contracting State, where the interest paid relates to such assets.
4. The term "interest" as used in this Article means income from debt-claims of every kind, whether or not secured by mortgage and whether or not carrying

a right to participate in the debtor's profits, and in particular, income from government securities and income from bonds or debentures, including premiums and prizes attaching to such securities, bonds or debentures. Penalty charges for late payment shall not be regarded as interest for the purpose of this Article.

5. The provisions of paragraphs 1 and 2 of this Article shall not apply if the beneficial owner of the interest, being a resident of a Contracting State, carries on business in the other Contracting State in which the interest arises, through a permanent establishment situated therein, and the debt-claim in respect of which the interest is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 of this Agreement shall apply.
6. Interest shall be deemed to arise in a Contracting State when the payer is a resident of that State. Where, however, the person paying the interest, whether that person is a resident of a Contracting State or not, has in a Contracting State a permanent establishment in connection with which the indebtedness on which the interest is paid was incurred, then such interest shall be deemed to arise in the State in which the permanent establishment is situated.
7. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the interest, having regard to the debt-claim for which it is paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

Article 12

Royalties and Fees for Technical Services

1. Royalties or fees for technical services arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.

2. However, such royalties, or fees for technical services may also be taxed in the Contracting State in which they arise but if the beneficial owner of the royalties or fees for technical services is a resident of the other Contracting State, the tax so charged shall not exceed 10 per cent of the gross amount of the royalties or fees for technical services.
3.
 - a. The term "royalties" as used in this Article means payments of any kind received as a consideration for the use of, or the right to use, any copyright of literary, artistic or scientific work including cinematograph films or films or tapes used for radio or television broadcasting, any patent, trade mark, design or model, plan, secret formula or process, or for the use of, or a right to use, industrial, commercial or scientific equipment, or for information concerning industrial, commercial or scientific experience.
 - b. The term "fees for technical services" as used in this Article means payments of any kind to any person, other than those mentioned in Article 14 of this agreement in consideration for any service of a technical, managerial, professional or consultancy nature.
4. The provisions of paragraphs 1 and 2 of this Article shall not apply if the beneficial owner of the royalties or fees for technical services, being a resident of a Contracting State, carries on business in the other Contracting State in which the royalties or fees for technical services arise, through a permanent establishment situated therein, and the right or property in respect of which the royalties or fees for technical services are paid is effectively connected with such permanent establishment. In such case, the provisions of Article 7 shall apply.
5. Royalties or fees for technical services shall be deemed to arise in a Contracting State if the payer is a resident of that State. Where, however, the person paying the royalties or fees for technical services, whether that person is a resident of a Contracting State or not, has in a Contracting State a permanent establishment with which the obligation to pay the royalties or fees for technical services was incurred and such royalties or fees for technical services are borne by the permanent establishment, then such

royalties or fees for technical services shall be deemed to arise in the State in which the permanent establishment is situated.

6. Where, by reason of a special relationship between the payer and the beneficial owner or between both of them and some other person, the amount of the royalties or fees for technical services, having regard to the use, right or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the beneficial owner in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In such case, the excess part of the payments shall remain taxable according to the laws of each Contracting State, due regard being had to the other provisions of this Agreement.

Article 13 Capital Gains

1. Gains derived by a resident of a Contracting State from the alienation of immovable property referred to in article 6 and situated in the other Contracting State may be taxed in that other Contracting State and according to the laws of that State.
2. Gains from the alienation of movable property forming part of the business property of a permanent establishment which an enterprise of a Contracting State has in the other Contracting State, including such gains from the alienation of such a permanent establishment (alone or with the whole enterprise), may be taxed in that other Contracting State.
3. Gains of an enterprise of a Contracting State from the alienation of ships or aircraft operated in international traffic or movable property pertaining to the operation of such ships or aircraft, shall be taxable only in that State.
4. Gains derived by a resident of a Contracting State from the alienation of shares or comparable interests, such as interests in a partnership or trust, may be taxed in the other Contracting State if, these shares or comparable interests derived more than 50 per cent of their value directly or indirectly from immovable property, as defined in Article 6, situated in that other State.

5. Gains other than to which paragraph 4 applies, derived by a resident of a Contracting State from the alienation of shares of a company which is a resident of the other Contracting State, may be taxed in that other Contracting State.
6. Gains from the alienation of any property, other than that referred to in the preceding paragraphs of this Article, shall be taxable only in the Contracting State of which the alienator is a resident, provided that such resident is subject to tax thereon in that state. if the resident is not subject to tax thereon, then such gains may be taxed in the other Contracting state.

Article 14

Dependent Personal Services

1. Subject to the provisions of Articles 15, 16, 17, 18 and 19 of this Agreement, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only in that State unless the employment is exercised in the other Contracting State. In such case, such remuneration as is derived therefrom may be taxed in that other Contracting State.
2. Notwithstanding the provisions of paragraph 1 of this Article, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only in the first-mentioned State provided that all the following conditions are available:
 - (a) the recipient is present in the other Contracting State for a period or periods not exceeding in the aggregate 183 days in any twelve months' period commencing or ending in the fiscal year concerned, and

- (b) the remuneration is paid by, or on behalf of, an employer who is not a resident of the other Contracting State, and
 - (c) the remuneration is not borne by a permanent establishment which the employer has in the other Contracting State.
3. Notwithstanding the preceding provisions of this Article, salaries, wages and other similar remuneration derived by a resident of a Contracting State in respect of an employment, as a member of the regular complement of a ship or aircraft, that is exercised aboard a ship or aircraft operated in international traffic, other than aboard a ship or aircraft operated solely within the other Contracting State, shall be taxable only in the first – mentioned State.

Article 15

Directors' Fees and Remunerations of Top - Level Managerial Officials

1. Directors' fees and other similar payments derived by a resident of a Contracting State in that person's capacity as a member of the board of directors of a company which is a resident of the other Contracting State may be taxed in that other Contracting State.
2. Salaries, wages and other similar remuneration derived by a resident of a Contracting State in the individual's capacity as an official in a top – level managerial position of a company which is a resident of the other Contracting State may be taxed in that other State.

Article 16

Entertainers and Sportspersons

1. Notwithstanding the provisions of Articles 7 and 14 of this Agreement, income derived by a resident of a Contracting State as an entertainer, such as a theatre, motion picture, radio or television artiste, or a musician, or as a sportsperson, from that resident's personal activities as such exercised in the other Contracting State, may be taxed in that other Contracting State.

2. Where income in respect of personal activities exercised by an entertainer, musician or a sportsperson in that person's capacity as such accrues not to the entertainer, musician or sportsperson but to another person, that income may, notwithstanding the provisions of Articles 7 and 14 of this Agreement, be taxed in the Contracting State in which the activities of the entertainer, musician or sportsperson are exercised.
3. Income derived by a resident of a Contracting State from activities exercised in the other Contracting State as envisaged in paragraph 1 and 2, shall be exempt from tax in that other State if the visit to that other State is supported wholly or mainly by public funds of the first – mentioned Contracting State, a political subdivision or a local authority thereof, or takes place under a cultural agreement or arrangement between the Government of the Contracting States.

Article 17 **Pensions**

Pensions, payments and other remuneration arising in a Contracting State and paid to an individual who is a resident of the other Contracting State in consideration of past employment shall be taxable only in the first-mentioned State and according to the laws of that State.

Article 18 **Government Service**

1.
 - (a) Salaries, wages and other similar remuneration paid by a Contracting State or a political subdivision or a local authority thereof to an individual in respect of services rendered to that State or subdivision or

authority shall be taxable only in that State and according to the laws of that State.

(b) However, such salaries, wages and other similar remuneration shall be taxable only in the other Contracting State if the services are rendered in that other State and the individual is a resident of that State who:

- (i) is a national of that State; or
- (ii) did not become a resident of that State solely for the purpose of rendering the services.

2. The provisions of Articles 14, 15, 16 and 17 of this Agreement shall apply to salaries, wages, pensions, and other similar remuneration in respect of services rendered in connection with a business carried on by a Contracting State or a political subdivision or a local authority thereof.

Article 19 **Students and Business Apprentices**

1. Payments which a student or business apprentice or trainee who is or was immediately before visiting a Contracting State a resident of the other Contracting State and who is present in the first-mentioned State solely for the purpose of a student's or business apprentice's or trainee's education or training receives for the purpose of a student's or business apprentice's or trainee's maintenance, education or training shall not be taxed in the first - mentioned State, provided that such payments arise from sources outside that State.
2. In respect of grants, scholarships and remuneration from employment not covered by paragraph 1, a student or business apprentice or trainee described in paragraph I shall, in addition, be entitled during such education or training to the same exemptions, reliefs or reductions in respect of taxes available to residents of the State he is visiting.

Article 20

Other Income

1. Items of income of a resident of a Contracting State, wherever arising, not dealt with in the foregoing Articles of this Agreement shall be taxable only in that State.
2. The provisions of paragraph 1 of this Article shall not apply to income, other than income from immovable property as defined in paragraph 2 of Article 6 of this Agreement, if the recipient of such income, being a resident of a Contracting State, carries on business in the other Contracting State through a permanent establishment situated therein, and the right or property in respect of which the income is paid is effectively connected with such permanent establishment. In such case the provisions of Article 7 shall apply.
3. Notwithstanding the provisions of paragraphs 1 and 2 of this Article, items of income of a resident of a Contracting State not dealt with in the foregoing Articles of this Agreement and arising in the other Contracting State may also be taxed in that other Contracting State.

Article 21

Elimination of Double Taxation

1. In Jordan, double taxation shall be eliminated as follows:
 - (a) Where a resident of Jordan derives income which, in accordance with the provisions of this Agreement, may be taxed in Rwanda, Jordan shall allow as a deduction from the tax on the income of that resident, an amount equal to the tax on income paid in Rwanda. Such deduction shall not, however, exceed that part of the income tax, as computed before the deduction is given, which is attributable to the income which may be taxed in Rwanda.
 - (b) Where, in accordance with any provision of this Agreement, income derived by a resident of Jordan is exempt from tax in Jordan, Jordan may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.
2. In Rwanda, double taxation shall be eliminated as follows:

- (a) Tax paid by a resident of Rwanda in respect of income taxable in Jordan, in accordance with the provisions of this Agreement, shall be deducted from taxes due in accordance with Rwandan Tax Law (which shall not affect the general principle hereof). Such deduction shall not, however, exceed the tax payable in Rwanda that would otherwise be payable on the income taxable in Jordan.
 - (b) Where, in accordance with any provision of this Agreement, income derived by a resident of Rwanda is exempt from tax in Rwanda, Rwanda may nevertheless, in calculating the amount of tax on the remaining income of such resident, take into account the exempted income.
3. For the purposes of paragraph 1, the terms "Jordan tax paid" and "Rwanda tax paid" shall be deemed to include the amount of tax which would have been paid in Jordan or in Rwanda, as the case may be, but for an exemption or reduction granted in accordance with laws which establish schemes for the promotion of economic development in Jordan or in Rwanda as the case may be, such schemes having been mutually agreed by the competent authorities of the Contracting States as qualifying for the purposes of this paragraph.

Article 22

Non-Discrimination

1. Nationals of a Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith, which is other or more burdensome than the taxation and connected requirements to which nationals of that other Contracting State in the same circumstances, in particular with respect to residence, are or may be subjected. This provision shall, notwithstanding the provisions of Article 1, also apply to persons who are not residents of one or both of the Contracting States.
2. The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other Contracting State than the taxation levied on enterprises of that other

Contracting State carrying on the same activities. This provision shall not be construed as obliging a Contracting State to grant to residents of the other Contracting State any personal allowances, reliefs and reductions for taxation purposes on account of civil status or family responsibilities which it grants to its own residents.

3. Enterprises of a Contracting State, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which other similar enterprises of the first-mentioned State are or may be subjected.
4. Except where the provisions of paragraph 1 of Article 9, paragraph 7 of Article 11, paragraph 7 of Article 12 of this Agreement apply, interest, royalties and fees for technical services and other disbursements paid by an enterprise of a Contracting State to a resident of the other Contracting State shall, for the purpose of determining the taxable profits of such enterprise, be deductible under the same conditions as if they had been paid to a resident of the first-mentioned State. For the purposes of this paragraph, nothing shall prevent a Contracting State from disallowing a deduction of such payments if tax is not withheld on those payments.
5. The provisions of this Article shall apply to the taxes which are the subject of this Agreement.

Article 23

Mutual Agreement Procedure

1. Where a person considers that the actions of one or both of the Contracting States result or will result for that person in taxation not in accordance with the provisions of this Agreement, that person may, irrespective of the remedies provided by the domestic law of those States, present a case to the competent authority of the Contracting State of which the person is a resident or, if the case comes under paragraph 1 of Article 22, to that of the Contracting State of which the person is a national. The case must be presented within three years from the first notification of the action resulting in taxation not in accordance with the provisions of the Agreement.

2. The competent authority shall endeavour, if the objection appears to it to be justified and if it is not itself able to arrive at a satisfactory solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation which is not in accordance with the Agreement.
3. The competent authorities of the Contracting States shall endeavour to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Agreement. They may also consult together for the elimination of double taxation in cases not provided for in the Agreement.
4. The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs. The competent authorities may develop appropriate bilateral procedures, conditions, methods and techniques for implementation of mutual agreement procedure provided for in this Article.

Article 24

Exchange of Information

1. The competent authorities of the Contracting States shall exchange such information as is foreseeably relevant for carrying out the provisions of this Agreement or to the administration or enforcement of the domestic laws of both Contracting States concerning taxes which this agreement deals with insofar as the taxation thereunder is not contrary to the Agreement. Article 1 do not restrict the exchange of information of this Agreement.
2. Any information received under paragraph 1 of this Article by a Contracting State shall be treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) concerned with the assessment or collection of, the enforcement or prosecution in respect of, the determination of appeals in relation to the taxes referred to in paragraph 1 of this Article, or the oversight of the above. Such persons or authorities shall use the information only for such purposes. They may disclose the

information in public court proceedings or in judicial decisions. Notwithstanding the foregoing, information received by a Contracting State may be used for other purposes, when such information may be used for such other purposes under the laws of both States and the competent authority of the supplying Contracting State authorises such use.

3. In no case shall the provisions of paragraphs 1 and 2 of this Article be construed so as to impose on a Contracting State the obligation:
 - (a) to carry out administrative measures at variance with the laws, and administrative practice of that or of the other Contracting State;
 - (b) to supply information which is not obtainable under the laws, or in the normal course of the administration of that or of the other Contracting State;
 - (c) to supply information which would disclose any trade, business, industrial, commercial or professional secret or trade process, or information the disclosure of which would be contrary to public policy (ordre public).
4. If information is requested by a Contracting State in accordance with this Article, the other Contracting State shall use its information gathering measures to obtain the requested information, even though that other Contracting State may not need such information for its own tax purposes. The obligation contained in this paragraph is subject to the limitations of paragraph 3 of this Article but in no case shall such limitations be construed to permit a Contracting State to decline to supply information solely because it has no domestic interest in such information.
5. In no case shall the provisions of paragraph 3 of this Article, be construed to permit a Contracting State to decline to supply information solely because the information is held by a bank, other financial institution, nominee or person acting in an agency or a fiduciary capacity or because it relates to ownership interests in a person.

Article 25

Assistance in the Collection of Taxes

1. The Contracting States shall lend assistance to each other to collect revenue claim on behalf of the other contracting state. The competent authorities of the Contracting States may by mutual agreement settle the mode of application of this Article.
2. The term “revenue claim” as used in this Article means any amount owed in respect of taxes covered by the Agreement together with interest, administrative penalties and costs of collection or conservancy related to such amount.
3. In no case shall the provisions of this Article be construed so as to impose on a Contracting State the obligation:
 - (a) to carry out administrative measures at variance with the laws and administrative practice of that or of the other Contracting State;
 - (b) to carry out measures which would be contrary to public policy (ordre public).

Article 26

Members of Diplomatic Missions and Consular Posts

Nothing in this Agreement shall affect the tax privileges of members of diplomatic missions or consular posts under the general rules of international law or under the provisions of special agreements.

Article 27

Entitlement to Benefits

Notwithstanding any provisions of this Agreement, a benefit under this Agreement shall not be granted in respect of an item of income if it is reasonable to conclude, having regard to all relevant facts and circumstances, that obtaining that benefit was

one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in these circumstances would be in accordance with the object and purpose of the relevant provisions of this Agreement.

Article 28

Entry into Force

1. Each of the Contracting States shall notify to the other through the diplomatic channels the completion of the procedures required by its law for the bringing into force of this Agreement. The Agreement shall enter into force on the date of receipt of the later of these notifications.
2. The provisions of this Agreement shall apply:
 - (i) in respect of taxes withheld at source to income derived on or after 1st January in the calendar year next following the year in which the Agreement enters into force; and
 - (ii) in respect of other taxes on income for taxable year beginning on or after 1st January in the calendar year next following the year in which the Agreement enters into force.

Article 29

Termination

This Agreement shall remain in force until terminated by a Contracting State. Either Contracting State may terminate the Agreement, through diplomatic channels, by giving notice of termination on or before the thirtieth day of June of any calendar year following after the period of five years from the year in which the Agreement enters into force.

In such event, the Agreement shall cease to have effect:

- (i) in respect of taxes withheld at source to income derived on or after 1st January in the calendar year next following the year in which such notice has been given; and

- (ii) in respect of other taxes on income for taxable year beginning on or after 1st January in the calendar year next following the year in which such notice has been given.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have signed this Agreement.

DONE in duplicate on this day of 20...
in Arabic and English, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

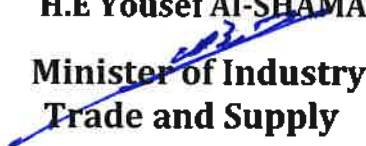
FOR

**THE GOVERNMENT
OF THE REPUBLIC OF RWANDA**


Prof. Jean Chrysostome NGABITSINZE
Minister of Trade and Industry

FOR

**THE GOVERNMENT OF
THE HASHEMITE KINGDOM
OF JORDAN**


H.E Yousef Al-SHAMALI
**Minister of Industry,
Trade and Supply**

Bibonywe kugira ngo bishyirwe ku mugereka w'Iteka rya Perezida n° 043/01 ryo ku wa 08/03/2024 ryemeza burundu Amasezerano hagati ya Guverinoma ya Repubulika y'u Rwanda na Guverinoma y'Ubwami Hachémite bwa Yorodaniya yo guca burundu gusoresha kabiri ku byerekeye imisoro ku musaruro n'ikumira ry'inyerezwa ry'umusoro no kutishyura umusoro, yashyiriweho umukono i Kigali mu Rwanda, ku wa 07 Mutarama 2024	Seen to be annexed to Presidential Order n° 043/01 of 08/03/2024 ratifying the Agreement between the Government of the Republic of Rwanda and the Government of the Hashemite Kingdom of Jordan for the elimination of double taxation with respect to taxes on income and the prevention of tax evasion and avoidance, signed in Kigali, Rwanda, on 07 January 2024	Vu pour être annexé à l'Arrêté Présidentiel n° 043/01 du 08/03/2024 ratifiant l'Accord entre le Gouvernement de la République du Rwanda et le Gouvernement du Royaume Hachémite de Jordanie pour l'élimination de la double imposition en matière d'impôts sur le revenu et la prévention de l'évasion et la fraude fiscales signé à Kigali, au Rwanda, le 07 janvier 2024
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

ITEKA RYA PEREZIDA N° 044/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (EUR 7.760.000), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (EUR 1.940.000) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (EUR 9.200.000) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024	PRESIDENTIAL ORDER N° 044/01 OF 08/03/2024 RATIFYING THE FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024	ARRÊTÉ PRÉSIDENTIEL N° 044/01 DU 08/03/2024 RATIFIANT L'ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, AU RWANDA, ET À ROME, EN ITALIE, LE 22 JANVIER 2024
<u>ISHAKIRO</u> <u>Ingingo ya mbere:</u> Kwemeza burundu <u>Ingingo ya 2:</u> Abayobozi bashinzwe gushyira mu bikorwa iri teka <u>Ingingo ya 3:</u> Ingingo y'ururimi <u>Ingingo ya 4:</u> Gutangira gukurikizwa	<u>TABLE OF CONTENTS</u> <u>Article One:</u> Ratification <u>Article 2:</u> Authorities responsible for the implementation of this Order <u>Article 3:</u> Language provision <u>Article 4:</u> Entry into force	<u>TABLE DES MATIÈRES</u> <u>Article premier:</u> Ratification <u>Article 2:</u> Autorités chargées de l'exécution du présent arrêté <u>Article 3 :</u> Disposition linguistique <u>Article 4 :</u> Entrée en vigueur

ITEKA RYA PEREZIDA N° 044/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (EUR 7.760.000), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (EUR 1.940.000) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (EUR 9.200.000) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024 Twebwe, KAGAME Paul, Perezida wa Repubulika; Dushingiye ku Itegeko Nshinga rya Repubulika y'u Rwanda, cyane cyane mu ngingo zaryo, iya 112 n'iya 168;	PRESIDENTIAL ORDER N° 044/01 OF 08/03/2024 RATIFYING THE FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024 We, KAGAME Paul, President of the Republic; Pursuant to the Constitution of the Republic of Rwanda, especially in Articles 112 and 168;	ARRÊTÉ PRÉSIDENTIEL N° 044/01 DU 08/03/2024 RATIFIANT L'ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, AU RWANDA, ET À ROME, EN ITALIE, LE 22 JANVIER 2024 Nous, KAGAME Paul, Président de la République ; Vu la Constitution de la République du Rwanda, spécialement en ses articles 112 et 168 ;
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Dushingiye ku Itegeko n° 032/2024 ryo ku wa 01/03/2024 ryemera kwemeza burundu Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda n'Ikigega Mpuzamahanga Kigamije Guteza Imbere Ubuhinzi, yerekeranye n'inguzanyo ya miliyoni zirindwi n'ibihumbi magana arindwi na mirongo itandatu z'Amayero (7.760.000 EUR), iya miliyoni imwe n'ibihumbi magana cyenda na mirongo ine y'Amayero (1.940.000 EUR) n'iya miliyoni icyenda n'ibihumbi magana abiri z'Amayero (9.200.000 EUR) zigenewe umushinga wo guteza imbere umukamo w'amata mu Rwanda – icyiciro cya 2, yashyiriweho umukono i Kigali mu Rwanda, n'i Roma mu Butaliyani ku wa 22 Mutarama 2024; Tumaze kubona Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda n'Ikigega Mpuzamahanga Kigamije Guteza Imbere Ubuhinzi, yerekeranye n'inguzanyo ya miliyoni zirindwi n'ibihumbi magana arindwi na mirongo itandatu z'Amayero (EUR 7.760.000), iya miliyoni imwe n'ibihumbi magana cyenda na mirongo ine y'Amayero (EUR 1.940.000) n'iya miliyoni icyenda n'ibihumbi magana abiri z'Amayero (EUR 9.200.000) zigenewe umushinga wo guteza imbere umukamo w'amata mu Rwanda – icyiciro cya 2, yashyiriweho umukono i Kigali	Pursuant to Law n° 032/2024 of 01/03/2024 approving ratification of the Financing Agreement between the Republic of Rwanda and the International Fund for Agricultural Development, relating to the loans amounting to seven million seven hundred sixty thousand Euros (EUR 7,760,000), one million nine hundred forty thousand Euros (EUR 1,940,000), and nine million two hundred thousand Euros (EUR 9,200,000) for the Rwanda dairy development project - Phase 2, signed in Kigali, Rwanda, and in Rome, Italy, on 22 January 2024; Considering the Financing Agreement between the Republic of Rwanda and the International Fund for Agricultural Development, relating to the loans amounting to seven million seven hundred sixty thousand Euros (EUR 7,760,000), one million nine hundred forty thousand Euros (EUR 1,940,000), and nine million two hundred thousand Euros (EUR 9,200,000) for the Rwanda dairy development project - Phase 2, signed in Kigali, Rwanda, and in Rome, Italy, on 22 January 2024;	Vu la Loi n° 032/2024 du 01/03/2024 approuvant la ratification de l'Accord de financement entre la République du Rwanda et le Fonds International pour le Développement Agricole, relatif aux prêts d'un montant de sept millions sept cent soixante mille Euros (7.760.000 EUR), d'un million neuf cent quarante mille Euros (1.940.000 EUR), et de neuf millions deux cent mille Euros (9.200.000 EUR) pour le projet de développement de la production laitière au Rwanda - Phase 2, signé à Kigali, Rwanda, et à Rome, Italie, le 22 janvier 2024; Considérant l'Accord de financement entre la République du Rwanda et le Fonds International pour le Développement Agricole, relatif aux prêts d'un montant de sept millions sept cent soixante mille Euros (7.760.000 EUR), d'un million neuf cent quarante mille Euros (1.940.000 EUR), et de neuf millions deux cent mille Euros (9.200.000 EUR) pour le projet de développement de la production laitière au Rwanda - Phase 2, signé à Kigali, au Rwanda, et à Rome, en Italie, le 22 janvier 2024 ;
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mu Rwanda, n'i Roma mu Butaliyani ku wa 22 Mutarama 2024; Bisabwe na Minisitiri w'Imari n'Igenamigambi; Inama y'Abaminisitiri imaze kubisuzuma no kubyemeza; DUTEGETSE: <u>Ingingo ya mbere: Kwemeza burundu</u> Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda n'Ikigega Mpuzamahanga Kigamije Guteza Imbere Ubuhinzi, yerekeranye n'inguzanyo ya miliyoni zirindwi n'ibihumbi magana arindwi na mirongo itandatu z'Amayero (EUR 7.760.000), iya miliyoni imwe n'ibihumbi magana cyenda na mirongo ine y'Amayero (EUR 1.940.000) n'iya miliyoni icyenda n'ibihumbi magana abiri z'Amayero (EUR 9.200.000) zigenewe umushinga wo guteza imbere umukamo w'amata mu Rwanda – Icyiciro cya 2, yashyiriweho umukono i Kigali mu Rwanda, n'i Roma mu Butaliyani ku wa 22 Mutarama 2024, ari ku mugereka w'iri teka, yemejwe burundu kandi atangiye gukurikizwa uko yakabaye.	On proposal by the Minister of Finance and Economic Planning; After consideration and approval by the Cabinet; DO ORDER: <u>Article One: Ratification</u> The Financing Agreement between the Republic of Rwanda and the International Fund for Agricultural Development, relating to the loans amounting to seven million seven hundred sixty thousand Euros (EUR 7,760,000), one million nine hundred forty thousand Euros (EUR 1,940,000), and nine million two hundred thousand Euros (EUR 9,200,000) for the Rwanda dairy development project - Phase 2, signed in Kigali, Rwanda, and in Rome, Italy, on 22 January 2024, annexed to this Order, is ratified and becomes fully effective.	Sur proposition du Ministre des Finances et de la Planification Économique ; Après examen et adoption par le Conseil des Ministres ; AVONS ARRÊTÉ : <u>Article premier : Ratification</u> L'Accord de financement entre la République du Rwanda et le Fonds International pour le Développement Agricole, relatif aux prêts d'un montant de sept millions sept cent soixante mille Euros (7.760.000 EUR), d'un million neuf cent quarante mille Euros (1.940.000 EUR), et de neuf millions deux cent mille Euros (9.200.000 EUR) pour le projet de développement de la production laitière au Rwanda - Phase 2, signé à Kigali, au Rwanda, et à Rome, en Italie, le 22 janvier 2024, annexé au présent arrêté, est ratifié et sort son plein et entier effet.
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<u>Ingingo ya 2: Abayobozi bashinzwe gushyira mu bikorwa iri teka</u> Minisitiri w’Intebe, Minisitiri w’Imari n’Igenamigambi, Minisitiri w’Ububanyi n’Amahanga n’Ubutwererane, na Minisitiri w’Ubuhinzi n’Ubworozi bashinzwe gushyira mu bikorwa iri teka. <u>Ingingo ya 3: Ingingo y’ururimi</u> Iri teka ryateguwe mu rurimi rw’Icyongereza. <u>Ingingo ya 4: Gutangira gukurikizwa</u> Iri teka ritangira gukurikizwa ku munsu ritangarijweho mu Igazeti ya Leta ya Repubulika y’u Rwanda.	<u>Article 2: Authorities responsible for the implementation of this Order</u> The Prime Minister, the Minister of Finance and Economic Planning, the Minister of Foreign Affairs and International Cooperation, and the Minister of Agriculture and Animal Resources are entrusted with the implementation of this Order. <u>Article 3: Language provision</u> This Order was drafted in English. <u>Article 4: Entry into force</u> This Order comes into force on the date of its publication in the Official Gazette of the Republic of Rwanda.	<u>Article 2 : Autorités chargées de l’exécution du présent arrêté</u> Le Premier Ministre, le Ministre des Finances et de la Planification Économique, et le Ministre des Affaires Étrangères et de la Coopération Internationale, et le Ministre de l’Agriculture et des Ressources Animales sont chargés de l’exécution du présent arrêté. <u>Article 3 : Disposition linguistique</u> Le présent arrêté a été rédigé en anglais. <u>Article 4 : Entrée en vigueur</u> Le présent arrêté entre en vigueur le jour de sa publication au Journal Officiel de la République du Rwanda.
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux

UMUGEREKA W'ITEKA RYA PEREZIDA N° 044/01 RYO KU WA 08/03/2024 RYEMEZA BURUNDU AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (EUR 7.760.000), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (EUR 1.940.000) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (EUR 9.200.000) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024	ANNEX TO PRESIDENTIAL ORDER N° 044/01 OF 08/03/2024 RATIFYING THE FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024	ANNEXE À L'ARRÊTÉ PRÉSIDENTIEL N° 044/01 DU 08/03/2024 RATIFIANT L'ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, AU RWANDA, ET À ROME, EN ITALIE, LE 22 JANVIER 2024
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AMASEZERANO Y'INGUZANYO HAGATI YA REPUBULIKA Y'U RWANDA N'IKIGEGA MPUZAMAHANGA KIGAMIJE GUTEZA IMBERE UBUHINZI, YEREKERANYE N'INGUZANYO YA MILIYONI ZIRINDWI N'IBIHUMBI MAGANA ARINDWI NA MIRONGO ITANDATU Z'AMAYERO (EUR 7.760.000), IYA MILIYONI IMWE N'IBIHUMBI MAGANA CYENDA NA MIRONGO INE Y'AMAYERO (EUR 1.940.000) N'IYA MILIYONI ICYENDA N'IBIHUMBI MAGANA ABIRI Z'AMAYERO (EUR 9.200.000) ZIGENEWE UMUSHINGA WO GUTEZA IMBERE UMUKAMO W'AMATA MU RWANDA - ICYICIRO CYA 2, YASHYIRIWEHO UMUKONO I KIGALI MU RWANDA, N'I ROMA MU BUTALIYANI KU WA 22 MUTARAMA 2024	FINANCING AGREEMENT BETWEEN THE REPUBLIC OF RWANDA AND THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT, RELATING TO THE LOANS AMOUNTING TO SEVEN MILLION SEVEN HUNDRED SIXTY THOUSAND EUROS (EUR 7,760,000), ONE MILLION NINE HUNDRED FORTY THOUSAND EUROS (EUR 1,940,000), AND NINE MILLION TWO HUNDRED THOUSAND EUROS (EUR 9,200,000) FOR THE RWANDA DAIRY DEVELOPMENT PROJECT – PHASE 2, SIGNED IN KIGALI, RWANDA, AND IN ROME, ITALY ON 22 JANUARY 2024	ACCORD DE FINANCEMENT ENTRE LA RÉPUBLIQUE DU RWANDA ET LE FONDS INTERNATIONAL POUR LE DÉVELOPPEMENT AGRICOLE, RELATIF AUX PRÊTS D'UN MONTANT DE SEPT MILLIONS SEPT CENT SOIXANTE MILLE EUROS (7.760.000 EUR), D'UN MILLION NEUF CENT QUARANTE MILLE EUROS (1.940.000 EUR), ET DE NEUF MILLIONS DEUX CENT MILLE EUROS (9.200.000 EUR) POUR LE PROJET DE DÉVELOPPEMENT DE LA PRODUCTION LAITIÈRE AU RWANDA – PHASE 2, SIGNÉ À KIGALI, AU RWANDA, ET À ROME, EN ITALIE, LE 22 JANVIER 2024
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LOAN NO. 2000004783

LOAN NO. 2000004784

LOAN NO. 2000004785

FINANCING AGREEMENT

Rwanda Dairy Development Project – Phase 2 (RDDP-2)

between the

REPUBLIC OF RWANDA

and the

INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

Signed in Kigali, Rwanda and Rome, Italy

FINANCING AGREEMENT

Loan No: 2000004783

Loan No: 2000004784

Loan No: 2000004785

Project name: Rwanda Dairy Development Project – Phase 2 ("RDDP2"/ "the Project")

The Republic of Rwanda (the "Borrower")

and

The International Fund for Agricultural Development (the "Fund" or "IFAD")

(each a "Party" and both of them collectively the "Parties")

WHEREAS

- A. At its 118th session held on 22 September 2016, IFAD's Executive Board (the "EB") approved the Rwanda Dairy Development Project (RDDP) and the relevant financing agreement between IFAD and the Borrower was signed on 4 November 2016, with an effective date of 19 December 2016;
- B. Following a successful review of RDDP coupled with the idea to consolidate its positive impacts achieved and the need to scale up in new districts, it was determined that a second phase to RDDP was required to be implemented;
- C. Consequently, the Borrower requested a loan from the Fund for the purpose of financing the Project described in Schedule 1 to this Agreement;
- D. The Project is expecting to receive co-financing from the OPEC Fund for International Development, Equity Bank Rwanda, Heifer International and the Green Climate Fund.

NOW THEREFORE, the Parties hereby agree as follows:

Section A

- 1. The following documents collectively form this Agreement: this document, the Project Description and Implementation Arrangements (Schedule 1), the Allocation Table (Schedule 2) and the Special Covenants (Schedule 3).
- 2. The Fund's General Conditions for Agricultural Development Financing dated 29 April 2009, amended as of December 2022, and as may be amended hereafter from time to time (the "General Conditions") are annexed to this Agreement, and all provisions thereof shall apply to this Agreement. For the purposes of this Agreement the terms defined in the General Conditions shall have the meanings set forth therein, unless the Parties shall otherwise agree in this Agreement.
- 3. The Fund shall provide three Loans (the "Financing") to the Borrower, which the Borrower shall use to implement the Project in accordance with the terms and conditions of this Agreement.

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

Loan No. 2000004783
 Loan No. 2000004784
 Loan No. 2000004785

Section B

1. The amount of the Loan eligible to super highly concessional terms (SHCT Loan) is seven million seven hundred sixty thousand Euros (EUR 7 760 000).
2. The amount of the Loan eligible to highly concessional terms (HCT Loan) is one million nine hundred forty thousand Euros (EUR 1 940 000).
3. The amount of the Loan eligible to ordinary terms (OT Loan) is nine million two hundred thousand Euros (EUR 9 200 000).
4. In relation to the SHCT Loan:
 - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
 - (ii) it shall have a maturity period of fifty (50) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board; and
 - (iii) it shall be repaid at 2.5 per cent (%) of the total principal per annum for years eleven (11) to fifty (50).
5. In relation to the HCT Loan:
 - (i) it shall be free of interest but shall bear a fixed service charge as determined by the Fund at the date of approval of the Loan by the Fund's Executive Board, payable semi-annually in the Loan Service Payment Currency;
 - (ii) it shall have a maturity period of forty (40) years, including a grace period of ten (10) years starting from the date of approval of the Loan by the Fund's Executive Board; and
 - (iii) it shall be repaid at two per cent (2%) of the total principal per annum for years eleven (11) to twenty (20), and four per cent (4%) of the total principal per annum for years twenty-one (21) to forty (40).
6. In relation to the OT Loan:
 - (i) The Loan granted on ordinary terms (OT Loan) shall be subject to interest on the principal amount outstanding of the Loan at a rate equal to the IFAD Reference Interest Rate including a variable spread, payable semi-annually in the Loan Service Payment Currency, and have a maturity period of thirty (30) years, including a grace period of nine (9) years, starting from the date as of which the Fund has determined that all general conditions precedent to withdrawal have been fulfilled.
7. The Loan Service Payment Currency shall be in EUR.
8. The first day of the applicable Fiscal Year shall be 1 July.
9. Payments of principal and service charge shall be payable on each 1 April and 1 October.

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

Loan No. 2000004783
 Loan No. 2000004784
 Loan No. 2000004785

10. There shall be one segregated Designated Account, denominated in EUR at the National Bank of Rwanda (NBR), to receive the proceeds of the Financing. The Borrower shall inform the Fund of the officials authorized to operate the Designated Account.
11. There shall be one segregated Project Operational Account to receive the proceeds of the Financing from the Designated Account, for the exclusive benefit of the Project.
12. The Borrower shall provide counterpart financing for the Project, in-cash and/or in-kind, in the amount of sixteen million two hundred thirty five thousand one hundred and fifty Euros (EUR 16 235 150) mainly for taxes and duties, as well as to cover costs relating to Project activities.
13. The Borrower shall open a segregated project bank account to receive the counterpart financing from the Government of Rwanda.

Section C

1. The Lead Project Agency shall be the Rwanda Agriculture and Animal Resources Development Board, an implementing agency of the Ministry of Agriculture and Animal Resources (the "MINAGRI"), as further detailed in Schedule 1 to this present Agreement.
2. Additional Project Parties are described in Schedule 1, Section 9 of this Agreement.
3. A Mid-Term Review will be conducted as specified in Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid-Term Review of the implementation of the Project.
4. The Project Completion Date shall be the sixth anniversary of the date of entry into force of this Agreement and the Financing Closing Date will be established as specified in the General Conditions.
5. Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines.

Section D

1. The Fund will administer the Financing and supervise the Project.

Section E

1. The following are designated as additional grounds for suspension of this Agreement:
 - (a) The Project Implementation Manual (the "PIM") and/or any provision thereof, has been waived, suspended, terminated, amended or modified without the prior agreement of the Fund and the Fund, after consultation with the Borrower, has determined that it has had, or is likely to have, a material adverse effect on the Project.
 - (b) The Project Manager or other key Project staff (Heads of Finance and Fiduciary Aspects, Procurement) have been removed from the Project without prior consultation with the Fund.

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

Loan No. 2000004783
Loan No. 2000004784
Loan No. 2000004785

2. The following is designated as an additional ground for cancellation of this Agreement:
 - (a) In the event that the Borrower did not request a disbursement of the Financing for a period of at least 12 months without justification.
3. The following are designated as additional (general/specific) conditions precedent to withdrawal:
 - (a) The IFAD no objection to the PIM shall have been obtained. The PIM shall also include project financial management and procurement arrangements.
 - (b) The Project Steering Committee (the "PSC") established for RDDP-2 is fully functional and will be used for the duration of the Project.
 - (c) The RDDP-2 Project Operation Manager and key Project staff have been appointed as indicated in Schedule 3 of this Agreement.
 - (d) A suitable project Accounting and Reporting System shall have been customised and implemented through the national IFMIS, and the chief accountant (Head of Finance) and Finance Specialist shall have been duly trained in its use.
 - (e) The complete settlement of outstanding unjustified amounts relating to previous Post-Harvest and Agribusiness Support Project (PASP).
4. This Agreement is subject to ratification by the Borrower.
5. The following are the designated representatives and addresses to be used for any communication related to this Agreement:

For the Borrower:

The Minister of Finance and Economic Planning
Ministry of Finance and Economic Planning
12 KN 3 Avenue, P.O Box 158, Kigali
Republic of Rwanda

Email: info@minecofin.gov.rw

For the Fund:

The President
International Fund for Agricultural Development
Via Paolo di Dono 44
00142 Rome, Italy

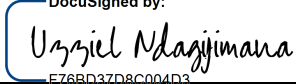
Copy to: The Country Director, Rwanda

The Parties accept the validity of any qualified electronic signature used for the signature of this Agreement and recognise the latter as equivalent to a hand-written signature.

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

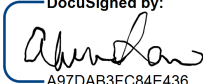
Loan No. 2000004783
Loan No. 2000004784
Loan No. 2000004785

REPUBLIC OF RWANDA

DocuSigned by:

E76BD37D8C004D3
Dr. Uzziel Ndagijimana
Ministry of Finance and
Economic Planning

Date: 22/1/2024 | 15:33:07 CET

INTERNATIONAL FUND FOR
AGRICULTURAL DEVELOPMENT

DocuSigned by:

A97DAB3FC84E436
Alvaro Lario
President

Date: 22/1/2024 | 16:10:44 CET

Republic of Rwanda
Rwanda Dairy Development Project Phase 2 ("RDDP2")

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Schedule 1

Project Description and Implementation Arrangements

I. Project Description

1. *Target Population.* The Project shall benefit 175,000 poor and nutrition-insecure rural households of whom 100,000 from the 14 initial RDDP districts will be targeted with scaled-up interventions such as Artificial Insemination services, fodder development, water facilities, digitalization of Milk Collection Centres (MCCs), and access to finance. The additional 75,000 new households will be selected from the RDDP districts (25,000 households) and the 13 new districts (50,000 households) belonging to Ubudehe category C, D, and E. Beneficiaries will be selected among those who are currently involved in or willing to participate in dairy sector. RDDP-2 will give preferential attention to women (45 per cent) and youth (25 per cent).

2. *Project area.* RDDP-2 will be implemented in 27 of the 30 districts of Rwanda, categorized into two (2) groups (*the "Project Area"*). Category 1 will cover the 14 districts where RDDP was implemented, in which RDDP-2 will build on achievements to further enhance transformation of the sector with new innovations, technologies and take advantage of new market opportunities. Category 2 will cover 13 new districts under the following criteria: (i) high incidence of poverty, food insecurity, malnutrition; (ii) high impact of climate change; (iii) high potential for women and youth to get involved in the dairy value chain; (iv) concentration of schools and density of school children; and v) potential for dairy value chain development, including markets for dairy products. The 3 remaining urban and peri-urban Districts (Gasabo, Kicukiro and Nyarugenge) could be targeted but only for activities related to milk processing and marketing.

3. *Goal.* The goal of the Project is to reduce the poverty level of targeted rural households and mitigate the impact of the dairy sector on climate change.

4. *Objectives.* The objective of the Project is to enhance income, nutrition and resilience of rural households through a more inclusive, sustainable, digitalized and competitive dairy sector through three project outcomes: i) increased climate-smart productivity and resilience of dairy smallholder production systems; ii) increased dairy value chain efficiency investments, market access, and consumption of dairy products; and iii) strengthened policy and institutional environment for sustainable and inclusive growth of the dairy sector. Increased climate adaptation and mitigation will be considered as a transversal objective which cuts across the three project outcomes.

5. *Components.* The Project shall consist of the following Components:

5.1 Component 1: Increasing productivity and resilience of dairy smallholder production systems will primarily target the production aspect by employing a climate smart livestock approach. This blends efforts to increase productivity and adapting livestock to climate change, while implementing measures to curtail Green House Gas (GHG) emissions linked to livestock activities. This will be achieved through two sub-components:

5.1.1 Sub-Component 1.1: Strengthening capacities, production assets and community organization of smallholder dairy farmers, will build assets (Girinka) and technical capacities of smallholder farmers in the domains of animal husbandry, animal welfare, as well as in fodder production, milk hygiene, and manure management. It also intends to foster community organization through forming Livestock Farmer Field Schools (L-FFS) and Self Help Groups, enabling farmers to access financial services, markets and production support, with the potential for these groups to transition into cooperatives. These efforts are expected to boost productivity, increase household incomes, and contribute to GHG reduction.

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5.1.2 Sub-Component 1.2: Access to services, inputs and technical innovations enhancing availability of quality feed and water to strengthen climate resilience. This sub-component will focus on improving smallholder farmers' access to essential production services that can increase productivity and strengthen their resilience to climate change. It encompasses three major activities: i) improving the availability of high-quality feed, fodder (seeds) through promoting a more market-oriented value chain and water at household and community levels; ii) enhancing delivery of animal health and breeding services (e.g. roll out of sanitary mandate, disease contingency fund, digitalized cattle registration system, etc); and iii) disseminating technical, digital, and climate-smart innovations.

5.2 Component 2: Increasing dairy value chain efficiency, through scaled-up investments, improved market access, and consumption of dairy products. This component focuses on optimizing the operational efficiency of the dairy value chain. This entails integrating climate-smart energy systems and digital technologies to facilitate the tracing of milk transactions across the value chain, with the goal of channelling milk through formal market avenues. This component has three interlinked sub-components:

5.2.1 Sub-Component 2.1: Increasing the dairy value chain efficiency. This sub-component aims to address the challenges related to the limited amount of milk marketed through formal channels and milk losses resulting from inadequate transportation and collection. It involves the promotion of shorter dairy value chains through the training and capacity building of MCCs and local dairy processors, along with the provision of processing and packaging equipment, leveraging renewable energy sources. Additionally, a digitalized monitoring system will be implemented to streamline milk production, aggregation, transportation, and marketing processes, ultimately improving the overall efficiency of the dairy value chain.

5.2.2 Sub-Component 2.2: Promotion of inclusive and innovative access to finance, will facilitate access to suitable, accessible and sustainable financial services (e.g. credit, savings, co-financing, leasing, insurance, and risk management tools) for all actors in the dairy sector. It employs a value chain financing approach tailored for both the demand and supply sides: i) providing trainings on business management and financial literacy; ii) promoting uptake of livestock insurance; iii) developing financial products that enhance returns and competitiveness.

5.2.3 Sub-Component 2.3: Improving milk consumption and nutrition awareness, will be achieved through nutrition education and 'Social and Behaviour Change Communication (SBCC)'. RDDP-2 will establish market linkages between MCCs and school feeding programme to support milk consumptions in schools. This will include facilitating marketing campaigns in collaboration with private sectors and cooperatives.

5.3 Component 3: Policy support and project management, monitoring & evaluation and knowledge management. This component will focus on policy engagement and stakeholder coordination to achieve the objective of 'strengthened policy and institutional environment for sustainable and inclusive growth of the dairy sector'. Policy intervention and formulation efforts will be reinforced by robust project M&E systems and evidence-based knowledge products. RDDP-2 will facilitate the engagement of stakeholders in policy dialogue via both national and district level dairy platforms.

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II. Implementation Arrangements

6. *Lead Project Agency.* Rwanda Agriculture and Animal Resources Development Board (RAB), an implementing agency of MINAGRI, will have the overall responsibility for the coordination and execution of the Project.

7. *Project Oversight Committee.* In line with the standard practice for IFAD-funded projects in Rwanda, a Project Steering Committee (PSC) will be established for RDDP-2. The Committee will be made up of representatives of MINAGRI and other relevant Ministries, as well as representatives of the target districts, members representing the farmer organizations, local institutions from the public and private sectors participating in the Project. The Committee is due to meet at least twice yearly, once to review the draft Annual Work Plan and Budget (AWPB) and again at mid-year to review the implementation progress, chaired by the Permanent Secretary of MINAGRI, and co-chaired by the Director General of RAB.

8. *Project Management Unit.* The Project will be implemented through the Single Project Implementation Unit (SPIU) under the authority of RAB. The SPIU Coordinator will oversee and coordinate the Project implementation at both the central and district level. Additionally, a dedicated RDDP-2 management team (PMT) will be formed within SPIU, including a Project Operations Manager, technical specialists, and field coordinators. In order to ensure seamless transition from RDDP to RDDP-2 and benefits from its existing capacities and management systems, contracts for RDDP-2 will be offered to those with satisfactory performance assessments, following ToRs developed in the PIM.

9. *Implementing partners.* The Borrower will conclude the contractual arrangements with the implementing partners, including Heifer International, for the implementation of the activities as described in the Schedule 1.

10. *Monitoring and Evaluation.* In collaboration with the MINAGRI MIS Developer, the M&E system will build upon the existing MINAGRI MIS Module to integrate a mobile data collection application, enabling the digital capture of real-time field data, including geospatial data. The primary responsibility for the M&E system will rest with the M&E unit within the SPIU, and all contracts and MoUs signed by the SPIU will incorporate details regarding the data collection and reporting responsibilities of implementing partners.

11. *Knowledge Management (KM).* A project-specific KM and Communication Strategy along with a comprehensive KM action plan will be developed by a KM specialist, and validated during the Project start-up workshop. In pursuit of the policy aspect, the KM activities will be focused on establishing effective channels for policy influence and dialogue. This will involve documenting project achievements/lessons and disseminating policy briefs to engage high-level stakeholders in the dairy sector.

12. *Project Implementation Manual.* The PDR includes a comprehensive PIM, which provides guidelines and framework for the project implementation. The PIM is a living document and lessons from experiences will be incorporated. The Borrower will review and elaborate the PIM prior to the project start-up, and any revisions to the PIM shall have to be submitted for the Fund's approval.

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Schedule 2

Allocation Table

1. *Allocation of Financing Proceeds.* (a) The Table below sets forth the Categories of Eligible Expenditures to be financed by the IFAD Loans and the allocation of the amounts to each category of the Financing and the percentages of expenditures for items to be financed in each Category:

Category		IFAD SHC Loan (Expressed in EUR)	IFAD HC Loan (Express ed in EUR)	IFAD OT Loan (Expressed in EUR)	Percentage Of Expenditure (Net of Taxes, Government and Beneficiary contributions)
I.	Equipment and Materials	230 000	60 000	720 000	100%
II.	Goods, Services and Inputs	2 110 000	520 000	3 800 000	100%
III.	Consultancies	2 870 000	720 000	3 670 000	100%
IV.	Grants and Subsidies	200 000	50 000	90 000	100%
V.	Salaries and Allowances	1 570 000	390 000		100%
	Unallocated	780 000	200 000	920 000	100%
TOTAL		7 760 000	1 940 000	9 200 000	

(b) The terms used in the Table above are defined as follows:

- (i) For SHC & HC IFAD Loans, the category equipment and materials also include the planned expenditures for vehicles.
- (ii) The category consultancies also include expenditures relating to training and workshops.
- (iii) The category salaries and allowances also include operating costs.

2. *Disbursement arrangements*

- (a) *Start-up Costs.* Withdrawals in respect of expenditures for start-up costs incurred before the satisfaction of the general conditions precedent to withdrawal shall not exceed an aggregate amount of EUR 200 000 (Two Hundred Thousand). Activities to be financed by Start-up Costs will require the no objection from IFAD to be considered eligible.

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Schedule 3

Special Covenants

I. General Provisions

In accordance with Section 12.01(a)(xxiii) of the General Conditions, the Fund may suspend, in whole or in part, the right of the Borrower to request withdrawals from the Loan Account if the Borrower has defaulted in the performance of any covenant set forth below, and the Fund has determined that such default has had, or is likely to have, a material adverse effect on the Project:

1. Within six (6) months of entry into force of the Financing Agreement, the Project will enter into Memorandum of Understandings (MoU) with implementing partners that will structure the collaboration, define roles, responsibilities and duties with regards to implementation, financial management, accounting and reporting. The MoUs shall be shared with IFAD for No Objection.

2. *Planning, Monitoring and Evaluation.* The Borrower shall ensure that a Planning, Monitoring and Evaluation (PM&E) system shall be established within twelve (12) months from the date of entry into force of this Agreement. The PM&E system shall be updated in accordance with MINAGRI's Management Information System (MIS) as well as IFAD's Operational Results Management System (ORMS), which shall be coordinated by the SPIU with support from technical specialists recruited under the Project. In order to supplement the Project ORMS Logical Framework, a detailed operational results framework, a monitoring and evaluation (M&E) plan, and a digitalized M&E system shall be developed by the SPIU to guide M&E processes, define roles and responsibilities.

3. *Gender.* The Borrower shall ensure that the Social Inclusion Specialist appointed under RDDP-2 will contribute to the social and economic inclusion of youth, women, other vulnerable groups, and facilitate an equal opportunity to participate and benefit from the project activities.

4. *Land tenure security.* The Borrower shall ensure that the land acquisition process has already been completed and that compensation processes were consistent with international best practice and free prior and informed consent (FPIC) principles.

5. *Anticorruption Measures.* The Borrower shall comply with IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.

6. *Sexual Harassment, Sexual Exploitation and Abuse.* The Borrower and the Project Parties shall ensure that the Project is carried out in accordance with the provisions of the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse, as may be amended from time to time.

7. *Use of Project Vehicles and Other Equipment.* The Borrower shall ensure that:

- (a) All vehicles and other equipment procured for the Project are allocated for Project implementation, fixed asset register is maintained and the annual physical asset verification is performed;
- (b) The types of vehicles and other equipment procured under the Project are appropriate to the needs of the Project; and
- (c) All vehicles and other equipment transferred to or procured under the Project are dedicated solely to Project use.

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8. *IFAD Client Portal (ICP) Contract Monitoring Tool (CMT)*. The Borrower shall ensure that a request is sent to IFAD to access the project procurement Contract Monitoring Tool in the IFAD Client Portal (ICP). The Borrower shall ensure that all contracts, memoranda of understanding, purchase orders and related payments are registered in the Project Procurement Contract Monitoring Tool in the IFAD Client Portal (ICP) in relation to the procurement of goods, works, services, consultancy, non-consulting services, community contracts, grants and financing contracts. The Borrower shall ensure that the contract data is updated on a quarterly basis during the implementation of the Project.

9. The Key Project Personnel are: Project Operation Manager, Financial Specialist, Chief Accountant, Officer for Monitoring and Evaluation, Knowledge Management Officer, Procurement Officer, Social Inclusion and Gender Specialist, and Environment and Climate Assessment Specialist. In order to assist in the implementation of the Project, the SPIU, unless otherwise agreed with IFAD, shall employ or cause to be employed, as required, key staff whose qualifications, experience and terms of reference are satisfactory to IFAD. Key Project Personnel shall be seconded to the SPIU in the case of government officials or recruited under a consulting contract following the individual consultant selection method in the IFAD Procurement Handbook, or any equivalent selection method in the national procurement system that is acceptable to IFAD. The recruitment of Key Project Personnel is subject to IFAD's prior review as is the dismissal of Key Project Personnel. In accordance with legal instrument implementing performance management of the Government of Rwanda, key Project Personnel are subject to annual performance evaluation and the continuation of their contract is subject to satisfactory performance. Any contract signed for Key Project Personnel shall be compliant with the national labour regulations or the ILO International Labour Standards (whichever is more stringent) in order to satisfy the conditions of IFAD's updated SECAP. Repeated short-term contracts must be avoided, unless appropriately justified under the Project's circumstances.

II. SECAP Provisions

1. The Borrower shall carry out the preparation, design, construction, implementation, and operation of the Project in accordance with the nine standards and other measures and requirements set forth in the Updated Social, Environmental Climate Assessment Procedures of IFAD ("SECAP 2021 Edition"), as well as with all applicable laws and regulations to the Borrower and/or the sub-national entities relating to social, environmental and climate change issues in a manner and substance satisfactory to IFAD. The Borrower shall not amend, vary or waive any provision of the SECAP 2021 Edition, unless agreed in writing by the Fund in the Financing Agreement and/or in the Management Plan(s), if any.

2. For projects presenting high or substantial social, environmental and climate risks, the Borrower shall carry out the implementation of the Project in accordance with the measures and requirements set forth in the Environmental and Social Impact Assessments (ESIAs)/Environmental, Social and Climate Management Frameworks (ESCMFs) and/or Resettlement Action Plans/Frameworks (RAPs/Fs) and Environmental, Social and Climate Management Plans (ESCMPs) for high risk projects and Abbreviated ESIAs and/or Abbreviated RAP/F and ESCMPs for substantial risk projects and Free, Prior and Informed Consent (FPIC) Plans, FPIC Implementation Plans, Indigenous Peoples Plans (IPPs), Pesticide Management Plans, Cultural Resources Management Plans and Chance Finds Plans] (the "Management Plan(s)"), as applicable, taken in accordance with SECAP requirements and updated from time to time by the Fund.

The Borrower shall not amend, vary or waive any provision of the ESCMPs and Management Plan(s), unless agreed in writing by the Fund and if the Borrower has

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complied with the same requirements as applicable to the original adoption of the ESCMPs and Management Plan(s).

3. The Borrower shall not, and shall cause the Executing Agency, all its contractors, its sub-contractors and suppliers not to commence implementation of any works, unless all Project affected persons have been compensated and/or resettled in accordance with the specific RAP/Abbreviated RAP, FPIC and/ or the agreed works and compensation schedule.

4. The Borrower shall cause the Lead Project Agency to comply at all times while carrying out the Project with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s), if any.

5. The Borrower shall disclose the draft and final ESIA reports and all other relevant Management Plan(s) with Project stakeholders and interested parties in an accessible place in the Project -affected area, in a form and language understandable to Project -affected persons and other stakeholders. The disclosure will take into account any specific information needs of the community (e.g. culture, disability, literacy, mobility or gender).

6. The Borrower shall ensure or cause the Executing Agency and Implementing Agency to ensure that all bidding documents and contracts for goods, works and services contain provisions that require contractors, sub-contractors and suppliers to comply at all times in carrying out the Project with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the Management Plan(s), if any.

7. The Borrower will ensure that a Project -level grievance mechanism is established that is easily accessible, culturally appropriate, available in local languages, and scaled to the nature of the Project's activity and its potential impacts to promptly receive and resolve concerns and complaints (e.g. compensation, relocation or livelihood restoration) related to the environmental and social performance of the Project for people who may be unduly and adversely affected or potentially harmed if the Project fails to meet the SECAP standards and related policies. The Project -level grievance mechanism needs to take into account indigenous peoples, customary laws and dispute resolution processes. Traditional or informal dispute mechanisms of affected indigenous peoples should be used to the greatest extent possible.

8. This section applies to any event which occurs in relation to serious environmental, social, health & safety (ESHS) incidents (as this term is defined below); labor issues or to adjacent populations during Project implementation that, with respect to the relevant IFAD Project:

- (i) has direct or potential material adverse effect;
- (ii) has substantially attracted material adverse attention of outside parties or create material adverse national press/media reports; or
- (iii) gives rise to material potential liabilities.

In the occurrence of such event, the Borrower shall:

- Notify IFAD promptly;
- Provide information on such risks, impacts and accidents;
- Consult with Project - affected parties on how to mitigate the risks and impacts;

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- Carry out, as appropriate, additional assessments and stakeholders' engagements in accordance with the SECAP requirements; and
- Adjust, as appropriate, the Project-level grievance mechanism according to the SECAP requirements; and
- Propose changes, including corrective measures to the Management Plan(s) (if any), in accordance with the findings of such assessment and consultations, for approval by IFAD.

Serious ESHS incident means serious incident, accident, complaint with respect to environmental, social (including labor and community), health and safety (ESHS) issues that occur in loan or within the Borrower/Recipient's activities. Serious ESHS incidents can comprise incidents of (i) environmental; (ii) occupational; or (iii) public health and safety; or (iv) social nature as well as material complaints and grievances addressed to the Borrower (e.g. any explosion, spill or workplace accident which results in death, serious or multiple injuries or material environmental contamination, accidents of members of the public/local communities, resulting in death or serious or multiple injuries, sexual harassment and -violence involving Project workforce or in relation to severe threats to public health and safety, inadequate resettlement compensation, disturbances of natural ecosystems, discriminatory practices in stakeholder consultation and engagement (including the right of indigenous peoples to free, prior and informed consent), any allegation that require intervention by the police/other law enforcement authorities, such as loss of life, sexual violence or child abuse, which (i) have, or are likely to have a material adverse effect; or (ii) have attracted or are likely to arouse substantial adverse attention of outside parties or (iii) to create substantial adverse media/press reports; or (iv) give, or are likely to give rise to material potential liabilities).

9. The Borrower shall ensure or cause the Executing Agency, Implementing Agency, contractors, sub-contractors and suppliers to ensure that the relevant processes set out in the SECAP 2021 Edition as well as in the ESCMPs and Management Plan(s) (if any) are respected.

10. Without limitation on its other reporting obligations under this Agreement, the Borrower shall provide the Fund with:

- Reports on the status of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition, ESCMPs and the management plan (if any) on a semi-annual basis - or such other frequency as may be agreed with the Fund;
- Reports of any social, environmental, health and safety incidents and/accidents occurring during the design stage, the implementation of the Project and propose remedial measures. The Borrower will disclose relevant information from such reports to affected persons promptly upon submission of the said reports ; and
- Reports of any breach of compliance with the standards, measures and requirements set forth in the SECAP 2021 Edition and the Management Plan(s) (if any) promptly after becoming aware of such a breach.

11. The Borrower shall fully cooperate with the Fund concerning supervision missions, midterm reviews, field visits, audits and follow-up visits to be undertaken in accordance with the requirements of SECAP 2021 Edition and the Management Plan(s) (if any) as the Fund considers appropriate depending on the scale, nature and risks of the Project.

12. In the event of a contradiction/conflict between the Management Plan(s), if any and the Financing Agreement, the Financing Agreement shall prevail.

Bibonywe kugira ngo bishyirwe ku mugereka w'Iteka rya Perezida n° 044/01 ryo ku wa 08/03/2024 ryemeza burundu Amasezerano y'inguzanyo hagati ya Repubulika y'u Rwanda n'Ikigega Mpuzamahanga Kigamije Guteza Imbere Ubuhinzi, yerekeranye n'inguzanyo ya miliyoni zirindwi n'ibihumbi magana arindwi na mirongo itandatu z'Amayero (EUR 7.760.000), iya miliyoni imwe n'ibihumbi magana cyenda na mirongo ine y'Amayero (EUR 1.940.000) n'iya miliyoni icyenda n'ibihumbi magana abiri z'Amayero (EUR 9.200.000) zigenewe umushinga wo guteza imbere umukamo w'amata mu Rwanda – Icyiciro cya 2, yashyiriweho umukono i Kigali mu Rwanda, n'i Roma mu Butaliyani ku wa 22 Mutarama 2024	Seen to be annexed to Presidential Order n° 044/01 of 08/03/2024 ratifying the Financing Agreement between the Republic of Rwanda and the International Fund for Agricultural Development, relating to the loans amounting to seven million seven hundred sixty thousand Euros (EUR 7,760,000), one million nine hundred forty thousand Euros (EUR 1,940,000), and nine million two hundred thousand Euros (EUR 9,200,000) for the Rwanda dairy development project - Phase 2, signed in Kigali, Rwanda, and in Rome, Italy, on 22 January 2024	Vu pour être annexé à l'Arrêté Présidentiel n° 044/01 du 08/03/2024 ratifiant l'Accord de financement entre la République du Rwanda et le Fonds International pour le Développement Agricole, relatif aux prêts d'un montant de sept millions sept cent soixante mille Euros (7.760.000 EUR), d'un million neuf cent quarante mille Euros (1.940.000 EUR), et de neuf millions deux cent mille Euros (9.200.000 EUR) pour le projet de développement de la production laitière au Rwanda - Phase 2, signé à Kigali, au Rwanda, et à Rome, en Italie, le 22 janvier 2024
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Kigali, 08/03/2024

(sé)

KAGAME Paul
Perezida wa Repubulika
President of the Republic
Président de la République

(sé)

Dr NGIRENTE Edouard
Minisitiri w'Intebe
Prime Minister
Premier Ministre

Bibonywe kandi bishyizweho Ikirango cya Repubulika:
Seen and sealed with the Seal of the Republic:
Vu et scellé du Sceau de la République:

(sé)

Dr UGIRASHEBUJA Emmanuel
Minisitiri w'Ubutabera akaba n'Intumwa Nkuru ya Leta
Minister of Justice and Attorney General
Ministre de la Justice et Garde des Sceaux