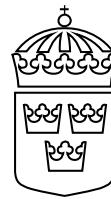


Regeringens proposition

2025/26:143



Extra ändringsbudget för 2026 – Stöd till Ukraina och vaccinberedskap

Prop.
2025/26:143

Regeringen överlämnar denna proposition till riksdagen.

Stockholm den 19 februari 2026

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Propositionens huvudsakliga innehåll

I denna proposition lämnar regeringen förslag till ändringar i statens budget för 2026. Förslagen är främst en följd av det allvarliga säkerhetspolitiska läget i Sveriges närhet och den förvärrade ekonomiska situationen i Ukraina med anledning av Rysslands fullskaliga invasion av Ukraina.

I propositionen lämnas förslag om ett bemyndigande för regeringen att skänka granatgevär med ammunition till Ukraina som kan avvaras av Försvarsmakten under en begränsad tid. Propositionen innehåller även förslag om ökade anslag och bemyndiganden för att anskaffa, utveckla och iordningsställa materiel i syfte att skänka till Ukraina samt för att kunna ersätta delar av den materiel som föreslås skänkas till landet. Vidare lämnas förslag om ökade anslag för att ge stöd till Ukraina i syfte att stärka landets totalförsvarsförmåga. I propositionen föreslås också att Sverige ställer ut en garanti för ett lån från Internationella återuppbyggnads- och utvecklingsbanken till Ukraina.

I propositionen lämnas dessutom förslag för att säkerställa Sveriges vaccinberedskap vid influensapandemier.

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Regeringens förslag:

1. Riksdagen godkänner den föreslagna användningen av anslaget 5:1 *Länsstyrelserna m.m.* inom utgiftsområde 1 Rikets styrelse (avsnitt 3.1).
2. Riksdagen godkänner avtalet med Internationella återuppbyggnads- och utvecklingsbanken om en garanti för bankens lån till Ukraina (avsnitt 3.1).
3. Riksdagen bemyndigar regeringen att under 2026 ställa ut en statlig garanti till Internationella återuppbyggnads- och utvecklingsbanken som, inklusive tidigare utfärdade garantier, uppgår till högst 280 700 000 euro plus ränta för bankens lån till Ukraina (avsnitt 3.1).
4. Riksdagen godkänner den föreslagna användningen av anslaget 1:2 *Försvarsmaktens insatser internationellt* inom utgiftsområde 6 Försvar och samhällets krisberedskap (avsnitt 3.1).
5. Riksdagen bemyndigar regeringen att under 2026 för anslaget 1:3 *Anskaffning av materiel och anläggningar* inom utgiftsområde 6 Försvar och samhällets krisberedskap besluta att skänka försvarsmateriel till Ukraina i form av granatgevär med ammunition, som kan avvaras av Försvarsmakten under en begränsad tid, till ett värde om högst 600 640 000 kronor (avsnitt 3.1).
6. Riksdagen godkänner ändrade ramar för utgiftsområden och anvisar ändrade anslag enligt tabell 1.1.
7. Riksdagen bemyndigar regeringen att ingå ekonomiska åtaganden som inklusive tidigare åtaganden medför behov av framtida anslag på högst de belopp och inom de tidsperioder som anges i tabell 1.2.

Riksdagen beslutar att förkorta motionstiden till sex dagar.

Tabell 1.1 Specifikation av ändrade ramar för utgiftsområden och ändrade anslag 2026

Tusental kronor

Utg. omr. Anslag		Beslutad	Förändring	
		ram/anvisat anslag	av ram/ anslag	Ny ram/ny anslagnivå
1	Rikets styrelse	21 614 324	3 000	21 617 324
5:1	Länsstyrelserna m.m.	4 418 384	3 000	4 421 384
6	Försvar och samhällets krisberedskap	225 022 485	-5 352 957	219 669 528
1:1	Förbandsverksamhet och beredskap	77 066 828	877 208	77 944 036
1:2	Försvarsmaktens insatser internationellt	15 306 336	4 922 405	20 228 741
1:9	Totalförsvarets forskningsinstitut	796 361	69 070	865 431
1:14	Stöd till Ukraina	39 725 000	-11 374 740	28 350 260
2:4	Krisberedskap	4 040 508	138 100	4 178 608
2:8	Myndigheten för psykologiskt försvar	159 794	15 000	174 794

Utg. omr. Anslag	Beslutad		Förändring	
	ram/anvisat	anslag	av ram/ anslag	Ny ram/ny anslagnivå
Summa anslagsförändring på ändringsbudget			-5 349 957	

Tabell 1.2 Ändrade och nya beställningsbemyndiganden 2026
Tusental kronor

Utg. omr. Anslag			Beslutat beställ- nings- bemyndi- gande	Förändring av beställ- nings- bemyndi- gande	Nytt beställ- nings- bemyndi- gande	Tidsperiod
6	1:2	Försvarsmaktens insatser internationellt	5 077 200	6 043 970	11 121 170	2027–2030
6	1:3	Anskaffning av materiel och anläggningar	288 854 000	600 640	289 454 640	2027–2037
6	2:4	Krisberedskap	3 146 000	116 100	3 262 100	2027–2032
9	2:2	Insatser för vaccinberedskap		498 333	498 333	2027–2030
Summa förändring av beställnings- bemyndigande på ändringsbudget				7 259 043		

Anm.: De ekonomiska åtagandena medger utgifter fr.o.m. 2027 t.o.m. angivet slutår.

Enligt riksdagsordningen får regeringen vid högst två tillfällen lämna en proposition med förslag till ändringar i statens budget för det löpande budgetåret (9 kap. 6 § första stycket). En sådan proposition lämnas i anslutning till budgetpropositionen eller den ekonomiska vårpropositionen (tilläggsbestämmelse 9.6.1). Förslag till ändringar i budgeten får dock lämnas vid andra tillfällen om regeringen anser att det finns särskilda skäl (9 kap. 6 § andra stycket).

Sedan Rysslands fullskaliga invasion av Ukraina inleddes har Sverige lämnat ett omfattande stöd till Ukraina för att stärka landets försvarsförmåga. Ukraina har efterfrågat ytterligare stöd. Sverige har ett utrikes- och säkerhetspolitiskt intresse av att skyndsamt bistå Ukraina med det efterfrågade stödet.

Den fortsatta ryska aggressionen mot Ukraina har förvärrat en redan ansträngd ekonomisk och finansiell situation i landet. Ukrainas finansieringsbehov bedöms vara betydande och ökar snabbt. Internationella återuppbyggnads- och utvecklingsbanken (IBRD) avser att ge ett lån till Ukraina för att uppfylla landets akuta behov av likvida medel och har bett Sverige att möjliggöra lånet genom att ställa ut garantier till banken.

I denna proposition lämnas mot denna bakgrund förslag om ytterligare stöd till Ukraina och om att Sverige ska garantera IBRD:s lån till landet. Det framförhandlade garantiavtalet mellan Sverige och IBRD finns i *bilaga 1*. Villkoren för bankens lån till Ukraina framgår av det utkast till låneavtal mellan Ukraina och IBRD som finns i *bilaga 2*. IBRD:s allmänna villkor för finansiering av investeringsprojekt finns i *bilaga 3*.

I propositionen lämnas även förslag för att säkerställa Sveriges vaccinberedskap.

Eftersom situationen i Ukraina är mycket allvarlig och utvecklas snabbt är det av avgörande betydelse att det efterfrågade stödet ges och garantierna ställs ut så snart som möjligt. Det är vidare angeläget att säkerställa Sveriges tillgång till vaccin vid influensapandemier. Regeringen anser därför att det finns särskilda skäl för att lämna förslag till ändringar i statens budget för 2026.

Regeringen anser vidare mot bakgrund av den allvarliga situationen i Ukraina att det finns synnerliga skäl för riksdagen att besluta om förkortad motionstid. Regeringen föreslår att motionstiden förkortas till sex dagar.

Regeringspartierna och Sverigedemokraterna har kommit överens om att införa en ram för det militära stödet till Ukraina för 2024–2027. Ramen uppgår till 146,5 miljarder kronor, fördelat på 25 miljarder kronor för 2024, 41,5 miljarder kronor för 2025 och 40 miljarder kronor per år för 2026 och 2027. Det stöd till Ukraina som föreslås i denna proposition är en del av den ramen.

3 Ändringar i statens budget för 2026

3.1 Ändringar av statens utgifter

Utgiftsområde 1 Rikets styrelse

5:1 Länsstyrelserna m.m.

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 4 418 384 000 kronor.

Regeringens förslag

Anslaget 5:1 *Länsstyrelserna m.m.* ökas med 3 000 000 kronor.

Anslaget 5:1 *Länsstyrelserna m.m.* får även användas för att lämna stöd till Ukraina.

Skälen för regeringens förslag

Anslaget används bl.a. för de 21 länsstyrelsernas förvaltningsutgifter, regeringens behov av vissa mindre utvecklingsinsatser och visst europeiskt samarbete.

Ukraina har behov av stöd för att utveckla och återuppbygga samhället i provinsen Zaporizjzja oblast i syfte att stärka landets civila försvar. Länsstyrelserna i Värmland och Västernorrland har lämnat förslag på stödåtgärder i form av kunskaps- och erfarenhetsutbyte på regional nivå inom civil beredskap (Fö2025/01777). Sverige har ett utrikes- och säkerhetspolitiskt intresse av att bistå Ukraina med det efterfrågade stödet. Anslaget bör därför ökas med 3 000 000 kronor.

För att möjliggöra stödåtgärderna bör anslagsändamålet utvidgas så att anslaget även får användas för att lämna stöd till Ukraina.

Ökningen av anslaget finansieras genom att anslaget 1:14 *Stöd till Ukraina* inom utgiftsområde 6 Försvar och samhällets krisberedskap minskas med motsvarande belopp.

Utgiftsområde 2 Samhällsekonomi och finansförvaltning

Garanti till Internationella återuppbyggnads- och utvecklingsbanken

Regeringens förslag

Riksdagen godkänner avtalet med Internationella återuppbyggnads- och utvecklingsbanken om en garanti för bankens lån till Ukraina.

Riksdagen bemyndigar regeringen att under 2026 ställa ut en statlig garanti till Internationella återuppbyggnads- och utvecklingsbanken som, inklusive tidigare utfärdade garantier, uppgår till högst 280 700 000 euro plus ränta för bankens lån till Ukraina.

Den fortsatta ryska aggressionen mot Ukraina har förvärrat en redan ansträngd ekonomisk och finansiell situation i landet. Ukrainas finansieringsbehov bedöms vara betydande och akuta. Det är därför av stor vikt att Sverige bidrar med stöd för att stärka Ukrainas ekonomi.

IBRD har ett flertal pågående engagemang i Ukraina i form av reform- och stödinsatser som syftar till att stärka landets långsiktiga ekonomiska tillväxt och stabilitet, bl.a. insatser för EU-anpassning, för att utveckla den inhemska finanssektorn och det sociala skydds nätet samt reformer inom den offentliga förvaltningen.

Efter förslag i propositionen Extra ändringsbudget för 2022 – Garanti till Internationella återuppbyggnads- och utvecklingsbanken för lån till Ukraina bemyndigades regeringen att under 2022 ställa ut en statlig garanti till IBRD som uppgick till högst 44 700 000 euro plus ränta för bankens kompletterande lån till Ukraina (prop. 2021/22:152, bet. 2021/22:FiU45, rskr. 2021/22:190).

IBRD förväntas under det första kvartalet 2026 besluta om ytterligare lån till Ukraina på 236 miljoner euro och har bitt Sverige att möjliggöra ett lån genom att ställa ut en garanti till banken. Lånet kommer att ges inom ramen för stödprogrammet Public Expenditures for Administrative Capacity Endurance, som syftar till att kompensera Ukraina för verifierade sociala och humanitära utgifter i landets statsbudget.

Sverige har ett nära och långtgående samarbete med Världsbanksgruppen, i vilken IBRD ingår. Banken har djupgående kunskaper om den finansiella och ekonomiska situationen i Ukraina och bedöms vara en pålitlig institution för att förvalta och övervaka ekonomiskt stöd till landet.

Det aktuella lånet från IBRD till Ukraina har en löptid om 30 år och rörlig ränta. Sverige kan, vid uteblivna betalningar av Ukraina, som mest behöva betala hela kapitalbeloppet om 236 miljoner euro, vilket för närvarande motsvarar 2,5 miljarder kronor, plus ränta. Enligt beräkningar baserade på nuvarande ränteläge kommer de totala räntebetalningarna att uppgå till 203 miljoner euro, vilket för närvarande motsvarar 2,2 miljarder kronor. Det garanterade beloppet, dvs. kapitalbeloppet plus ränta, beräknas därmed uppgå till 439 miljoner euro, vilket för närvarande motsvarar 4,7 miljarder kronor.

De första tio åren av lånets löptid är amorteringsfria och därefter ska Ukraina göra amorteringar till IBRD två gånger per år. Sveriges eventuella infriande av garantin, dvs. det Sverige behöver betala om Ukraina inte amorterar enligt plan, kommer att spridas ut över lånets löptid. För Sverige innebär det att den högsta förväntade årliga kostnaden beräknas uppkomma 2037 och uppgå till ca 237 miljoner kronor. Återbetalningar av lånet som garanteras av Sverige har samma prioritet och villkor som övriga lån från IBRD. Banken har en mycket hög grad av återbetalning på grund av sin status som prioriterad fordringsägare. Ett eventuellt infriande av garantin kommer vidare att leda till att Sverige får en rätt att kräva betalning för det infriade beloppet (regressrätt) från Ukraina.

Låneavtalet är föremål för slutlig formell handläggning av banken och Ukraina, och ett besked från Sverige om att landet kommer att ställa ut en garanti är en förutsättning för att lånet ska beviljas.

Det råder stor osäkerhet kring hur den rådande situationen i Ukraina kommer att utvecklas och hur den kommer att påverka den ekonomiska utvecklingen i landet. Det är svårt att bedöma om och i så fall när garantin kommer att infrias. Garantin bör därför hanteras utanför ramen för den statliga garantimodellen, som regleras i 6 kap. 4 och 5 §§ budgetlagen (2011:203). Kostnader för ett eventuellt infriande av garantin bör därför anslagsfinansieras. Ukraina ingår i OECD:s lista över biståndsländer och kostnaderna för ett eventuellt infriande uppfyller kriterierna för internationellt bistånd, enligt den definition som används av OECD:s biståndskommitté DAC. Dessa kostnader avses därför finansieras från anslaget 1:1 *Biståndsverksamhet* inom utgiftsområde 7 Internationellt bistånd.

Enligt 10 kap. 3 § regeringsformen krävs riksdagens godkännande för att regeringen ska kunna ingå en bindande internationell överenskommelse som gäller ett ämne som riksdagen ska besluta om. Vidare krävs enligt 9 kap. 8 § andra stycket regeringsformen och 6 kap. 3 § första stycket budgetlagen riksdagens medgivande för att Sverige ska kunna göra ekonomiska åtaganden av detta slag.

Mot denna bakgrund föreslår regeringen att riksdagen godkänner avtalet med IBRD om en garanti för bankens lån till Ukraina och bemyndigar regeringen att under 2026 ställa ut en statlig garanti till banken som, inklusive tidigare utfärdade garantier, uppgår till högst 280 700 000 euro plus ränta.

Efter riksdagens godkännande, och under förutsättning att innehållet i det slutliga låneavtalet mellan IBRD och Ukraina överensstämmer med innehållet i utkastet till låneavtal, avser regeringen ingå garantiavtalet.

Utgiftsområde 6 Försvar och samhällets krisberedskap

1:1 Förbandsverksamhet och beredskap

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 77 066 828 000 kronor.

Regeringens förslag

Anslaget 1:1 *Förbandsverksamhet och beredskap* ökas med 877 208 000 kronor.

Skälen för regeringens förslag

Anslaget används bl.a. för att finansiera utbildnings- och övningsverksamhet för utvecklingen av försvarsmaktsorganisationen, planering, nationella operationer och insatser och operationer och insatser under Natos ledning inom Natos eget territorium, under ledning av bilaterala och multilaterala samarbeten samt försvarsunderrättelseverksamhet. Anslaget används även till att finansiera åtgärder med avsikt att bibehålla materielens eller anläggningens tekniska förmåga eller prestanda.

I denna proposition föreslås att regeringen bemyndigas att skänka försvarsmateriel till Ukraina (se anslaget 1:3 *Anskaffning av materiel och anläggningar*). Överföringen av materielen till Ukraina medför bl.a.

kostnader för transporter med tillhörande säkerhetsoperationer samt för iordningställande och stöd till underhåll av materielen. Det är angeläget att överföringen kan genomföras skyndsamt. Vidare behöver Försvarsmakten genomföra utbildningsinsatser för att utveckla Ukrainas försvarsförmåga, inklusive insatser riktade till ukrainska medborgare. Utbildningsinsatserna avses genomföras inom ramen för bilaterala och multilaterala samarbeten. Anslaget bör därför ökas med 877 208 000 kronor.

Ökningen av anslaget finansieras genom att anslaget 1:14 *Stöd till Ukraina* minskas med motsvarande belopp.

1:2 Försvarsmaktens insatser internationellt

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 15 306 336 000 kronor.

Vidare har regeringen ett bemyndigande att under innevarande år besluta om beställningar av materiel och anläggningar som inklusive tidigare åtaganden medför behov av framtida anslag på högst 5 077 200 000 kronor 2027–2030.

Regeringens förslag

Anslaget 1:2 *Försvarsmaktens insatser internationellt* ökas med 4 922 405 000 kronor.

Anslaget 1:2 *Försvarsmaktens insatser internationellt* får även användas till att utveckla materiel och utrustning i syfte att skänka denna till Ukraina.

Regeringen bemyndigas att under 2026 för anslaget 1:2 *Försvarsmaktens insatser internationellt* besluta om beställningar och utveckling av materiel och utrustning som inklusive tidigare åtaganden medför behov av framtida anslag på högst 11 121 170 000 kronor 2027–2030.

Skälen för regeringens förslag

Anslaget används bl.a. till att anskaffa materiel och utrustning i syfte att skänka till Ukraina.

Ukraina har efterfrågat ytterligare materiel och utrustning för att stärka sin operativa försvarsförmåga, t.ex. avseende luftförsvar, långräckviddig bekämpning, materiel för logistik, infanteri, ledningsstöd och taktisk kommunikation, ammunition, sensorer och obemannade system. Vidare efterfrågar Ukraina fortsatta åtgärder för att utveckla och anpassa materiel till landets behov. Försvarets materielverk och Försvarsmakten har på uppdrag av regeringen lämnat förslag avseende materiel och utrustning som kan upphandlas och skänkas till Ukraina (Fö2025/00474 samt Fö2025/01609). Det handlar framför allt om materiel och utrustning som finns tillgänglig på marknaden, men det kan även vara fråga om materiel och utrustning som kräver viss utveckling och anpassning för att kunna tillgodose Ukrainas behov. Sverige har ett utrikes- och säkerhetspolitiskt intresse av att bistå Ukraina med den efterfrågade materielen och utrustningen. Sverige bör därför anskaffa och utveckla sådan materiel och utrustning för att skänka den till Ukraina, samt ge stöd till underhåll av

Prop. 2025/26:143 materielen och utrustningen. Anslaget bör därför ökas med 4 922 405 000 kronor.

För att kunna beställa och utveckla den efterfrågade materielen och utrustningen behövs ett utökat bemyndigande som medför ekonomiska åtaganden kommande år med 4 633 217 000 kronor. Bemyndigandet föreslås även omfatta en marginal på 1 410 753 000 kronor för att kunna hantera osäkerheter i fråga om leveranser av den materiel och utrustning som ska anskaffas. Sammantaget behöver bemyndigandet ökas med 6 043 970 kronor. Vidare behöver bemyndigandet utvidgas till att även omfatta att besluta om beställningar av utrustning och att besluta om utveckling av materiel och utrustning. Av förbiseende avser bemyndigandet som begärdes i budgetpropositionen för 2026 beslut om beställningar av anläggningar (prop. 2025/2026:1, utg.omr. 6, avsnitt 4.6.2). Det finns inte något behov av något sådant bemyndigande. Regeringen bör därför bemyndigas att under 2026 för anslaget 1:2 *Försvarsmaktens insatser internationellt* besluta om beställningar och utveckling av materiel och utrustning som inklusive tidigare åtaganden medför behov av framtida anslag på högst 11 121 170 000 kronor 2027–2030. Bemyndigandet medför behov av framtida anslag och anslaget beräknas öka med 2 748 557 000 kronor 2027 och 1 884 660 000 kronor 2028.

Vidare bör anslagsändamålet utvidgas så att anslaget även får användas till att utveckla materiel och utrustning i syfte att skänka denna till Ukraina.

Ökningen av anslaget 2026 och de beräknade ökningarna 2027 och 2028 finansieras genom att anslaget 1:14 *Stöd till Ukraina* minskas med 9 555 622 000 kronor.

Utförsel av försvarsmateriel som utgör krigsmateriel enligt lagen (1992:1300) om krigsmateriel kräver tillstånd enligt samma lag.

1:3 Anskaffning av materiel och anläggningar

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 71 191 794 000 kronor.

Vidare har regeringen ett bemyndigande att under innevarande år besluta om beställningar och avveckling av materiel och anläggningar som inklusive tidigare åtaganden medför behov av framtida anslag på högst 288 854 000 000 kronor 2027–2037.

Regeringens förslag

Regeringen bemyndigas att under 2026 för anslaget 1:3 *Anskaffning av materiel och anläggningar* besluta att skänka försvarsmateriel till Ukraina i form av granatgevär med ammunition, som kan avvaras av Försvarsmakten under en begränsad tid, till ett värde om högst 600 640 000 kronor.

Regeringen bemyndigas att under 2026 för anslaget 1:3 *Anskaffning av materiel och anläggningar* besluta om beställningar och avveckling av materiel och anläggningar som inklusive tidigare åtaganden medför behov av framtida anslag på högst 289 454 640 000 kronor 2027–2037.

Anslaget används bl.a. för att finansiera utveckling, anskaffning, återanskaffning och avveckling av anslagsfinansierad materiel och anläggningar.

Ukraina har behov av försvarsmateriel, bl.a. vapen och ammunition. Försvarsmakten har på uppdrag av regeringen lämnat förslag på hur ett fortsatt stöd till Ukraina kan utformas (Fö2025/01609).

Sverige har ett utrikes- och säkerhetspolitiskt intresse av att tillhandahålla den efterfrågade materielen till Ukraina. Sverige bör därför bistå Ukraina med den materiel som Försvarsmakten bedöms kunna avvara.

Enligt 8 kap. 6 § budgetlagen får regeringen besluta om överlåtelse av lös egendom om egendomen inte längre behövs för statens verksamhet eller blivit obrukbar eller om den inte anskaffats med statens medel. Den aktuella försvarsmaterielen behövs för statens verksamhet, men bedöms tillfälligt kunna avvaras som stöd till Ukraina. För att regeringen ska kunna skänka materielen krävs därför riksdagens bemyndigande.

Regeringen bör mot denna bakgrund bemyndigas att under 2026 besluta att skänka försvarsmateriel till Ukraina i form av granatgevär med ammunition, som kan avvaras av Försvarsmakten under en begränsad tid, till ett värde om högst 600 640 000 kronor.

För att kunna ersätta den materiel som nu föreslås skänkas till Ukraina med motsvarande materiel behöver även beställningar göras som medför ekonomiska åtaganden kommande år. Bemyndigandet bör därför ökas med 600 640 000 kronor. Ökningen av bemyndigandet medför behov av framtida anslag och anslaget beräknas öka med 600 640 000 kronor 2027.

Den beräknade ökningen av anslaget 2027 finansieras genom att anslaget 1:14 *Stöd till Ukraina* minskas med 600 640 000 kronor.

Utförsel av försvarsmateriel som utgör krigsmateriel enligt lagen om krigsmateriel kräver tillstånd enligt samma lag.

1:9 Totalförsvarets forskningsinstitut

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 796 361 000 kronor.

Regeringens förslag					
Anslaget	1:9	Totalförsvarets	forskningsinstitut	ökas	med
69 070 000 kronor.					

Skälen för regeringens förslag

Anslaget används bl.a. för att lämna stöd till Ukraina.

Ukraina har efterfrågat stöd för att stärka landets totalförsvarsförmåga. Totalförsvarets forskningsinstitut har lämnat förslag på hur ett fortsatt stöd till Ukraina kan utformas (Fö2025/01664). Myndigheten har möjlighet att bistå Ukraina med tekniköverföring, metodutveckling och kunskapsöverföring. Sverige har ett utrikes- och säkerhetspolitiskt intresse av att stödja Ukraina på detta område. Anslaget bör därför ökas med 69 070 000 kronor.

Prop. 2025/26:143 Ökningen av anslaget finansieras genom att anslaget 1:14 *Stöd till Ukraina* minskas med motsvarande belopp.

1:14 Stöd till Ukraina

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 39 725 000 000 kronor.

Regeringens förslag

Anslaget 1:14 *Stöd till Ukraina* minskas med 11 374 740 000 kronor.

Skälen för regeringens förslag

Anslaget används bl.a. för utgifter för direkt stöd till Ukraina i form av ekonomiska bidrag för att stödja Ukrainas försvarsförmåga.

Ramen för det militära stödet till Ukraina hanteras inom anslaget 1:14 *Stöd till Ukraina*. Medel från anslaget omfördelas till andra berörda anslag i syfte att genomföra föreslagna stödåtgärder.

För att finansiera ökningarna av de anslag som föreslås och beräknas i denna proposition i syfte att vidta stödåtgärder till Ukraina minskas anslaget med 11 374 740 000 kronor.

2:4 Krisberedskap

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 4 040 508 000 kronor.

Vidare har regeringen ett bemyndigande att under innevarande år ingå ekonomiska åtaganden som inklusive tidigare åtaganden medför behov av framtida anslag på högst 3 146 000 000 kronor 2027–2032.

Regeringens förslag

Anslaget 2:4 *Krisberedskap* ökas med 138 100 000 kronor.

Regeringen bemyndigas att under 2026 för anslaget 2:4 *Krisberedskap* ingå ekonomiska åtaganden som inklusive tidigare åtaganden medför behov av framtida anslag på högst 3 262 100 000 kronor 2027–2032.

Skälen för regeringens förslag

Anslaget används bl.a. för att finansiera åtgärder som stärker samhällets samlade beredskap och förmåga att hantera allvarliga kriser och deras konsekvenser. Anslaget används också i viss utsträckning för att finansiera åtgärder för att kunna ge stöd till andra länder vid en allvarlig kris.

Ukraina har efterfrågat stöd i form av materiel, utbildning och expertis inom bl.a. minhantering, sjukvård och rehabilitering samt för att skydda kritisk infrastruktur och civilbefolkningen. Myndigheten för civilt försvar har lämnat förslag på stöd som kan lämnas till Ukraina inom dessa områden. Myndigheten föreslår även att ytterligare civil expertis tillförs Natos initiativ till stöd för Ukraina, NATO Security Assistance and Training for Ukraine (Fö2025/01617). Sverige har ett utrikes- och säker-

hetspolitiskt intresse av att bistå Ukraina med stödet. Anslaget bör därför ökas med 138 100 000 kronor. Prop. 2025/26:143

För att kunna upphandla den materiel som föreslås skänkas till Ukraina behöver beställningar göras som medför ekonomiska åtaganden kommande år. Bemyndigandet bör därför ökas med 116 100 000 kronor. Ökningen av bemyndigandet medför behov av framtida anslag och anslaget beräknas öka med 85 100 000 kronor 2027 och med 31 000 000 kronor 2028.

Ökningen av anslaget 2026 och de beräknade ökningarna av anslaget 2027 och 2028 finansieras genom att anslaget 1:14 *Stöd till Ukraina* minskas med 254 200 000 kronor.

2:8 Myndigheten för psykologiskt försvar

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 159 794 000 kronor.

Regeringens förslag

Anslaget 2:8 *Myndigheten för psykologiskt försvar* ökas med 15 000 000 kronor.

Skälen för regeringens förslag

Anslaget används bl.a. för att lämna stöd till Ukraina.

Ukraina har efterfrågat stöd och expertis för att bl.a. öka befolkningens, civilsamhällets och myndigheters motståndskraft samt stärka de institutioner som har till uppgift att skydda demokratiska processer i Ukraina. Myndigheten för psykologiskt försvar har lämnat förslag på hur stödet till Ukraina kan utformas (Fö2026/00152). Sverige har ett utrikes- och säkerhetspolitiskt intresse av att bistå Ukraina med det efterfrågade stödet. Anslaget bör därför ökas med 15 000 000 kronor.

Ökningen av anslaget finansieras genom att anslaget 1:14 *Stöd till Ukraina* minskas med motsvarande belopp.

Utgiftsområde 9 Hälsovård, sjukvård och social omsorg

2:2 Insatser för vaccinberedskap

I statens budget för innevarande år finns för detta ändamål uppfört ett anslag på 153 500 000 kronor.

Något bemyndigande att ingå ekonomiska åtaganden har inte lämnats för innevarande år.

Regeringens förslag

Regeringen bemyndigas att under 2026 för anslaget 2:2 *Insatser för vaccinberedskap* ingå avtal om vaccin vid influensapandemier som inklusive tidigare åtaganden medför behov av framtida anslag på högst 498 333 000 kronor 2027–2030.

Anslaget används för utgifter för insatser för vaccinberedskap för att stärka Sveriges förutsättningar att vid influensapandemier skydda befolkningen med hjälp av vacciner.

En upphandling av vaccin vid influensapandemier har försenats. För att säkerställa tillgång till sådant vaccin behöver avtal därför ingås under det första halvåret 2026 som medför ekonomiska åtaganden under flera år. Det är angeläget att Sverige har tillgång till vaccin vid en influensapandemi. Regeringen bör därför bemyndigas att under 2026 för anslaget 2:2 *Insatser för vaccinberedskap* ingå avtal om vaccin vid influensapandemier som inklusive tidigare åtaganden medför behov av framtida anslag på högst 498 333 000 kronor 2027–2030.

3.2 Konsekvenser för statens budget

De förslag som lämnas i denna proposition innebär att anvisade medel sammantaget minskar med 5,3 miljarder kronor 2026. De minskade utgifterna beräknas förstärka statens finansiella sparande med 5,3 miljarder kronor och minska statens lånebehov med motsvarande belopp.

De föreslagna förändringarna av beställningsbemyndigandena för anslagen 1:2 *Försvarsmaktens insatser internationellt*, 1:3 *Anskaffning av materiel och anläggningar* och 2:4 *Krisberedskap* medför ökade utgifter. Anslagen beräknas behöva öka med totalt 5,3 miljarder kronor för 2027 och 2028. De ökade utgifterna beräknas försämra statens finansiella sparande med 3,4 miljarder kronor 2027 och 1,9 miljarder kronor 2028. Statens lånebehov beräknas öka med motsvarande belopp. De anslagsökningar som föreslås och beräknas i denna proposition finansieras genom att anslaget 1:14 *Stöd till Ukraina* minskas med motsvarande belopp 2026.

Förslagen innebär vidare att de statliga garantiåtagandena ökar med 2,5 miljarder kronor exklusive ränta. Statens lånebehov och finansiella sparande påverkas inte av utfärdandet av garantin. Om garantin behöver infrias innebär det att staten betalar ut ersättning för förluster på garantin, vilket tar utrymme under utgiftstaket i anspråk, försämrar statens finansiella sparande och ökar statens lånebehov. Framtida återvinningar av utbetalda belopp till följd av infrianden av garantin kommer att leda till att statens lånebehov minskar och att statens finansiella sparande förbättras.

Guarantee Agreement

DRAFT WORLD BANK FORM

IBRD LOAN NUMBER ____-__

Guarantee Agreement

ADDITIONAL FINANCING FOR THE PUBLIC EXPENDITURES
FOR ADMINISTRATIVE CAPACITY ENDURANCE IN UKRAINE
PROJECT

between

GOVERNMENT OF THE KINGDOM OF SWEDEN

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

Dated [____], 20[__]

This GUARANTEE AGREEMENT, dated as of [_____], 20[___] (as amended, supplemented or otherwise modified from time to time, this “Guarantee Agreement”), entered into between the GOVERNMENT OF THE KINGDOM OF SWEDEN (the “Guarantor”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the “Bank”) in connection with the Loan Agreement to be entered into between the Bank and UKRAINE (the “Borrower”) with respect to Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project (as amended or otherwise modified from time to time, the “Loan Agreement”). The Guarantor and the Bank hereby agree as follows:

WHEREAS:

(A) the Borrower has requested that the Bank extend a loan (the “Loan”) in the total amount described in the Loan Agreement, on the terms set forth therein;

(B) the Bank would be unwilling to extend a Loan up to such total requested amount without guarantees or other credit support to reduce its total exposure to the Borrower; and

(C) the Guarantor is entering into this Guarantee Agreement to provide a guarantee to the Bank for all loan payments payable by the Borrower pursuant to the Loan Agreement, all subject to the terms and conditions described below, in order to facilitate and support the Loan to the Borrower.

NOW, THEREFORE, The Guarantor and the Bank hereby agree as follows:

ARTICLE I – GENERAL CONDITIONS; DEFINITIONS

Section 1.01. Definitions. Unless the context requires otherwise, capitalized terms used in this Guarantee Agreement have the meanings set forth below or, if not defined herein, shall have the meanings ascribed to them in the General Conditions (as defined in the Appendix to the Loan Agreement):

“Bank” has the meaning given in the preamble.

“Borrower” has the meaning given in the preamble.

“Business Day” means a day (other than a Saturday or Sunday) when banks and governmental offices are generally open for business in Washington, DC.

“Demand Notice” means a written notice requesting a payment by the Guarantor under Section 2.01, signed by an authorized representative of the Bank, which shall set forth in reasonable detail a calculation of the Guarantee Amount in accordance with Article II and shall provide the relevant wire transfer details for the Bank or other payment instructions.

“Default Interest” means the one half of one percent (0.5%) premium that is added to the applicable interest rate if the Default Interest Rate is applicable under the Loan Agreement, as that premium may be adjusted from time to time, and as such Default Interest Rate is defined under the relevant General Conditions applicable to the Loan Agreement.

“Guarantee Agreement” has the meaning given in the preamble.

“Guarantee Amount” has the meaning given in Section 2.01(b).

“Guarantor” has the meaning given in the preamble.

“Loan” has the meaning given in the preamble.

“Loan Agreement” has the meaning given in the preamble.

“Maximum Guaranteed Amount” means the Maximum Guaranteed Principal plus the interest due and payable at any time on the Loan made under the Loan Agreement.

“Maximum Guaranteed Principal” means EURO two hundred and thirty-six million.
(€ 236, 000 000)

“Party” means each of the Guarantor and the Bank.

“Scheduled Payment” means the repayment of principal and interest by the Borrower on the applicable payment dates set forth in the Loan Agreement (including any interest on overdue amounts but excluding any Default Interest).

Section 1.02. Incorporation. The provisions of Section 1.04 (References; Headings), Article VIII (Enforceability; Arbitration), Article IX (Effectiveness; Termination), and Article X (Miscellaneous Provisions) of the General Conditions, together with all related definitions, are hereby incorporated by reference and shall apply to this Guarantee Agreement, mutatis mutandis, as though specifically set forth herein, with the understanding that the Guarantor constitutes a “Guarantor” and a “Loan Party” for purposes of such provisions.

ARTICLE II – GUARANTEE; PAYMENTS

Section 2.01. Guarantee. On and subject to the terms and conditions of this Guarantee Agreement, the Guarantor guarantees and undertakes that, if

- (a) the Borrower fails to make any Scheduled Payment under the Loan Agreement on or by the date provided for pursuant thereto, and
- (b) such failure continues for six (6) months after the due date therefor, and
- (c) the Bank places the Loan in non-accrual or declares the Loan eligible to be placed in non-accrual with respect to the non-payment of any such amount (the “Guarantee Amount”),

then the Guarantor shall, within thirty (30) days of receiving a Demand Notice from the Bank, make a payment to the Bank in an amount equal to the Guarantee Amount; provided that, (x) in no event shall the Guarantee Amount exceed the Pro Rata Guaranteed Amount, (y) in no event shall the aggregate liability of the Guarantor to make guarantee payments under this Guarantee Agreement exceed the Maximum Guaranteed Amount, and (z) for the avoidance of doubt, the Guarantor’s guarantee obligations are limited to Scheduled Payments, and therefore, in the event of an acceleration by the Bank of the principal payments due under the Loan Agreement in accordance with the terms thereof, the Guarantor’s guarantee obligations shall not be accelerated, but shall continue to be based on any Scheduled Payments to the extent amounts remain outstanding and unpaid by the Borrower.

Section 2.02. Demand Notices.

- (a) The Bank shall use its best efforts to send prompt written notice to the Guarantor of (i) any failure by the Borrower to make a Scheduled Payment under the Loan Agreement that continues for ninety (90) days after the due date therefor, and (ii) any non-accrual event with respect to the Loan Agreement, provided that in each case the failure to provide any such notice shall not affect any of the Guarantor’s obligations under this Guarantee Agreement.
- (b) Any Demand Notice delivered on or prior to 5 p.m. on any Business Day shall be considered delivered on that Business Day. Any Demand Notice delivered after 5 p.m. or on a day that is not a Business Day shall be considered delivered on the following Business Day.

Section 2.03. Payments. All payments made by the Guarantor to the Bank shall be Euro cash payments in immediately available funds, delivered before 11 a.m. Washington, DC time on the due date therefor, to the account of the Bank specified in the applicable Demand Notice. All payments shall be made without (and free and clear of any deduction for) any set-off or counterclaim.

ARTICLE III –SUBROGATION AND RECOVERIES

Section 3.01. Subrogation. If and to the extent that the Guarantor makes any payment under Section 2.01:

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- (a) the Guarantor shall be subrogated immediately to the contractual right of repayment of the Bank under the Loan Agreement, to the extent of such payment of Guarantee Amounts; provided that the Guarantor shall not be subrogated to any other rights the Bank may have under the Loan Agreement, including with respect to amounts owed by the Borrower that are not covered by the Guarantor;
- (b) the Bank hereby assigns to the Guarantor any right to receive repayment from the Borrower under the Loan Agreement to the extent any amounts have been paid by the Guarantor under this Guarantee Agreement, and the Bank shall notify the Guarantor and the Borrower of such amounts and assignment; and
- (c) the Bank shall not prevent or interfere with the Guarantor exercising in its own name any rights or remedies available to it, in order to recover from the Borrower any amounts that the Guarantor has paid from time to time under this Guarantee Agreement.

Section 3.02. Election by Guarantor. At the time of making any payment under Section 2.01 or at any time thereafter, the Guarantor may notify the Bank in writing that it elects not to pursue recoveries from the Borrower, in which case the provisions of Section 3.01 (a), (b) and (c) above shall not apply. For the avoidance of doubt, any prior assignment under Section 3.01 (b) above shall be null and void, and such payment under Section 2.01 shall be treated as a contribution by the Guarantor to the Bank to be applied to the Guarantee Amount under the terms of this Guarantee Agreement without any corresponding recovery rights by the Guarantor against the Borrower. Any election by the Guarantor under this paragraph shall be irrevocable unless the Guarantor and the Bank otherwise agree in writing.

Section 3.03. Recoveries.

(a) The Bank shall have no obligation to pursue recovery of any Guarantee Amounts that the Guarantor has paid under this Guarantee Agreement from the Borrower on behalf of the Guarantor. Furthermore, in the event of any non-payment by the Borrower and non-accrual event that creates an obligation for the Guarantor to make a payment of a Guarantee Amount under Section 2.01, the Bank shall have no obligation to exercise any particular remedies against the Borrower, apply any cross-default, cross-suspension, penalty, or sanctions policies, or otherwise take any action under the Loan Agreement in order to facilitate a recovery of any such Guarantee Amounts from the Borrower.

(b) For the avoidance of doubt, payments of the Guarantee Amount received by the Bank from the Guarantor pursuant to this Guarantee Agreement shall be deemed as full satisfaction and discharge of the Borrower's payment obligations to the Bank under the Loan Agreement in

respect of such amounts paid by the Guarantor under this Guarantee Agreement. If following an assignment under Section 3.01(b) or an election by the Guarantor under Section 3.02, the Borrower whether by administrative error or otherwise, makes a payment to the Bank relating to an amount that has been the subject of a previously paid claim under this Guarantee Agreement, such payment will be returned to the Borrower.

ARTICLE IV – REPRESENTATIONS AND COVENANTS

Section 4.01. Representations. The Guarantor represents and warrants, as of the date of this Guarantee Agreement:

- (a) it has the power, authority and legal right to (i) execute and deliver this Guarantee Agreement and (ii) comply with the provisions of this Guarantee Agreement;
- (b) the obligations expressed to be assumed by it in this Guarantee Agreement constitute legal, valid and binding obligations, enforceable against it in accordance with the terms of this Guarantee Agreement; and
- (c) all authorizations and consents required in connection with the execution and delivery of this Guarantee Agreement and the performance of its obligations hereunder (including any parliamentary approvals, internal authorizations and consents) have been obtained and are in full force and effect, and such execution, delivery and performance do not and will not (i) require any further authorization under present laws, or (ii) violate any provision of its constitutive documents or any law or any order, judgment, injunction, decree, resolution, determination or award of any court or arbitrator or any judicial, administrative or governmental authority or organization, in each case presently in effect having applicability over it.

Section 4.02. Legal Opinion. Promptly upon the execution of this Guarantee Agreement, the Guarantor shall furnish to the Bank an opinion of legal counsel acceptable to the Bank that this Guarantee Agreement has been duly authorized, executed and delivered on behalf of the Guarantor and is legally valid, binding, and enforceable upon the Guarantor in accordance with the terms hereof.

ARTICLE V – ASSIGNMENT; WAIVERS; MISCELLANEOUS

Section 5.01. No Assignment. Neither Party shall assign any of its rights or obligations under this Guarantee Agreement, in whole or in part, to any other person or entity without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Any such assignment

without the prior written consent of the other Party shall be null and void. For the avoidance of doubt, any guarantee provided under this Guarantee Agreement which is transferred without the written consent of the other Party shall be null and void.

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Section 5.02. Waiver and Amendment. Nothing in this Guarantee Agreement shall restrict or prevent the Bank from (a) cancelling, suspending or terminating the Loan Agreement or any related document, (b) amending, varying, modifying, novating, restating, supplementing or replacing or agreeing to or acquiescing in any amendment, variation, modification, novation, restatement, supplement or replacement of the Loan Agreement, (c) giving any consent or waiver pursuant to, or in connection with the Loan Agreement, or (d) taking any other action in respect of the Loan Agreement, provided that, without the written consent of the Guarantor, which shall not be unreasonably withheld, none of the foregoing actions shall increase or accelerate the obligations of the Guarantor under Section 2.01.

Section 5.03. Remedies Cumulative. The rights and remedies of the Bank under this Guarantee Agreement: (a) are cumulative and in addition to and not exclusive of their respective rights under general law; and (b) may be waived only in writing and specifically. Delay in the exercise or non-exercise of any such right or remedy is not a waiver of that right or remedy.

Section 5.04. Waiver of Defenses. Except as expressly provided in this Guarantee Agreement, the Guarantor's obligations under this Guarantee Agreement are irrevocable, unconditional and absolute regardless of the unenforceability, invalidity, illegality or voidability of the Loan Agreement, and neither the rights, powers or remedies conferred on the Bank by this Guarantee Agreement or by law nor the liability of the Guarantor under this Guarantee Agreement shall be discharged, impaired or otherwise affected by any act, omission, circumstance, matter or thing which, but for this provision, might operate to release or prejudice any of the Guarantor's obligations under this Guarantee Agreement or discharge, impair or diminish or otherwise affect such rights, remedies or obligations in whole or in part, or by any other circumstances which might constitute a legal or equitable discharge or a defense of a surety or guarantor.

Section 5.05. No Waiver of Immunities. Nothing in this Guarantee Agreement shall operate as or be construed to constitute a waiver, renunciation or any other modification of any privilege or immunity of the Bank under its Articles of Agreement or other constitutional document, or under any applicable law.

Section 5.06. Determinations by the Bank. Where this Guarantee Agreement refers to or requires any determination or calculation of any amount or fact to be made by the Bank, the Bank's determinations or calculations shall, in the absence of manifest error, be conclusive and binding for all purposes of this Guarantee Agreement.

Section 5.07. Term and Termination. This Guarantee Agreement shall continue in full force and effect until the earlier of: (a) the date which occurs six months after all the Borrower’s obligations guaranteed hereunder are fully and unconditionally repaid or prepaid and discharged; or (b) payments by the Guarantor hereunder reach the Maximum Guaranteed Amount.

ARTICLE VI –REPRESENTATIVE; ADDRESSES

Section 6.01. The Guarantor’s Address is:

[_____]

Attn: [name and designation]

E-mail:

Section 6.02. The Bank’s Address is:

International Bank for Reconstruction and
Development
1818 H Street, N.W.
Washington, DC 20433
United States of America
Facsimile: (202) 477-6391
Attn: [name and designation]
E-mail:

[SIGNATURE PAGE FOLLOWS]

AGREED as of the day and year first above written.

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[_____]

By: _____

Name:
Title:

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By: _____

Name:
Title:

**DRAFT LOAN AGREEMENT FOR POTENTIAL ADDITIONAL FINANCING FOR
THE PUBLIC EXPENDITURES FOR ADMINISTRATIVE CAPACITY ENDURANCE
IN UKRAINE PROJECT**

(Subject to internal World Bank and Borrower reviews and approvals.
This draft loan agreement is shared for the purpose of facilitating processing by the
Swedish Guarantor)

Draft as of February 6, 2026

LOAN NUMBER ____-__

Loan Agreement

**(*insert number*) Additional Financing for the Public Expenditures for Administrative
Capacity Endurance in Ukraine Project)**

between

UKRAINE

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between UKRAINE (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”), for the purpose of providing the *[insert number]* additional financing for activities related to the Original Project (as said Original Project is defined in the Appendix to this Agreement).

WHEREAS:

- (A) following an international effort to provide development support to Ukraine and having satisfied itself as to the feasibility and priority of the project as further described in Schedule 1 to this Agreement (“Project”), the Borrower has requested the Bank to extend a loan to assist in the financing of the Project;
- (B) the Borrower also obtained multiple loans and grants which have been extended to the Borrower beginning in June 2022 to assist in the financing of the Project under the respective Preceding Loan Agreements, Preceding Financing Agreements, and Preceding Grant Agreements (as defined in the Appendix to this Agreement).

The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of [two hundred thirty-six million Euro (€ 236,000,000)] (“Loan”) to assist in financing the Project.
- 2.02. The Loan is to be guaranteed by and is subject to the Swedish Guarantee denominated in the Loan Currency. Accordingly, Currency Conversion shall not be permitted in respect of this Loan, and the provisions of the General Conditions relating to Currency Conversion, including the provisions of Article IV, shall not apply to this Loan.
- 2.03. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.04. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.

- 2.05. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.06. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.07. The Payment Dates are [January 1] and [July 1] in each year.
- 2.08. The principal amount of the Loan shall be repaid in accordance with Section 3.03 of the General Conditions and Schedule 3 to this Agreement.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall, through the Ministry of Finance (“MoF”), carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Event of Suspension consists of the following, namely that any of the Borrower’s Guaranteed Minimum Income (“GMI”) Program Legislation, Housing and Utilities Subsidy (“HUS”) Program Legislation, Disability Program Legislation, Internally Displaced Persons (“IDP”) Program Legislation, Family with Children Programs Legislation, or Program of Medical Guarantees (“PMG”) Legislation have been amended, suspended, abrogated, repealed, or waived, so as to affect materially and adversely the ability of the Borrower to carry out the Project or to perform any of its obligations under this Agreement.

ARTICLE V — EFFECTIVENESS; OTHER UNDERTAKINGS

- [5.01. The Additional Condition of Effectiveness consists of the following, namely that the Swedish Guarantee Agreement has been executed and delivered and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement) have been fulfilled.]
- [5.02. The Effectiveness Deadline is the date _____ (_0) days after the Signature Date.]
- 5.0[3]. Without limitation to Section 10.02 (b) of the General Conditions, any modification to this Agreement shall be executed by written instrument agreed by the parties hereto. Such amendment shall become effective as set forth in the amending agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

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

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

(a) the Borrower's address is:

Ministry of Finance
12/2 M. Hrushevskoho Str.
Kyiv, 01008
Ukraine; and

(b) the Borrower's Electronic Address is:

Facsimile:	E-mail:
+38 (044) 425-90-26	<u>infomf@minfin.gov.ua</u>

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

(a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

Telex:	Facsimile:	[E-mail:]
248423(MCI) or 64145(MCI)	1-202-477-6391	_____

AGREED as of the Signature Date.

UKRAINE

By

Authorized Representative

Name: _____

Title: _____

Date: _____

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By

Authorized Representative

Name: _____

Title: _____

Date: _____

SCHEDULE 1

Project Description

The objective of the Project is to contribute to sustaining the Borrower's administrative and service delivery capacity to exercise core government functions at the national and regional levels.

The Project consists of the following parts:

Part 1. Supporting the Borrower in: (a) maintaining core government functions through: (i) the payment of Salaries of Eligible Employees; and (ii) the payment of Salaries of Eligible Higher Education Institutions Employees; and (b) the provision of Project audits.

Part 2. Supporting the Borrower in: (a) financing monthly pension payments subsidized by the central government; and (b) maintaining its social assistance systems and programs through financing of:

- (i) the GMI Program, which provides monthly benefits to low-income families;
- (ii) the HUS Program, which provides financial support to low-income families and individuals for the payment of utility bills;
- (iii) the Disability Program, which provides financial support to eligible persons with disabilities;
- (iv) the IDP Program, which provides monthly cash allowances to eligible IDPs; and
- (v) the Family with Children Programs, which provide support to Eligible Families with Children.

Part 3. Supporting the Borrower in maintaining: (a) health care services delivery under the PMG through the financing of PMG Payments to Eligible Health Service Providers in order to pay salaries of healthcare workers; and (b) emergency service delivery through the payment of Salaries of Eligible First Responders.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements.

1. The Borrower shall vest responsibility for overall coordination and implementation of the Project in the MoF.
2. The Borrower, through MoF, shall maintain the deputy minister of finance as a Project coordinator to be responsible for Project implementation, monitoring, and reporting.
3. The Borrower, through MoF, shall, at all times during Project implementation, ensure that its Department of Expenditures of Public Authorities and its Department of Expenditures of Humanitarian Sector are each maintained with mandate, composition, and resources acceptable to the Bank and are responsible for reporting to the Project coordinator, referred to in paragraph 2 above, on consolidated wage bill expenditures and monitoring of wage bill spending under Part 1 of the Project in accordance with the provisions of the Project Operational Manual ("POM").
4. The Borrower, through MoF, shall coordinate with all relevant ministries and governmental institutions to ensure the provision of technical support, including for data verification and reporting for proper implementation of Project activities as set forth in the POM.

B. Project Operational Manual.

1. The Borrower shall carry out the Project in accordance with the POM.
2. The Borrower shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the POM or any provision thereof, without the prior written agreement of the Bank.
3. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the POM and those of this Agreement, the provisions of this Agreement shall prevail.

C. PMG Payments.

1. In order to ensure proper implementation of Part 3(a) of the Project, the Borrower shall provide PMG Payments to Eligible Health Service Providers in accordance with eligibility criteria and procedures acceptable to the Bank and further detailed in the POM.
2. The Borrower, through the MoF, shall ensure that financing of PMG Payments to Eligible Health Service Providers is used exclusively for reimbursement of salaries of healthcare workers.

D. Environmental and Social Standards.

1. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Borrower shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Borrower shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
2. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
3. The Borrower shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

4. The Borrower shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.

Section II. Project Monitoring Reporting and Evaluation

1. The Borrower shall furnish to the Bank each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.
2. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Bank, in sharing any information, report, or document related to the activities described in Schedule 1 of this Agreement, the Borrower shall ensure that such information, report, or document does not include Personal Data.

Section III. Withdrawal of Loan Proceeds

A. General.

Without limitation upon the provisions of Article II of the General Conditions, the Borrower may withdraw the proceeds of the Loan: [a] to finance Eligible Expenditures for the Project in accordance with the Disbursement and Financial Information Letter[: and]; and] [(c) to pay: [(i) the Front-end Fee[:] [and] [(ii) each Interest Rate Cap or Interest Rate Collar premium]; all in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Loan Allocated (expressed in EUR)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Salaries of Eligible Employees under Part 1(a) of the Project	[]	Up to 100%
(2) Consulting services under Part 1(b) of the Project	0	Up to 100%

(3) Payments: (i) for monthly pensions; (ii) for GMI Program, HUS Program, Disability Program, and IDP Program; (iii) for Salaries of Eligible First Responders; and (iv) of PMG Payments, all under Part 2 (except Part 2(b)(v)), and Part 3(b) of the Project	(i): [] (ii): [] (iii): [] (iv): []	Up to 100%
(4) (i) Payment of Salaries of Eligible Higher Education Institutions Employees under Part 1(a)(ii) of the Project; and (ii) Payment for the Family with Children Programs under Part 2(b)(v) of the Project	(i): [] (ii): []	Up to 100%
(5) Front-end Fee	590,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
[(6) Interest Rate Cap or Interest Rate Collar premium]	0	[Amount due pursuant to Section 4.05 (c) of the General Conditions]
TOTAL AMOUNT	236,000,000	

B. Withdrawal Conditions; Withdrawal Period.

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed € 235,410,000 may be made for payments made prior to this date but on or after the date falling twelve (12) months prior to the Signature Date, for Eligible Expenditures under Categories (1), (3), and (4); or
 - (b) under Categories (1), (3), and/or (4) until and unless the Borrower has furnished evidence satisfactory to the Bank in accordance with the verification protocols set

forth in the POM showing that payments under Categories (1), (3), and/or (4) have been paid.

2. No withdrawal shall be made for payments of Eligible Expenditures that have already been financed: (a) under any other Bank financed loan or grant, including any Preceding Loan Agreement, Preceding Financing Agreement, or Preceding Grant Agreement, or for which withdrawals have been requested under any other Bank financed loan or grant, including any Preceding Loan Agreement, Preceding Financing Agreement, or Preceding Grant Agreement; or (b) by any other donor, including any multilateral development bank or any bilateral donor.
3. (a) The Borrower undertakes that no Loan proceeds or resources shall be used for defense, security, or military purposes, or for any payments made to any defense, security, or military forces.
(b) If the Bank determines, at any time, that an amount of the Loan was used to make a payment for either: (i) ineligible expenditures; or (ii) used for defense, security, or military (including any other types of military forces, if such may be relevant) purposes, the Borrower shall, promptly upon notice from the Bank, refund an amount equal to the amount of such expenditures financed by the Bank. All amounts so refunded to the Bank pursuant to the abovementioned request will be subsequently canceled.
3. The Closing Date is _____.

Section IV. Other Undertakings

A. Swedish Guarantee

1. [In the event the Swedish Guarantee Agreement is signed,] [T][t]he Borrower acknowledges and confirms that the Loan is guaranteed by the Swedish Guarantee, pursuant to which the Swedish Guarantor will guarantee certain obligations of the Borrower under this Agreement, subject to the terms and conditions set forth therein.
2. The Borrower understands and agrees that, in the event of any payment to the Bank by the Swedish Guarantor under the Swedish Guarantee Agreement as a result of any non-payment by the Borrower under this Agreement, the Swedish Guarantor may have certain rights of subrogation and the Bank may assign to the Swedish Guarantor any right to receive repayment from the Borrower under this Agreement, all subject to the terms and conditions of the Swedish Guarantee Agreement.

SCHEDULE 3¹

[Commitment-Linked Amortization Repayment Schedule]

The Borrower shall repay the principal amount of the Loan in accordance with the following table, which sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

Level Principal Repayments	
Principal Payment Date	Installment Share
On each [January 1] and [July 15] Beginning [January 1, 2037] through [July 1, 2056]	[2.5%]

¹ For the avoidance of doubt, the financial terms included in Schedule 3 to this draft Loan Agreement are also subject to change, following internal World Bank and Borrower reviews and approvals, taking into account the date of consideration by the World Bank’s Board of Executive Directors and the Borrower’s commitment not to exceed a Loan maturity of 30 years with a 10-year grace period.

APPENDIX

Definitions

1. “Adoption Grant Program” means the Borrower’s social assistance program to Ukrainian nationals residing in Ukraine who adopted a child-orphan, a child without parental care, or a child whose parents have given their consent to their adoption established by the Borrower’s Law on State Social Assistance for Families with Children, dated November 21, 1992, No. 2811-XII, as amended from time-to-time.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 (a) of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. “Association” means International Development Association.
4. “Birth Grant Program” means the Borrower’s social assistance program to one of the parents or a guardian of a newborn child permanently residing with the child established by the Borrower’s Law on State Social Assistance for Families with Children, dated November 21, 1992, No. 2811-XII, as amended from time-to-time.
5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. “Department of Expenditures of Humanitarian Sector” means the MoF’s department responsible for monitoring monthly wage bill payments for School Employees as further detailed in the POM, or any successor thereto.
7. “Department of Expenditures of Public Authorities” means the MoF’s department responsible for monitoring monthly wage bill payments for civil servants and other employees of governmental bodies as further detailed in the POM, or any successor thereto.
8. “Disability Program” means the Borrower’s state social assistance provided to persons with disabilities from childhood and children with disabilities established by the Borrower’s Law on State Social Assistance to Persons with Disabilities from Childhood and Children with Disabilities, dated November 16, 2000, No. 2109-III, as amended from time-to-time.
9. “Disability Program Legislation” means the Borrower’s Law on State Social Assistance to Persons with Disabilities from Childhood and Children with Disabilities, dated November 16, 2000, No. 2109-III, Resolution of the Cabinet of Ministers of Ukraine No. 79, dated February 3, 2021, and related relevant legislation regulating the Disability Program, as amended from time-to-time.
10. “Eight Additional Financing First Grant Agreement” means the grant agreement for the Eight Additional Financing for the Public Expenditures for Administrative Capacity

Endurance in Ukraine Project between the Bank and the Borrower, dated December 22, 2024, as such agreement may be amended from time to time. "Eight Additional Financing First Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C7112).

11. "Eight Additional Financing Second Grant Agreement" means the grant agreement for the Eight Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower, dated _____, 2026, as such agreement may be amended from time to time. "Eight Additional Financing Second Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Numbers TF0D0988 and TF0D0986).
12. "Eligible Employees" means civil servants and other employees of governmental bodies; and School Employees (all as defined in the POM) in non-security sectors who meet the eligibility criteria set forth in the POM.
13. "Eligible Families with Children" means persons with at least one child, including an adopted child, as set forth in the POM.
14. "Eligible First Responders" means employees of the State Emergency Service of Ukraine who are responsible for civil protection and protection of the public and the territory from emergencies in non-security sectors.
15. "Eligible Health Service Providers" means health care facilities which: (a) have entered into a health care provider contract with NHSU; and (b) have received PMG Payments from NHSU to assist in the delivery of health care services under PMG.
16. "Eligible Higher Education Institutions Employees" means staff working in public institutions providing professional education and/or higher education; and excluding all employees working in military institutions, institutions with specific study conditions or military educational units of higher education institutions, as further detailed in the POM.
17. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated *[insert date of negotiations]*, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Borrower shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
18. "Environmental and Social Standards" or "ESSs" means, for purposes of paragraph 53 of the Appendix to the General Conditions, the standards referenced in said paragraph, effective on October 1, 2018, as published by the Bank.

19. "Family with Children Programs" means Birth Grant Program, Adoption Grant Program, Maternity Program, and Single Parent Program.
20. "Family with Children Programs Legislation" means Borrower's Law on State Social Assistance for Families with Children, dated November 21, 1992, No. 2811-XII, Resolution of the Cabinet of Ministers of Ukraine No. 1751, dated December 27, 2001, and related relevant legislation regulating the Family with Children Programs, as amended from time-to-time.
21. "Fifth Additional Financing Fourth Grant Agreement" means the grant agreement for the Fifth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower, dated October 6, 2023, as such agreement may be amended from time to time. "Fifth Additional Financing Fourth Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C2908).
22. "Fifth Additional Financing Grant Agreement" means the grant agreement for the Fifth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower, dated June 26, 2023, as such agreement may be amended from time to time. "Fifth Additional Financing Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C1885 and TF0C1955).
23. "Fifth Additional Financing Loan Agreement" means the loan agreement for the Fifth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the World Bank and the Borrower, dated June 21, 2023, as such agreement may be amended from time to time. "Fifth Additional Financing Loan Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement.
24. "Fifth Additional Financing Second Grant Agreement" means the grant agreement for the Fifth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower, dated July 27, 2023, as such agreement may be amended from time to time. "Fifth Additional Financing Second Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C2273).
25. "Fifth Additional Financing Third Grant Agreement" means the grant agreement for the Fifth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower, dated September 18, 2023, as such agreement may be amended from time to time. "Fifth Additional Financing Third Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C2609).
26. "First Additional Financing Grant Agreement" means the grant agreement for the Additional Financing for the Public Expenditures for Administrative Capacity Endurance

in Ukraine Project between the Bank and the Borrower dated June 29, 2022, as such agreement may be amended from time to time. "First Additional Financing Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0B9038).

27. "Fourth Additional Financing Grant Agreement" means the grant agreement for the Fourth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower dated February 22, 2023, as such agreement may be amended from time to time. "Fourth Additional Financing Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C0846 and TF0C0847).
28. "Fourth Additional Financing Loan Agreement" means the loan agreement for the Fourth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the World Bank and the Borrower dated December 23, 2022, as such agreement may be amended from time to time. "Fourth Additional Financing Loan Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement.
29. "Fourth Additional Financing Second Grant Agreement" means the grant agreement for the Fourth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower dated April 5, 2023, as such agreement may be amended from time to time. "Fourth Additional Financing Second Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C1223).
30. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing", dated December 14, 2018 (Last revised on July 1, 2025).
31. "GMI Program Legislation" means the Borrower's Law on State Social Assistance for Low-Income Families, dated June 01, 2000, No. 1768-III, Resolution of the Cabinet of Ministers of Ukraine No. 250, dated February 24, 2003, and related relevant legislation regulating the GMI Program, as amended from time-to-time.
32. "Guaranteed Minimum Income Program" and "GMI Program" each means the Borrower's enhanced last resort anti-poverty program to provide assistance to low-income families established by the Borrower's Law on State Social Assistance for Low-Income Families dated June 01, 2000, No. 1768-III, as amended from time-to-time.
33. "Housing and Utilities Subsidy Program" and "HUS Program" each means the Borrower's social assistance program to provide assistance to low-income families for housing and utilities payments established by the Borrower's Resolution of the Cabinet of Ministers of Ukraine No. 848, dated October 21, 1995, as amended by the Resolution of the Cabinet of Ministers of Ukraine No. 807, dated August 14, 2019, as amended from time-to-time.

34. "HUS Program Legislation" means the Borrower's Resolution of the Cabinet of Ministers of Ukraine No. 848, dated October 21, 1995, as amended by the Resolution of the Cabinet of Ministers of Ukraine No. 807, dated August 14, 2019, and related relevant legislation regulating the HUS Program, as amended from time-to-time.
35. "IDP Program Legislation" means the Borrower's Resolution of the Cabinet of Ministers of Ukraine No. 332, dated March 20, 2022, Resolution of the Cabinet of Ministers of Ukraine No. 509 dated, October 1, 2014, and related relevant legislation regulating the IDP Program, as amended from time-to-time.
36. "Internally Displaced Persons Program" and "IDP Program" each means the Borrower's social assistance program to cover living expenses of internally displaced persons established by the Borrower's Resolution of the Cabinet of Ministers of Ukraine No. 332 dated March 20, 2022, as amended from time-to-time.
37. "Maternity Program" means the Borrower's social assistance program to pregnant women not insured under the obligatory social insurance system established by the Borrower's Law on State Social Assistance for Families with Children, dated November 21, 1992, No. 2811-XII, as amended from time-to-time.
38. "Ministry of Finance" and "MoF" each means the Borrower's ministry responsible for finance, or any successor thereto.
39. "National Health Service of Ukraine" and "NHSU" each means the Borrower's central executive body coordinated by the Cabinet of Ministers of Ukraine through the ministry responsible for health, which implements the state policy in the sphere of public financial guarantees for health care provision, or any successor thereto.
40. "Original Financing Agreement" means the agreement between the Borrower and the Association for the Project dated June 9, 2022, as such agreement may be amended from time to time. "Original Financing Agreement" includes all appendices, schedules, and agreements supplemental to the Financing Agreement.
41. "Original Loan Agreement" means the agreement between the Borrower and the World Bank for the Project dated June 9, 2022, as such agreement may be amended from time to time. "Original Loan Agreement" includes all appendices, schedules, and agreements supplemental to the Loan Agreement.
42. "Original Project" means the Project described in Schedule 1 to the Original Loan Agreement and the Original Financing Agreement as amended to the date of this Agreement.
43. "Personal Data" means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to

identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata, and factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of an individual.

44. “PMG Legislation” means the Borrower’s Law on Public Financial Guarantees of Health Care Services for Population No. 2168-VIII, dated October 19, 2017, Resolution of the Cabinet of Ministers of Ukraine No. 1440, dated December 29, 2021, Resolution of the Cabinet of Ministers of Ukraine No. 1464, dated December 27, 2022, and related relevant legislation regulating the PMG Program, as amended from time-to-time.
45. “PMG Payment” means a payment made or to be made (out of the proceeds of the Loan), under Part 3(a) of the Project, to Eligible Health Service Providers responsible for the delivery of health care services under the PMG in accordance with procedures and criteria set forth in the POM to finance salaries of healthcare workers; and “PMG Payments” means more than one PMG Payment.
46. “Preceding Financing Agreement” means the IDA 7153-UA Financing Agreement or IDA 7656-UA Financing Agreement.
47. “Preceding Grant Agreement” means the First Additional Financing Grant Agreement, or Second Additional Financing Grant Agreement, or Third Additional Financing Grant Agreement, or Fourth Additional Financing Grant Agreement, or Fourth Additional Financing Second Grant Agreement, or Fifth Additional Financing Grant Agreement, or Fifth Additional Financing Second Grant Agreement, or Fifth Additional Financing Third Grant Agreement, or Fifth Additional Financing Fourth Grant Agreement, or Sixth Additional Financing Grant Agreements, or Seventh Additional Financing Grant Agreement, Eight Additional Financing First Grant Agreement, or Eight Additional Financing Second Grant Agreement.
48. “Preceding Loan Agreement” means the Original Loan Agreement, or Original Financing Agreement, or Third Additional Financing Loan Agreement, or Fourth Additional Financing Loan Agreement, or Fifth Additional Financing Loan Agreement, or Sixth Additional Financing Loan Agreement.
49. “Procurement Regulations” means, for purposes of paragraph 89 (a) of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated [September 2025][February 2025][September 2023].
50. “Program of Medical Guarantees” or “PMG” means the Borrower’s program defined in the Borrower’s Law on Public Financial Guarantees of Health Care Services for Population No. 2168-VIII, dated October 19, 2017, which determines the list, and the volume of health care services guaranteed by the government from the Borrower’s state budget to be paid to health services providers, as amended from time-to-time.

51. "Project Operational Manual" and "POM" each means the operational manual to be updated and adopted by the Borrower in a manner satisfactory to the Bank as further described in Section I.B of Schedule 2 to this Agreement.
52. "Salaries" means the salaries of Eligible Employees and/or Eligible First Responders and/or Eligible Higher Education Institutions Employees, as applicable, excluding, *inter alia*, those in the defense, military, and security sector as set forth in the POM.
53. "School Employees" means pedagogical staff working in institutions providing general secondary education; and excluding all employees working in military schools and schools with enhanced military and physical training, as further detailed in the POM.
54. "Second Additional Financing Grant Agreement" means the grant agreement for the Second Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower dated August 9, 2022, as such agreement may be amended from time to time. "Second Additional Financing Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0B9348).
55. "Seventh Additional Financing Grant Agreement" means the grant agreement for the Seventh Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower, dated December 20, 2024, as such agreement may be amended from time-to-time. "Seventh Additional Financing Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Numbers TF0C6964, TF0C6955).
56. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.
57. "Single Parent Program" means the Borrower's social assistance program to single mothers, single adoptive parents, and mothers (fathers) of children whose other parent has died and whose surviving parent is not entitled to a survivor's or social pension established by the Borrower's Law on State Social Assistance for Families with Children, dated November 21, 1992, No. 2811-XII, as amended from time-to-time.
58. "Sixth Additional Financing Grant Agreements" means the grant agreements for the Sixth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower, dated December 18, 2023, February 26, 2024, July 31, 2024, and November 8, 2024, respectively as such agreement may be amended from time-to-time. "Sixth Additional Financing Grant Agreements" includes all appendices, schedules, and agreements supplemental to said Agreements (Grant Numbers TF0C3378, TF0C3379, TF0C3385, TF0C4008, TF0C4009, TF0C5690, TF0C5691, TF0C6601, and TF0C6609).

- 59. "Sixth Additional Financing Loan Agreement" means the loan agreement for the Sixth Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the World Bank and the Borrower, dated December 18, 2023, as such agreement may be amended from time-to-time. "Sixth Additional Financing Loan Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement.
- 60. "State Emergency Service of Ukraine" means the Borrower's central executive body coordinated by the Cabinet of Ministers of Ukraine through the ministry responsible for interior, responsible for implementing state policy related to civil protection, protection of the public and territories from emergencies, prevention and consequence liquidation of emergencies, rescue work, fire extinguishing, fire and industrial safety, and hydrometeorological activities, or any successor thereto.
- 61. "Swedish Guarantee" means a Member Guarantee extended by the Swedish Guarantor under the Swedish Guarantee Agreement for a principal amount of € 236,000,000 together with interest payable in respect of such amount under this Agreement.
- 62. "Swedish Guarantee Agreement" means the guarantee agreement executed between the Bank and the Swedish Guarantor providing for the Swedish Guarantee, as such guarantee agreement may be amended from time to time, and such term includes all appendices, schedules and agreements supplemental to the Swedish Guarantee Agreement.
- 63. "Swedish Guarantor" means the *[official name of the Guarantor]*.
- 64. "Third Additional Financing Grant Agreement" means the grant agreement for the Third Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the Bank and the Borrower dated November 24, 2022, as such agreement may be amended from time to time. "Third Additional Financing Grant Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement (Grant Number TF0C0133).
- 65. "Third Additional Financing Loan Agreement" means the loan agreement for the Third Additional Financing for the Public Expenditures for Administrative Capacity Endurance in Ukraine Project between the World Bank and the Borrower dated October 4, 2022, as such agreement may be amended from time to time. "Third Additional Financing Loan Agreement" includes all appendices, schedules, and agreements supplemental to said Agreement.
- 66. "World Bank" means the International Bank for Reconstruction and Development.

**International Bank for Reconstruction and
Development**

**General Conditions for IBRD Financing
Investment Project Financing**

Dated December 14, 2018

(Last revised on July 1, 2025)

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ARTICLE I

Introductory Provisions

Section 1.01 Application of General Conditions

(a) These General Conditions set forth terms and conditions generally applicable to the Legal Agreements, to the extent the Legal Agreements so provide. If the Loan Agreement is between the Member Country and the Bank, references in these General Conditions to the Guarantor and the Guarantee Agreement shall be disregarded. If there is no Project Agreement between the Bank and a Project Implementing Entity or Subsidiary Agreement between the Borrower and the Project Implementing Entity, references in these General Conditions to the Project Implementing Entity, the Project Agreement or the Subsidiary Agreement shall be disregarded.

(b) References in these General Conditions to the Project (other than those in sub-paragraphs (b) (i) and (c) (i) of Section 5.08, and the definitions of the terms “Anti-Corruption Guidelines”, “Environmental and Social Standards”, “Procurement Regulations”, and “Project” in the Appendix) shall be deemed to also refer to the CERP. If the Loan Agreement does not provide for the use of the Loan to assist in financing the CERP, references to the Project shall refer solely to the Project defined in the Loan Agreement and references to the CERP in these General Conditions and all provisions applicable exclusively to them shall be disregarded.

Section 1.02 Inconsistency with Legal Agreements

If any provision of the Loan Agreement, the Guarantee Agreement, or the Project Agreement is inconsistent with a provision of these General Conditions, the provision of the Loan Agreement, Guarantee Agreement, or Project Agreement shall prevail.

Section 1.03 Definitions

Capitalized terms used in these General Conditions have the meanings set out in the Appendix.

Section 1.04 References; Headings

References in these General Conditions to Articles, Sections and Appendix are to the Articles and Sections of, and the Appendix to, these General Conditions. The headings of the Articles, Sections and Appendix, and the Table of Contents are inserted in these General Conditions for reference only and shall not be taken into consideration in interpreting these General Conditions.

ARTICLE II
Withdrawals

Section 2.01 *Loan Account; Withdrawals Generally; Currency of Withdrawal*

- (a) The Bank shall credit the amount of the Loan to the Loan Account in the Loan Currency. If the Loan is denominated in more than one currency, the Bank shall divide the Loan Account into multiple sub-accounts, one for each Loan Currency. In the event that the Loan or any portion of the Loan is supported by a Member Guarantee, then the Loan Currency for the Loan or such portion of the Loan so supported shall be aligned with the currency of the Member Guarantee.
- (b) The Borrower may from time to time request withdrawals of Loan amounts from the Loan Account in accordance with the provisions of the Loan Agreement, the Disbursement and Financial Information Letter, and such additional instructions as the Bank may specify from time to time by notice to the Borrower.
- (c) Each withdrawal of a Loan amount from the Loan Account shall be made in the Loan Currency of such amount. The Bank shall, at the request and acting as an agent of the Borrower, and on such terms and conditions as the Bank shall determine, purchase with the Loan Currency withdrawn from the Loan Account such Currencies as the Borrower shall reasonably request to meet payments for Eligible Expenditures.
- (d) No withdrawal of any Loan amount from the Loan Account shall be made (other than to repay the Preparation Advance) until the Bank has received from the Borrower payment in full of the Front-end Fee.

Section 2.02 *Special Commitment by the Bank*

At the Borrower's request and on such terms and conditions as the Bank and the Borrower shall agree, the Bank may enter into special commitments in writing to pay amounts for Eligible Expenditures notwithstanding any subsequent suspension or cancellation by the Bank or the Borrower ("Special Commitment").

Section 2.03 *Applications for Withdrawal or for Special Commitment*

- (a) When the Borrower wishes to request a withdrawal from the Loan Account or to request the Bank to enter into a Special Commitment, the Borrower shall promptly deliver to the Bank a written application in such form and substance as the Bank shall reasonably request.
- (b) The Borrower shall furnish to the Bank evidence satisfactory to the Bank of the authority of the person or persons authorized to sign such applications and the authenticated specimen signature or the Electronic Address of each such person.
- (c) The Borrower shall furnish to the Bank such documents and other evidence in support of each such application as the Bank shall reasonably request, whether before or after the Bank has permitted any withdrawal requested in the application.

(d) Each such application and accompanying documents and other evidence shall be sufficient in form and substance to satisfy the Bank that the Borrower is entitled to withdraw from the Loan Account the amount applied for and that the amount to be withdrawn from the Loan Account shall be used only for the purposes specified in the Loan Agreement.

(e) The Bank shall pay the amounts withdrawn by the Borrower from the Loan Account only to, or on the order of, the Borrower.

Section 2.04 *Designated Accounts*

(a) The Borrower may open and maintain one or more designated accounts into which the Bank may, at the request of the Borrower, deposit amounts withdrawn from the Loan Account as advances for purposes of the Project. All designated accounts shall be opened in a financial institution acceptable to the Bank, and on terms and conditions acceptable to the Bank.

(b) Deposits into, and payments out of, any such designated account shall be made in accordance with the Loan Agreement and such additional instructions as the Bank may specify from time to time by notice to the Borrower, including the World Bank Disbursement Guidelines for Projects. The Bank may, in accordance with the Loan Agreement and such instructions, cease making deposits into any such account upon notice to the Borrower. In such case, the Bank shall notify the Borrower of the procedures to be used for subsequent withdrawals from the Loan Account.

Section 2.05 *Eligible Expenditures*

Expenditures eligible to be financed out of the Loan proceeds shall, except as otherwise provided in the Legal Agreements, satisfy the following requirements ("Eligible Expenditure"):

(a) the payment is for the reasonable cost of Project activities that meet the requirements of the relevant Legal Agreements;

(b) the payment is not prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and

(c) the payment is made on or after the date of the Loan Agreement, and, except as the Bank may otherwise agree, is for expenditures incurred on or before the Closing Date.

Section 2.06 *Financing Taxes*

The use of any proceeds of the Loan to pay for Taxes levied by, or in the territory of, the Member Country on or in respect of Eligible Expenditures, or on their importation, manufacture, procurement or supply, if permitted pursuant to the Legal Agreements, is subject to the Bank's policy of requiring economy and efficiency in the use of the proceeds of its loans. To that end, if the Bank at any time determines that the amount of any such Tax is excessive, or that such Tax is discriminatory or otherwise unreasonable, the Bank may, by notice to the Borrower, adjust the percentage of such Eligible Expenditures to be financed out of the proceeds of the Loan.

Section 2.07 *Refinancing Preparation Advance; Capitalizing Front-end Fee, Interest and Other Charges*

(a) If the Borrower requests the repayment out of the proceeds of the Loan of an advance (or a portion thereof) made by the Bank or the Association ("Preparation Advance") and the Bank agrees to such request, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account on or after the Effective Date the amount required to repay the withdrawn and outstanding balance of the advance (or a portion thereof) as at the date of such withdrawal from the Loan Account and to pay all accrued and unpaid charges, if any, on the advance as at such date. The Bank shall pay the amount so withdrawn to itself or the Association, and, unless otherwise agreed between the Bank and the Borrower, shall cancel the remaining unwithdrawn amount of the advance.

(b) If the Borrower requests that the Front-end Fee be paid out of the proceeds of the Loan and the Bank agrees to such request, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself such fee.

(c) If the Borrower requests that interest, Commitment Charge, or other charges on the Loan be paid out of the proceeds of the Loan as applicable and the Bank agrees to such request, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account on each of the Payment Dates, and pay to itself the amount required to pay such interest and other charges accrued and payable as at such date, subject to any limit specified in the Loan Agreement on the amount to be so withdrawn.

Section 2.08 *Allocation of Loan Amounts*

If the Bank reasonably determines that in order to meet the purposes of the Loan it is appropriate to reallocate Loan amounts among withdrawal categories, modify the existing withdrawal categories, or modify the percentage of expenditures to be financed by the Bank under each withdrawal category, the Bank may, after consultation with the Borrower, make such modifications, and shall notify the Borrower accordingly.

ARTICLE III
Financing Terms

Section 3.01 *Front-end Fee; Commitment Charge*

(a) The Borrower shall pay the Bank a Front-end Fee on the Loan amount at the rate specified in the Loan Agreement. Except as otherwise provided in Section 2.07 (b), the Borrower shall pay the Front-end Fee not later than sixty (60) days after the Effective Date.

(b) The Borrower shall pay the Bank a Commitment Charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement. The Commitment Charge shall accrue from the date of the Loan Agreement or the date which falls on the fourth anniversary of the date of approval of the Loan by the Bank, whichever is later, to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. Except as otherwise provided in Section 2.07 (c), the Borrower shall pay the Commitment Charge semi-annually in arrears on each Payment Date.

Section 3.02 *Interest*

(a) The Borrower shall pay the Bank interest on the Withdrawn Loan Balance at the rate specified in the Loan Agreement; provided, however, that the interest rate applicable to any Interest Period shall in no event be less than zero percent (0%) per annum; and provided further that, such rate may be modified from time to time in accordance with the provisions of Article IV. Interest shall accrue from the respective dates on which amounts of the Loan are withdrawn and shall be payable semi-annually in arrears on each Payment Date.

(b) If interest on any amount of the Withdrawn Loan Balance is based on a Variable Spread, the Bank shall notify the Loan Parties of the interest rate on such amount for each Interest Period, promptly upon its determination.

(c) If interest on any amount of the Loan is based on a Reference Rate, and the Bank determines that (i) such Reference Rate has permanently ceased to be quoted for the relevant Currency, or (ii) the Bank is no longer able, or it is no longer commercially acceptable for the Bank, to continue to use such Reference Rate, for purposes of its asset and liability management, the Bank shall apply such other Reference Rate for the relevant Currency, including any applicable spread, as it may reasonably determine. The Bank shall promptly notify the Loan Parties of such other rate and related modifications to the provisions of the Loan Agreement, which shall become effective as of the date set forth in such notice.

(d) If interest on any amount of the Withdrawn Loan Balance is payable at the Variable Rate, then whenever, in light of changes in market practice affecting the determination of the interest rate applicable to such amount, the Bank determines that it is in the interest of its borrowers as a whole and of the Bank to apply a basis for determining such interest rate other than as provided in the Loan Agreement, the Bank may modify the basis for determining such interest rate upon not less than three (3) months' notice to the Loan Parties of the new basis. The new basis shall become effective on the expiry of the notice period unless a Loan Party notifies the Bank during such period of its objection to such modification, in which case the modification shall not apply to such amount of the Loan.

(e) Notwithstanding the provisions of paragraph (a) of this Section, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the Borrower shall pay the Default Interest Rate on such overdue amount in lieu of the interest rate specified in the Loan Agreement (or such other interest rate as may be applicable pursuant to Article IV as a result of a Conversion) until such overdue amount is fully paid. Interest at the Default Interest Rate shall accrue from the first day of each Default Interest Period and shall be payable semi-annually in arrears on each Payment Date.

Section 3.03 *Repayment*

(a) The Borrower shall repay the Withdrawn Loan Balance to the Bank in accordance with the provisions of the Loan Agreement and, if applicable, as further provided in paragraphs (b), (c) (d) and (e) of this Section 3.03. The Withdrawn Loan Balance shall be repaid on either a Commitment-linked Amortization Schedule or a Disbursement-linked Amortization Schedule.

(b) For Loans with a Commitment-linked Amortization Schedule:

The Borrower shall repay the Withdrawn Loan Balance to the Bank in accordance with the provisions of the Loan Agreement provided that:

- (i) If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date specified in the Loan Agreement, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (x) the Withdrawn Loan Balance as of the first Principal Payment Date; by (y) the Installment Share specified in the Loan Agreement for each Principal Payment Date, adjusted, as necessary, to deduct any amounts to which a Currency Conversion applies in accordance with Section 3.03 (e).
- (ii) If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:
 - (A) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with the Amortization Schedule under the Loan Agreement.
 - (B) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the Loan Agreement for said Principal Payment Date and the denominator of which is the sum of all remaining original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts to which a Currency Conversion applies in accordance with Section 3.03(e).
- (iii) (A) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.
- (B) Notwithstanding the provisions of this paragraph, if at any time the Bank adopts an alternative billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of this paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.

(c) For Loans with a Disbursement-linked Amortization Schedule:

- (i) The Borrower shall repay the Withdrawn Loan Balance to the Bank in accordance with the provisions of the Loan Agreement.

- (ii) The Bank shall notify the Loan Parties of the Amortization Schedule for each Disbursed Amount promptly after the Maturity Fixing Date for the Disbursed Amount.
- (d) If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of the Loan Agreement and this Section 3.03 shall apply separately to the amount denominated in each Loan Currency (and a separate Amortization Schedule shall be produced for each such amount, as applicable).
- (e) Notwithstanding the provisions in paragraphs (b) (i) and (ii) above and in the Amortization Schedule in the Loan Agreement, as applicable, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance or Disbursed Amount, as applicable, to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank in accordance with the Conversion Guidelines.

Section 3.04 *Prepayment*

- (a) After giving not less than forty-five (45) days' notice to the Bank, the Borrower may repay the Bank the following amounts in advance of maturity, as of a date acceptable to the Bank (provided that the Borrower has paid all Loan Payments due as at such date): (i) the entire Withdrawn Loan Balance as at such date; or (ii) the entire principal amount of any one or more maturities of the Loan. Any partial prepayment of the Withdrawn Loan Balance shall be applied in the manner specified by the Borrower, or in the absence of any specification by the Borrower, in the following manner: (A) if the Loan Agreement provides for the separate amortization of specified Disbursed Amounts of the principal of the Loan the prepayment shall be applied in the inverse order of such Disbursed Amounts, with the Disbursed Amount which has been withdrawn last being repaid first and with the latest maturity of said Disbursed Amount being repaid first; and (B) in all other cases, the prepayment shall be applied in the inverse order of the Loan maturities, with the latest maturity being repaid first.
- (b) If, in respect of any amount of the Loan to be prepaid, a Conversion has been effected and the Conversion Period has not terminated at the time of prepayment, the provisions of Section 4.06 shall apply.

Section 3.05 *Partial Payment*

If the Bank at any time receives less than the full amount of any Loan Payment then due, it shall have the right to allocate and apply the amount so received in any manner and for such purposes under the Loan Agreement as it determines in its sole discretion.

Section 3.06 *Place of Payment*

All Loan Payments shall be paid at such places as the Bank shall reasonably request.

Section 3.07 *Currency of Payment*

- (a) The Borrower shall pay all Loan Payments in the Loan Currency; and if a Conversion has been effected in respect of any amount of the Loan, as further specified in the Conversion Guidelines.

(b) If the Borrower so requests and the Bank agrees to such request, the Bank shall, acting as agent of the Borrower, and on such terms and conditions as the Bank shall determine, purchase the Loan Currency for the purpose of paying a Loan Payment upon timely payment by the Borrower of sufficient funds for that purpose in a Currency or Currencies acceptable to the Bank; provided, however, that the Loan Payment shall be deemed to have been paid only when and to the extent that the Bank has received such payment in the Loan Currency.

Section 3.08 *Temporary Currency Substitution*

(a) If the Bank reasonably determines that an extraordinary situation has arisen under which the Bank shall be unable to provide the Loan Currency at any time for purposes of funding the Loan, the Bank may provide such substitute Currency or Currencies ("Substitute Loan Currency") for the Loan Currency ("Original Loan Currency") as the Bank shall select. During the period of such extraordinary situation: (i) the Substitute Loan Currency shall be deemed to be the Loan Currency for purposes of the Legal Agreements; and (ii) loan payments shall be paid in the Substitute Loan Currency, and other related financial terms shall be applied, in accordance with principles reasonably determined by the Bank. The Bank shall promptly notify the Loan Parties of the occurrence of such extraordinary situation, the Substitute Loan Currency and the financial terms of the Loan related to the Substitute Loan Currency.

(b) Upon notification by the Bank under paragraph (a) of this Section, the Borrower may within thirty (30) days thereafter notify the Bank of its selection of another Currency acceptable to the Bank as the Substitute Loan Currency. In such case, the Bank shall notify the Borrower of the financial terms of the Loan applicable to said Substitute Loan Currency, which shall be determined in accordance with principles reasonably established by the Bank.

(c) During the period of the extraordinary situation referred to in paragraph (a) of this Section, no premium shall be payable on prepayment of the Loan.

(d) Once the Bank is again able to provide the Original Loan Currency, it shall, at the Borrower's request, change the Substitute Loan Currency to the Original Loan Currency in accordance with principles reasonably established by the Bank; provided that if such Loan is covered by a Member Guarantee, the Bank may effect such change from the Substitute Loan Currency to the Original Loan Currency in its sole discretion, with notice to the Loan Parties.

Section 3.09 *Valuation of Currencies*

Whenever it becomes necessary for the purposes of any Legal Agreement, to determine the value of one Currency in terms of another, such value shall be reasonably determined by the Bank.

Section 3.10 *Manner of Payment*

(a) Any Loan Payment required to be paid to the Bank in the Currency of any country shall be made in such manner, and in the Currency acquired in such manner, as shall be permitted under the laws of such country for the purpose of making such payment and effecting the deposit of such

Currency to the account of the Bank with a depository of the Bank authorized to accept deposits in such Currency.

(b) All Loan Payments shall be paid without restrictions of any kind imposed by, or in the territory of, the Member Country and without deduction for, and free from, any Taxes levied by or in the territory of the Member Country.

(c) The Legal Agreements shall be free from any Taxes levied by or in the territory of the Member Country on or in connection with their execution, delivery or registration.

ARTICLE IV **Conversions of Loan Terms**

Section 4.01 Conversions Generally

(a) The Borrower may, at any time, request a Conversion of the terms of the Loan in accordance with the provisions of this Section in order to facilitate prudent debt management. Each such request shall be furnished by the Borrower to the Bank in accordance with the Conversion Guidelines and, upon acceptance by the Bank, the conversion requested shall be considered a Conversion for the purposes of these General Conditions. All Conversions shall be effected subject to the Bank's ability to hedge its exposure arising from such Conversions with such Counterparties and on such terms as acceptable to the Bank.

(b) Subject to Section 4.01 (e) below, the Borrower may at any time request any of the following Conversions: (i) a Currency Conversion, including Local Currency Conversion and Automatic Conversion into Local Currency; (ii) an Interest Rate Conversion, including Automatic Rate Fixing Conversion; and (iii) an Interest Rate Cap or Interest Rate Collar. All Conversions shall be effected in accordance with the Conversion Guidelines and may be subject to such additional terms and conditions as may be agreed between the Bank and the Borrower.

(c) Upon acceptance by the Bank of a request for a Conversion, the Bank shall take all actions necessary to effect the Conversion in accordance with the Loan Agreement and the Conversion Guidelines. To the extent any modification of the provisions of the Loan Agreement providing for withdrawal or repayment of the proceeds of the Loan is required to give effect to the Conversion, such provisions shall be deemed to have been modified as of the Conversion Date. Promptly after the Execution Date for each Conversion, the Bank shall notify the Loan Parties of the financial terms of the Loan, including any revised amortization provisions and modified provisions providing for withdrawal of the proceeds of the Loan.

(d) The Borrower shall pay a transaction fee in connection with each Conversion, in such amount or at such rate as announced by the Bank from time to time and in effect on the date of the Bank's acceptance of the Conversion request. Transaction fees provided for under this paragraph shall be either: (i) payable as a lump sum not later than sixty (60) days after the Execution Date, or the Bank's notice to the Borrower, as applicable; or (ii) expressed as a percentage per annum and added to the interest rate payable on each Payment Date.

(e) Except as otherwise agreed by the Bank, the Borrower may not request, (i) a Currency Conversion in respect of a Loan or any portion of the Loan that is supported by a Member Guarantee and (ii) additional Conversions of any portion of the Withdrawn Loan Balance that is subject to a Currency Conversion effected by a Currency Hedge Notes Transaction or otherwise terminate such Currency Conversion, for so long as such Currency Conversion is in effect. Each such Currency Conversion described in item (ii) of the preceding sentence shall be effected on such terms and conditions as may be separately agreed by the Bank and the Borrower and may include transaction fees to cover the underwriting costs of the Bank in connection with Currency Hedge Notes Transaction.

Section 4.02 Conversion to a Fixed Rate or Fixed Spread of Loan that Accrues Interest at a Rate Based on the Variable Spread¹

A Conversion to a Fixed Rate or a Variable Rate with a Fixed Spread of all or any amount of the Loan that accrues interest at a rate based on the Variable Spread shall be effected by fixing the Variable Spread applicable to such amount into the Fixed Spread for the Loan Currency, applicable on the date of the Conversion request, and in the case of a Conversion to a Fixed Rate, followed immediately by the Conversion requested by the Borrower.

Section 4.03 Interest Payable Following Interest Rate Conversion or Currency Conversion²

(a) *Interest Rate Conversion.* Upon an Interest Rate Conversion, the Borrower shall, for each Interest Period during the Conversion Period, pay interest on the amount of the Withdrawn Loan Balance to which the Conversion applies at the Variable Rate or the Fixed Rate,² whichever applies to the Conversion.

(b) *Currency Conversion of Unwithdrawn Amounts.* Upon a Currency Conversion of all or any amount of the Unwithdrawn Loan Balance to an Approved Currency, the Borrower shall, for each Interest Period during the Conversion Period, pay interest and any applicable charges denominated in the Approved Currency on such amount as subsequently withdrawn and outstanding from time to time at the Variable Rate.

(c) *Currency Conversion of Withdrawn Amounts.* Upon a Currency Conversion of all or any amount of the Withdrawn Loan Balance to an Approved Currency, the Borrower shall, for each Interest Period during the Conversion Period, pay interest denominated in the Approved Currency in accordance with the Conversion Guidelines on such Withdrawn Loan Balance at a rate applicable under the Conversion.

Section 4.04 Principal Payable Following Currency Conversion²

(a) *Currency Conversion of Unwithdrawn Amounts.* In the event of a Currency Conversion of an amount of the Unwithdrawn Loan Balance to an Approved Currency, the principal amount of the Loan so converted shall be determined by the Bank by multiplying the amount to be so converted in its Currency of denomination immediately prior to the Conversion by the Screen Rate. The Borrower

¹ Suspended until further notice.

² Fixed Rate conversions are not available due to the suspension of the Fixed Spread terms until further notice.

shall repay such principal amount as subsequently withdrawn in the Approved Currency in accordance with the provisions of the Loan Agreement.

(b) *Currency Conversion of Withdrawn Amounts.* In the event of a Currency Conversion of an amount of the Withdrawn Loan Balance to an Approved Currency, the principal amount of the Loan so converted shall be determined by the Bank by multiplying the amount to be so converted in its Currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate. The Borrower shall repay such principal amount denominated in the Approved Currency in accordance with the provisions of the Loan Agreement.

(c) *Termination of Conversion Period Prior to Final Loan Maturity.* If the Conversion Period of a Currency Conversion applicable to a portion of the Loan terminates prior to the final maturity of such portion, the principal amount of such portion of the Loan remaining outstanding in the Loan Currency to which such amount shall revert upon such termination shall be determined by the Bank either: (i) by multiplying such amount in the Approved Currency of the Conversion by the spot or forward exchange rate prevailing between the Approved Currency and said Loan Currency for settlement on the last day of the Conversion Period; or (ii) in such other manner as specified in the Conversion Guidelines. The Borrower shall repay such principal amount in the Loan Currency in accordance with the provisions of the Loan Agreement.

Section 4.05 *Interest Rate Cap; Interest Rate Collar*

(a) *Interest Rate Cap.* Upon the establishment of an Interest Rate Cap on the Variable Rate, the Borrower shall, for each Interest Period during the Conversion Period, pay interest on the amount of the Withdrawn Loan Balance to which the Conversion applies at the Variable Rate, unless with respect to the said Conversion Period: (i) for a Loan that accrues interest at a Variable Rate based on the Reference Rate and the Fixed Spread, the Variable Rate exceeds the Interest Rate Cap, in which case, for the relevant Interest Period, the Borrower shall pay interest on such amount at a rate equal to the Interest Rate Cap³; or (ii) for a Loan that accrues interest at a Variable Rate based on a Reference Rate and the Variable Spread, the Reference Rate exceeds the Interest Rate Cap, in which case, for the relevant Interest Period, the Borrower shall pay interest on such amount at a rate equal to the Interest Rate Cap plus the Variable Spread.

(b) *Interest Rate Collar.* Upon the establishment of an Interest Rate Collar on the Variable Rate, the Borrower shall, for each Interest Period during the Conversion Period, pay interest on the amount of the Withdrawn Loan Balance to which the Conversion applies at the Variable Rate, unless with respect to the said Conversion Period: (i) for a Loan that accrues interest at a Variable Rate based on a Reference Rate and the Fixed Spread, the Variable Rate⁴: (A) exceeds the upper limit of the Interest Rate Collar, in which case, for the relevant Interest Period, the Borrower shall pay interest on such amount at a rate equal to such upper limit; or (B) falls below the lower limit of the Interest Rate Collar, in which case, for the relevant Interest Period, the Borrower shall pay interest on such amount at a rate

³ Not available due to suspension of Fixed Spread terms until further notice.

⁴ Not available due to suspension of Fixed Spread terms until further notice.

equal to such lower limit; or (ii) for a Loan that accrues interest at a Variable Rate based on a Reference Rate and the Variable Spread, the Reference Rate: (A) exceeds the upper limit of the Interest Rate Collar, in which case, for the relevant Interest Period, the Borrower shall pay interest on such amount at a rate equal to such upper limit plus the Variable Spread; or (B) falls below the lower limit of the Interest Rate Collar, in which case, for the relevant Interest Period, the Borrower shall pay interest on such amount at a rate equal to such lower limit plus the Variable Spread.

(c) *Interest Rate Cap or Interest Rate Collar Premium.* Upon the establishment of an Interest Rate Cap or an Interest Rate Collar, the Borrower shall pay to the Bank a premium on the amount of the Withdrawn Loan Balance to which the Conversion applies, calculated: (i) on the basis of the premium, if any, payable by the Bank for an interest rate cap or collar purchased by the Bank from a Counterparty for the purpose of establishing the Interest Rate Cap or Interest Rate Collar; or (ii) otherwise as specified in the Conversion Guidelines. Such premium shall be payable by the Borrower (i) not later than sixty (60) days after the Execution Date; or (ii) promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with this Section up to the amount allocated from time to time for that purpose in the Loan Agreement.

Section 4.06 *Early Termination*

(a) Any Conversion effected on a Loan shall be terminated prior to its maturity in any of the following cases, as applicable:

- (i) The Borrower exercises its right to terminate the Conversion at any time during the Conversion Period by notice thereof to the Bank;
- (ii) The Bank exercises its right to terminate the Conversion during any period of time following thirty (30) days in which the Withdrawn Loan Balance remains unpaid and such non-payment continues beyond the said thirty (30) days period, by notice thereof to the Borrower;
- (iii) The Bank exercises its right to terminate a Conversion prior to its maturity if: (A) the underlying hedging arrangements undertaken by the Bank in connection with the said Conversion are terminated as a result of it becoming impractical, impossible or unlawful for the Bank or its Counterparty to make a payment or to receive a payment on the terms agreed upon due to the: (1) adoption of, or any change in, any applicable law after the date on which such Conversion is executed; or (2) interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after such date or any change in any such interpretation; and (B) the Bank is unable to find a replacement hedging arrangement on terms acceptable to the Bank;
- (iv) The Bank provides a notice to the Borrower pursuant to Section 7.05 or Section 7.07; and
- (v) In the event of prepayment of the Loan by the Borrower as provided in Section 3.04.

(b) Except as otherwise provided in the Conversion Guidelines, upon the early termination of any Conversion by either the Bank or the Borrower: (i) the Borrower shall pay a transaction fee for the early termination, in such amount or at such rate as announced by the Bank from time to time and in effect at the time of the early termination of the Conversion; and (ii) the Borrower or the Bank shall pay an Unwinding Amount, if any, for the early termination (after setting off any amounts owed by the Borrower to the Bank), in accordance with the Conversion Guidelines. Transaction fees provided for under this paragraph and any Unwinding Amount payable by the Borrower pursuant to this paragraph shall be paid not later than sixty (60) days after the effective date of the early termination.

ARTICLE V

Project Execution

Section 5.01 Project Execution Generally

The Borrower and the Project Implementing Entity shall carry out their Respective Parts of the Project:

- (a) with due diligence and efficiency;
- (b) in conformity with appropriate administrative, technical, financial, economic, environmental and social standards and practices; and
- (c) in accordance with the provisions of the Legal Agreements.

Section 5.02 Performance under the Loan Agreement, Project Agreement and Subsidiary Agreement

- (a) The Guarantor shall not take or permit to be taken any action which would prevent or interfere with the execution of the Project or the performance of the obligations of the Borrower or the Project Implementing Entity under the Legal Agreement to which it is a party.
- (b) The Borrower shall: (i) cause the Project Implementing Entity to perform all of the obligations of the Project Implementing Entity set forth in the Project Agreement or the Subsidiary Agreement in accordance with the provisions of the Project Agreement or Subsidiary Agreement; and (ii) not take or permit to be taken any action which would prevent or interfere with such performance.

Section 5.03 Provision of Funds and other Resources

The Borrower shall provide or cause to be provided, promptly as needed, the funds, facilities, services and other resources: (a) required for the Project; and (b) necessary or appropriate to enable the Project Implementing Entity to perform its obligations under the Project Agreement or the Subsidiary Agreement.

Section 5.04 *Insurer*

The Borrower and the Project Implementing Entity shall make adequate provision for the insurance of any goods required for their Respective Parts of the Project and to be financed out of the proceeds of the Loan, against hazards incident to the acquisition, transportation and delivery of the goods to the place of their use or installation. Any indemnity for such insurance shall be payable in a freely usable Currency to replace or repair such goods.

Section 5.05 *Land Acquisition*

The Borrower and the Project Implementing Entity shall take (or cause to be taken) all action to acquire as and when needed all land and rights in respect of land as shall be required for carrying out their Respective Parts of the Project and shall promptly furnish to the Bank, upon its request, evidence satisfactory to the Bank that such land and rights in respect of land are available for purposes related to the Project.

Section 5.06 *User of Goods, Works and Services; Maintenance of Facilities*

(a) Except as the Bank shall otherwise agree, the Borrower and the Project Implementing Entity shall ensure that all goods, works and services financed out of the proceeds of the Loan are used exclusively for the purposes of the Project.

(b) The Borrower and the Project Implementing Entity shall ensure that all facilities relevant to their Respective Parts of the Project shall at all times be properly operated and maintained and that all necessary repairs and renewals of such facilities shall be made promptly as needed.

Section 5.07 *Plans; Documents; Records*

(a) The Borrower and the Project Implementing Entity shall furnish to the Bank all plans, schedules, specifications, reports and contract documents for their Respective Parts of the Project, and any material modifications of or additions to these documents, promptly upon their preparation and in such detail as the Bank shall reasonably request.

(b) The Borrower and the Project Implementing Entity shall maintain records adequate to record the progress of their Respective Parts of the Project (including its cost and the benefits to be derived from it), to identify the Eligible Expenditures financed out of the proceeds of the Loan and to disclose their use in the Project, and shall furnish such records to the Bank upon its request.

(c) The Borrower and the Project Implementing Entity shall retain all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures under their Respective Parts of the Project until at least the later of: (i) one (1) year after the Bank has received the audited Financial Statements covering the period during which the last withdrawal from the Loan Account was made; and (ii) two (2) years after the Closing Date. The Borrower and the Project Implementing Entity shall enable the Bank's representatives to examine such records.

Section 5.08 *Project Monitoring and Evaluation*

- (a) The Borrower and the Project Implementing Entity shall maintain or cause to be maintained policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with indicators acceptable to the Bank, the progress of the Project and the achievement of its objectives.
- (b) The Borrower shall:
- (i) in respect to the Project, prepare or cause to be prepared periodic reports ("Project Report"), in form and substance satisfactory to the Bank, integrating the results of such monitoring and evaluation activities and setting out measures recommended to ensure the continued efficient and effective execution of the Project, and to achieve its objectives;
 - (ii) in respect to the CERP, prepare or cause to be prepared periodic reports ("CERP Report"), in form and substance satisfactory to the Bank, integrating the results of such monitoring and evaluation activities and setting out measures recommended to ensure the continued efficient and effective execution of the CERP, and to achieve its objectives; and except as the Bank shall otherwise agree, such CERP Reports shall be prepared: (A) on an annual basis in the absence of an Eligible Crisis or Emergency; and (B) at least semi-annually, as further determined in the CERP Manual, throughout the implementation period of a Crisis Response Action Plan; and
 - (iii) furnish or cause to be furnished each Project Report or CERP Report to the Bank promptly upon its preparation, afford the Bank a reasonable opportunity to exchange views with the Borrower and the Project Implementing Entity on any such reports, and thereafter implement such recommended measures, taking into account the Bank's views on the matter.
- (c) Except as the Bank may reasonably determine otherwise, the Borrower shall prepare, or cause to be prepared, and furnish to the Bank:
- (i) in respect to the Project, not later than six (6) months after the Closing Date: (A) a report of such scope and in such detail as the Bank shall reasonably request, on the execution of the Project, the performance by the Loan Parties, the Project Implementing Entity and the Bank of their respective obligations under the Legal Agreements and the accomplishment of the purposes of the Loan; and (B) a plan designed to ensure the sustainability of the Project's achievements; and
 - (ii) in respect to the CERP, not later than six (6) months after the end of the implementation period of the CERP: (A) a report of such scope and in such detail as the Bank shall reasonably request, on the execution of the CERP, the performance by the Borrower and the Bank of their respective obligations, and the accomplishment of the purposes of the Loan for the CERP; and (B) a plan designed to ensure the sustainability of the CERP's achievements.

Section 5.09 *Financial Management; Financial Statements; Audits*

(a) (i) The Borrower shall maintain or cause to be maintained a financial management system and prepare financial statements ("Financial Statements") in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Project; and (ii) the Project Implementing Entity shall maintain or cause to be maintained a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, in a manner adequate to reflect its operations, resources and expenditures, and/or those of the Project, as may be further specified in the Disbursement and Financial Information Letter.

(b) The Borrower and the Project Implementing Entity shall:

- (i) have the Financial Statements periodically audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank;
- (ii) not later than the date specified in the Disbursement and Financial Information Letter, furnish or cause to be furnished to the Bank the Financial Statements as so audited, and such other information concerning the audited Financial Statements and such auditors, as the Bank may from time to time reasonably request;
- (iii) make the audited Financial Statements, or cause the audited Financial Statements to be made, publicly available in a timely fashion and in a manner acceptable to the Bank; and
- (iv) if requested by the Bank, periodically furnish or cause to be furnished to the Bank interim unaudited financial reports for the Project, in form and substance satisfactory to the Bank and as further specified in the Disbursement and Financial Information Letter.

Section 5.10 *Cooperation and Consultation*

The Bank and the Loan Parties shall cooperate fully to assure that the purposes of the Loan and the objectives of the Project will be accomplished. To that end, the Bank and the Loan Parties shall:

- (a) from time to time, at the request of any one of them, exchange views on the Project, the Loan, and the performance of their respective obligations under the Legal Agreements, and furnish to the other party all such information related to such matters as it shall reasonably request; and
- (b) promptly inform each other of any condition which interferes with, or threatens to interfere with, such matters.

Section 5.11 *Visits*

(a) The Member Country shall afford all reasonable opportunity for representatives of the Bank to visit any part of its territory for purposes related to the Loan or the Project.

(b) The Borrower and the Project Implementing Entity shall enable the Bank's representatives to:

- (i) visit any facilities and construction sites included in their Respective Parts of the Project; and
- (ii) to examine the goods financed out of the proceeds of the Loan for their Respective Parts of the Project, and any plants, installations, sites, works, buildings, property, equipment, records and documents relevant to the performance of their obligations under the Legal Agreements.

Section 5.12 *Disputed Area*

In the event that the Project is in an area which is or becomes disputed, neither the Bank's financing of the Project, nor any designation of or reference to such area in the Legal Agreements, is intended to constitute a judgment on the part of the Bank as to the legal or other status of such area or to prejudice the determination of any claims with respect to such area.

Section 5.13 *Procurement*

All goods, works, and services required for the Project 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 Regulations and the provisions of the Procurement Plan.

Section 5.14 *Anti-Corruption*

The Borrower and the Project Implementing Entity shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section 5.15 *Contingent Emergency Response Project*

(a) The Bank may reallocate all or part of the Unwithdrawn Loan Balance for the financing of a specific Crisis Response Action Plan if the Bank has notified the Borrower that the following conditions have been fulfilled:

- (i) (A) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to reallocate and thereafter withdraw all or part of the Unwithdrawn Loan Balance for the financing of a specific Crisis Response Action Plan under the CERP under implementation at the time of the request; and (B) the Bank has agreed with such determination and accepted said request; and
- (ii) the Borrower has adopted the CERP Manual (with the CERP ESCP attached as an annex) and the Crisis Response Action Plan, both in form and substance acceptable to the Bank.

(b) The Borrower shall carry out, or cause to be carried out, the CERP pursuant to the Crisis Response Action Plan, the CERP Manual, the Environmental and Social Standards, the CERP ESCP, and the environmental and social documents prepared thereunder, all in a manner acceptable to the Bank. To this end, the Borrower shall ensure that:

- (i) the structures and arrangements referred to in the CERP Manual are maintained throughout the implementation of the CERP and each of the Crisis Response Action Plans, in a manner and substance acceptable to Bank;

- (ii) the measures and actions specified in the CERP ESCP are implemented with due diligence and efficiency, as provided in the CERP ESCP;
 - (iii) sufficient funds are made available to cover the costs of implementing the CERP ESCP;
 - (iv) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the CERP ESCP, as provided in the said CERP ESCP;
 - (v) subject to the prior agreement of the Bank, any revised CERP ESCP or environmental and social documents prepared thereunder are disclosed promptly after their approval;
 - (vi) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the CERP ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the CERP ESCP and the environmental and social documents referred to therein, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (A) the status of implementation of the CERP ESCP; (B) conditions, if any, which interfere or threaten to interfere with the implementation of the CERP ESCP; and (C) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (vii) the Bank is promptly notified of any incident or accident related to or having an impact on the CERP which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the CERP ESCP, the environmental and social documents referenced therein and the Environmental and Social Standards.
- (d) The Borrower shall ensure that neither the Crisis Response Action Plan nor the CERP Manual nor the CERP ESCP is amended, suspended, abrogated, repealed, or waived without prior agreement by the Bank. If any provision of the CERP Manual, the Crisis Response Action Plan, or the CERP ESCP is inconsistent with any provision of the Legal Agreements (including these General Conditions), the provisions of the Legal Agreements (including these General Conditions) shall prevail.
- (e) The Borrower shall, or shall cause to, establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of people affected by the CERP, and take all measures necessary and appropriate to resolve or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.
- (f) The Borrower shall ensure that that all bidding documents and contracts for civil works under the CERP include the obligation of contractors, subcontractors and supervising entities to: (i) comply with the relevant aspects of the applicable CERP ESCP and the environmental and social documents referred to therein; and (ii) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

ARTICLE VI
Financial and Economic Data; Negative Pledge; Financial Condition

Section 6.01 *Financial and Economic Data*

(a) The Member Country shall furnish to the Bank all such information as the Bank shall reasonably request with respect to financial and economic conditions in its territory, including its balance of payments and its external debt as well as that of its political or administrative subdivisions and of any entity owned or controlled by, or operating for the account or benefit of, the Member Country or any such subdivision, and of any institution performing the functions of a central bank or exchange stabilization fund, or similar functions, for the Member Country.

(b) The Member Country shall report “long-term external debt” (as defined in the World Bank’s Debtor Reporting System Manual (“DRSM”), dated January 2000, as may be revised from time to time), in accordance with the DRSM, and in particular, notify the Bank of new “loan commitments” (as defined in the DRSM) not later than thirty (30) days after the end of the quarter during which the debt is incurred, and notify the Bank of “transactions under loans” (as defined in the DRSM) annually, not later than March 31 of the year following the year covered by the report.

(c) The Member Country represents, as at the date of the Loan Agreement, that no defaults exist in respect of any “external public debt” (as defined in the DRSM) except those listed in a notification from the Member Country to the Bank.

Section 6.02 *Negative Pledge*

(a) It is the policy of the Bank, in making loans to, or with the guarantee of, its member countries not to seek, in normal circumstances, special security from the member country concerned but to ensure that no other Covered Debt shall have priority over its loans in the allocation, realization or distribution of foreign exchange held under the control or for the benefit of such member country. To that end, if any Lien is created on any Public Assets as security for any Covered Debt, which will or might result in a priority for the benefit of the creditor of such Covered Debt in the allocation, realization or distribution of foreign exchange, such Lien shall, unless the Bank shall otherwise agree, *ipso facto* and at no cost to the Bank, equally and ratably secure all Loan Payments, and the Member Country, in creating or permitting the creation of such Lien, shall make express provision to that effect; provided, however, that if for any constitutional or other legal reason such provision cannot be made with respect to any Lien created on assets of any of its political or administrative subdivisions, the Member Country shall promptly and at no cost to the Bank secure all Loan Payments by an equivalent Lien on other Public Assets satisfactory to the Bank.

(b) The Borrower, which is not the Member Country undertakes that, except as the Bank shall otherwise agree:

- (i) if it creates any Lien on any of its assets as security for any debt, such Lien will equally and ratably secure the payment of all Loan Payments and in the creation of any such Lien express provision will be made to that effect, at no cost to the Bank; and

- (ii) if any statutory Lien is created on any of its assets as security for any debt, it shall grant at no cost to the Bank, an equivalent Lien satisfactory to the Bank to secure the payment of all Loan Payments.
- (c) The provisions of paragraphs (a) and (b) of this Section shall not apply to: (i) any Lien created on property, at the time of purchase of such property, solely as security for the payment of the purchase price of such property or as security for the payment of debt incurred for the purpose of financing the purchase of such property; or (ii) any Lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after the date on which it is originally incurred.
- (d) The Member Country represents, as at the date of the Loan Agreement, that no Liens exist on any Public Assets, as security for any Covered Debt, except those listed in a notification from the Member Country to the Bank and those excluded pursuant to paragraph (c) of this Section 6.02.

Section 6.03 *Financial Conditionr*

If the Bank has determined that the financial condition of the Borrower, which is not the Member Country, or the Project Implementing Entity, is a material factor in the Bank's decision to lend, the Bank shall have the right, as a condition to lend, to require that such Borrower or Project Implementing Entity provides the Bank with representations and warranties related to its financial and operating conditions, satisfactory to the Bank.

ARTICLE VII
Cancellation; Suspension; Refund; Acceleration

Section 7.01 *Cancellation by the Borrowerr*

The Borrower may, by notice to the Bank, cancel any amount of the Unwithdrawn Loan Balance, except that the Borrower may not cancel any such amount that is subject to a Special Commitment.

Section 7.02 *Suspension by the Bankr*

If any of the events specified in paragraphs (a) through (m) of this Section occurs and is continuing, the Bank may, by notice to the Loan Parties, suspend in whole or in part the right of the Borrower to make withdrawals from the Loan Account. Such suspension shall continue until the event (or events) which gave rise to the suspension has (or have) ceased to exist, unless the Bank has notified the Loan Parties that such right to make withdrawals has been restored.

(a) *Payment Failure.r*

- (i) The Borrower has failed to make payment (notwithstanding the fact that such payment may have been made by the Guarantor or a third party) of principal or interest or any other amount due to the Bank or the Association: (A) under the Loan Agreement; or (B) under any other agreement between the Bank and the Borrower; or (C) under any agreement between the Borrower and the Association; or (D) in consequence of any guarantee

extended or other financial obligation of any kind assumed by the Bank or the Association to any third party with the agreement of the Borrower.

- (ii) The Guarantor has failed to make payment of principal or interest or any other amount due to the Bank or the Association: (A) under the Guarantee Agreement; or (B) under any other agreement between the Guarantor and the Bank; or (C) under any agreement between the Guarantor and the Association; or (D) in consequence of any guarantee extended or other financial obligation of any kind assumed by the Bank or the Association to any third party with the agreement of the Guarantor.
- (b) *Performance Failure.*
 - (i) A Loan Party has failed to perform any other obligation under the Legal Agreement to which it is a party or under any Derivatives Agreement.
 - (ii) The Project Implementing Entity has failed to perform any obligation under the Project Agreement or the Subsidiary Agreement.
- (c) *Fraud and Corruption.* At any time, the Bank determines that any representative of the Guarantor or the Borrower or the Project Implementing Entity (or any other recipient of any of the proceeds of the Loan) has engaged in corrupt, fraudulent, coercive or collusive practices in connection with the use of the proceeds of the Loan, without the Guarantor or the Borrower or the Project Implementing Entity (or any other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.
- (d) *Cross Suspension.* The Bank or the Association has suspended in whole or in part the right of a Loan Party to make withdrawals under any agreement with the Bank or with the Association because of a failure by a Loan Party to perform any of its obligations under such agreement or any other agreement with the Bank.
- (e) *Extraordinary Situation.*
 - (i) As a result of events which have occurred after the date of the Loan Agreement, an extraordinary situation has arisen which makes it improbable that the Project can be carried out or that a Loan Party or the Project Implementing Entity will be able to perform its obligations under the Legal Agreement to which it is a party.
 - (ii) An extraordinary situation has arisen under which any further withdrawals under the Loan would be inconsistent with the provisions of Article III, Section 3 of the Bank's Articles of Agreement.
- (f) *Event Prior to Effectiveness.* The Bank has determined after the Effective Date that prior to such date but after the date of the Loan Agreement, an event has occurred which would have entitled the Bank to suspend the Borrower's right to make withdrawals from the Loan Account if the Loan Agreement had been effective on the date such event occurred.

(g) *Misrepresentation.* A representation made by a Loan Party in or pursuant to the Legal Agreements, or in or pursuant to any Derivatives Agreement, or any representation or statement furnished by a Loan Party, and intended to be relied upon by the Bank in making the Loan or executing a transaction under a Derivatives Agreement, was incorrect in any material respect.

(h) *Co-financing.* Any of the following events occurs with respect to any financing specified in the Loan Agreement to be provided for the Project (“Co-financing”) by a financier (other than the Bank or the Association) (“Co-financier”):

- (i) If the Loan Agreement specifies a date by which the agreement with the Co-financier providing for the Co-financing (“Co-financing Agreement”) is to become effective, the Co-financing Agreement has failed to become effective by that date, or such later date as the Bank has established by notice to the Loan Parties (“Co-financing Deadline”); provided, however, that the provisions of this sub-paragraph shall not apply if the Loan Parties establish to the satisfaction of the Bank that adequate funds for the Project are available from other sources on terms and conditions consistent with the obligations of the Loan Parties under the Legal Agreements.
- (ii) Subject to sub-paragraph (iii) of this paragraph: (A) the right to withdraw the proceeds of the Co-financing has been suspended, canceled or terminated in whole or in part, pursuant to the terms of the Co-financing Agreement; or (B) the Co-financing has become due and payable prior to its agreed maturity.
- (iii) Sub-paragraph (ii) of this paragraph shall not apply if the Loan Parties establish to the satisfaction of the Bank that: (A) such suspension, cancellation, termination or prematuring was not caused by the failure of the recipient of the Co-financing to perform any of its obligations under the Co-financing Agreement; and (B) adequate funds for the Project are available from other sources on terms and conditions consistent with the obligations of the Loan Parties under the Legal Agreements.

(i) *Assignment of Obligations;Disposition of Assets.* The Borrower or the Project Implementing Entity (or any other entity responsible for implementing any part of the Project) has, without the consent of the Bank:

- (i) assigned or transferred, in whole or in part, any of its obligations arising under or entered into pursuant to the Legal Agreements; or
- (ii) sold, leased, transferred, assigned, or otherwise disposed of any property or assets financed wholly or in part out of the proceeds of the Loan; provided, however, that the provisions of this paragraph shall not apply with respect to transactions in the ordinary course of business which, in the opinion of the Bank: (A) do not materially and adversely affect the ability of the Borrower or of the Project Implementing Entity (or such other entity) to perform any of its obligations arising under or entered into pursuant to the Legal Agreements or to achieve the objectives of the Project; and (B) do not materially and adversely affect the financial condition or operation of the Borrower (other than the Member Country) or the Project Implementing Entity (or such other entity).

(j) *Membership.* The Member Country: (i) has been suspended from membership in or ceased to be a member of the Bank; or (ii) has ceased to be a member of the International Monetary Fund.

(k) *Condition of Borrower or Project Implementing Entity.*

- (i) Any material adverse change in the condition of the Borrower (other than the Member Country), as represented by it, has occurred prior to the Effective Date.
- (ii) The Borrower (other than the Member Country) has become unable to pay its debts as they mature or any action or proceeding has been taken by the Borrower or by others whereby any of the assets of the Borrower shall or may be distributed among its creditors.
- (iii) Any action has been taken for the dissolution, disestablishment or suspension of operations of the Borrower (other than the Member Country) or of the Project Implementing Entity (or any other entity responsible for implementing any part of the Project).
- (iv) The Borrower (other than the Member Country) or the Project Implementing Entity (or any other entity responsible for implementing any part of the Project) has ceased to exist in the same legal form as that prevailing as of the date of the Legal Agreements.
- (v) In the opinion of the Bank, the legal character, ownership or control of the Borrower (other than the Member Country) or of the Project Implementing Entity (or of any other entity responsible for implementing any part of the Project) has changed from that prevailing as of the date of the Legal Agreements so as to materially and adversely affect the ability of the Borrower or of the Project Implementing Entity (or such other entity) to perform any of its obligations arising under or entered into pursuant to the Legal Agreements, or to achieve the objectives of the Project.

(l) *Ineligibility.* The Bank or the Association has declared the Borrower (other than the Member Country) or the Project Implementing Entity ineligible to receive proceeds of any financing made by the Bank or the Association or otherwise to participate in the preparation or implementation of any project financed in whole or in part by the Bank or the Association, as a result of: (i) a determination by the Bank or the Association that the Borrower or the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by the Bank or the Association; and/or (ii) a declaration by another financier that the Borrower or the Project Implementing Entity is ineligible to receive proceeds of any financing made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by such financier.

(m) *Additional Event.* Any other event specified in the Loan Agreement for the purposes of this Section has occurred (“Additional Event of Suspension”).

Section 7.03 *Cancellation by the Bank*

If any of the events specified in paragraphs (a) through (f) of this Section occurs with respect to an amount of the Unwithdrawn Loan Balance, the Bank may, by notice to the Loan Parties, terminate the right of the Borrower to make withdrawals with respect to such amount. Upon the giving of such notice, such amount shall be cancelled.

(a) *Suspension.* The right of the Borrower to make withdrawals from the Loan Account has been suspended with respect to any amount of the Unwithdrawn Loan Balance for a continuous period of thirty (30) days.

(b) *Amounts not Required.* At any time, the Bank determines, after consultation with the Borrower, that an amount of the Unwithdrawn Loan Balance will not be required to finance Eligible Expenditures.

(c) *Fraud and Corruption.* At any time, the Bank determines, with respect to any amount of the proceeds of the Loan, that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Guarantor or the Borrower or the Project Implementing Entity (or other recipient of the proceeds of the Loan) without the Guarantor, the Borrower or the Project Implementing Entity (or other recipient of the proceeds of the Loan) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

(d) *Misprocurement.* At any time, the Bank: (i) determines that the procurement of any contract to be financed out of the proceeds of the Loan is inconsistent with the procedures set forth or referred to in the Legal Agreements; and (ii) establishes the amount of expenditures under such contract which would otherwise have been eligible for financing out of the proceeds of the Loan.

(e) *Closing Date.* After the Closing Date, there remains an Unwithdrawn Loan Balance.

(f) *Cancellation of Guarantee.* The Bank receives notice from the Guarantor pursuant to Section 7.06 with respect to an amount of the Loan.

Section 7.04 *Amounts Subject to Special Commitment not Affected by Cancellation or Suspension by the Bank*

No cancellation or suspension by the Bank shall apply to amounts of the Loan subject to any Special Commitment except as expressly provided in the Special Commitment.

Section 7.05 *Loan Refund*

(a) If the Bank determines that an amount of the Withdrawn Loan Balance has been used in a manner inconsistent with the provisions of the Legal Agreements, the Borrower shall, upon notice by the Bank to the Borrower, promptly refund such amount to the Bank. Such inconsistent use shall include, without limitation:

- (i) use of such amount to make a payment for an expenditure that is not an Eligible Expenditure; or

- (ii) (A) engaging in corrupt, fraudulent, collusive or coercive practices in connection with the use of such amount; or (B) use of such amount to finance a contract during the procurement or execution of which such practices were engaged in by representatives of the Guarantor or the Borrower or the Project Implementing Entity (or the Member Country, if the Borrower is not the Member Country, or other recipient of such amount of the Loan), in either case without the Borrower (or Member Country, or other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.
- (b) Except as the Bank may otherwise determine, the Bank shall cancel all amounts refunded pursuant to this Section.
- (c) If any notice of refund is given pursuant to Section 7.05 (a) during the Conversion Period for any Conversion applicable to a Loan, the provisions of Section 4.06 shall apply.

Section 7.06 *Cancellation of Guarantee*

If the Borrower has failed to pay any required Loan Payment (otherwise than as a result of any act or omission to act of the Guarantor) and such payment is made by the Guarantor, the Guarantor may, after consultation with the Bank, by notice to the Bank and the Borrower, terminate its obligations under the Guarantee Agreement with respect to any amount of the Unwithdrawn Loan Balance as at the date of receipt of such notice by the Bank; provided that such amount is not subject to any Special Commitment. Upon receipt of such notice by the Bank, such obligations in respect of such amount shall terminate.

Section 7.07 *Events of Acceleration*

If any of the events specified in paragraphs (a) through (f) of this Section occurs and continues for the period specified (if any), then at any subsequent time during the continuance of the event, the Bank may, by notice to the Loan Parties, declare all or part of the Withdrawn Loan Balance as at the date of such notice to be due and payable immediately together with any other Loan Payments due under the Loan Agreement. Upon any such declaration, such Withdrawn Loan Balance and Loan Payments shall become immediately due and payable. If any notice of acceleration is given during the Conversion Period for any Conversion applicable to a Loan, the provisions of Section 4.06 shall apply.

- (a) *Payment Default.* A default has occurred in the payment by a Loan Party of any amount due to the Bank or the Association: (i) under any Legal Agreement; (ii) under any other agreement between the Bank and the Loan Party; or (iii) under any agreement between the Loan Party and the Association (in the case of an agreement between the Guarantor and the Association, under circumstances which would make it unlikely that the Guarantor would meet its obligations under the Guarantee Agreement); or (iv) in consequence of any guarantee extended or other financial obligation of any kind assumed by the Bank or the Association to any third party with the agreement of the Loan Party; and such default continues in each case for a period of thirty (30) days.
- (b) *Performance Default.*

- (i) A default has occurred in the performance by a Loan Party of any other obligation under the Legal Agreement to which it is a party or under any Derivatives Agreement, and such default continues for a period of sixty (60) days after notice of such default has been given by the Bank to the Loan Parties.
- (ii) A default has occurred in the performance by the Project Implementing Entity of any obligation under the Project Agreement or the Subsidiary Agreement, and such default continues for a period of sixty (60) days after notice of such default has been given by the Bank to the Project Implementing Entity and the Loan Parties.
- (c) *Co-financing*. The event specified in sub-paragraph (h) (ii) (B) of Section 7.02 has occurred, subject to the provisions of paragraph (h) (iii) of that Section.
- (d) *Assignment of Obligations;Disposition of Assets*. Any event specified in paragraph (i) of Section 7.02 has occurred.
- (e) *Condition of Borroweror Project Implementing Entity*.Any event specified in sub-paragraph (k) (ii), (k) (iii), (k) (iv) or (k) (v) of Section 7.02 has occurred.
- (f) *Additional Event*. Any other event specified in the Loan Agreement for the purposes of this Section has occurred and continues for the period, if any, specified in the Loan Agreement (“Additional Event of Acceleration”).

Section 7.08 *Effectivenessof Provisions afterCancellation, Suspension, Refund, or Accelerationr*

Notwithstanding any cancellation, suspension, refund, or acceleration under this Article, all the provisions of the Legal Agreements shall continue in full force and effect except as specifically provided in these General Conditions.

ARTICLE VIII
Enforceability; Arbitration

Section 8.01 *Enforceabilityr*

The rights and obligations of the Bank and the Loan Parties under the Legal Agreements shall be valid and enforceable in accordance with their terms notwithstanding the law of any state or political subdivision thereof to the contrary. Neither the Bank nor any Loan Party shall be entitled in any proceeding under this Article to assert any claim that any provision of the Legal Agreements is invalid or unenforceable because of any provision of the Articles of Agreement of the Bank.

Section 8.02 *Obligations of the Guarantorr*

Except as provided in Section 7.06, the obligations of the Guarantor under the Guarantee Agreement shall not be discharged except by performance, and then only to the extent of such performance. Such obligations shall not require any prior notice to, demand upon or action against the Borrower or any prior notice to or demand upon the Guarantor with regard to any default by the Borrower. Such obligations shall not be impaired by any of the following: (a) any extension of time, forbearance or

concession given to the Borrower; (b) any assertion of, or failure to assert, or delay in asserting, any right, power or remedy against the Borrower or in respect of any security for the Loan; (c) any modification or amplification of the provisions of the Loan Agreement contemplated by its terms; or (d) any failure of the Borrower or of the Project Implementing Entity to comply with any requirement of any law of the Member Country.

Section 8.03 *Failure to Exercise Rights*

No delay in exercising, or omission to exercise, any right, power or remedy accruing to any party under any Legal Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default. No action of such party in respect of any default, or any acquiescence by it in any default, shall affect or impair any right, power or remedy of such party in respect of any other or subsequent default.

Section 8.04 *Arbitration*

(a) Any controversy between the parties to the Loan Agreement or the parties to the Guarantee Agreement, and any claim by any such party against any other such party arising under the Loan Agreement or the Guarantee Agreement which has not been settled by agreement of the parties shall be submitted to arbitration by an arbitral tribunal as hereinafter provided ("Arbitral Tribunal").

(b) The parties to such arbitration shall be the Bank on the one side and the Loan Parties on the other side.

(c) The Arbitral Tribunal shall consist of three arbitrators appointed as follows: (i) one arbitrator shall be appointed by the Bank; (ii) a second arbitrator shall be appointed by the Loan Parties or, if they do not agree, by the Guarantor; and (iii) the third arbitrator ("Umpire") shall be appointed by agreement of the parties or, if they do not agree, by the President of the International Court of Justice or, failing appointment by said President, by the Secretary-General of the United Nations. If either side fails to appoint an arbitrator, such arbitrator shall be appointed by the Umpire. In case any arbitrator appointed in accordance with this Section resigns, dies or becomes unable to act, a successor arbitrator shall be appointed in the same manner as prescribed in this Section for the appointment of the original arbitrator and such successor shall have all the powers and duties of such original arbitrator.

(d) An arbitration proceeding may be instituted under this Section upon notice by the party instituting such proceeding to the other party. Such notice shall contain a statement setting forth the nature of the controversy or claim to be submitted to arbitration, the nature of the relief sought, and the name of the arbitrator appointed by the party instituting such proceeding. Within thirty (30) days after such notice, the other party shall notify to the party instituting the proceeding the name of the arbitrator appointed by such other party.

(e) If within sixty (60) days after the notice instituting the arbitration proceeding, the parties have not agreed upon an Umpire, any party may request the appointment of an Umpire as provided in paragraph (c) of this Section.

(f) The Arbitral Tribunal shall convene at such time and place as shall be fixed by the Umpire. Thereafter, the Arbitral Tribunal shall determine where and when it shall sit.

(g) The Arbitral Tribunal shall decide all questions relating to its competence and shall, subject to the provisions of this Section and except as the parties shall otherwise agree, determine its procedure. All decisions of the Arbitral Tribunal shall be by majority vote.

(h) The Arbitral Tribunal shall afford to all parties a fair hearing and shall render its award in writing. Such award may be rendered by default. An award signed by a majority of the Arbitral Tribunal shall constitute the award of the Arbitral Tribunal. A signed counterpart of the award shall be transmitted to each party. Any such award rendered in accordance with the provisions of this Section shall be final and binding upon the parties to the Loan Agreement and the Guarantee Agreement. Each party shall abide by and comply with any such award rendered by the Arbitral Tribunal in accordance with the provisions of this Section.

(i) The parties shall fix the amount of the remuneration of the arbitrators and such other persons as are required for the conduct of the arbitration proceedings. If the parties do not agree on such amount before the Arbitral Tribunal convenes, the Arbitral Tribunal shall fix such amount as shall be reasonable under the circumstances. The Bank, the Borrower and the Guarantor shall each defray its own expenses in the arbitration proceedings. The costs of the Arbitral Tribunal shall be divided between and borne equally by the Bank on the one side and the Loan Parties on the other. Any question concerning the division of the costs of the Arbitral Tribunal or the procedure for payment of such costs shall be determined by the Arbitral Tribunal.

(j) The provisions for arbitration set forth in this Section shall be in lieu of any other procedure for the settlement of controversies between the parties to the Loan Agreement and Guarantee Agreement or of any claim by any such party against any other such party arising under such Legal Agreements.

(k) If, within thirty (30) days after counterparts of the award have been delivered to the parties, the award has not been complied with, any party may: (i) enter judgment upon, or institute a proceeding to enforce, the award in any court of competent jurisdiction against any other party; (ii) enforce such judgment by execution; or (iii) pursue any other appropriate remedy against such other party for the enforcement of the award and the provisions of the Loan Agreement or Guarantee Agreement. Notwithstanding the foregoing, this Section shall not authorize any entry of judgment or enforcement of the award against the Member Country except as such procedure may be available otherwise than by reason of the provisions of this Section.

(l) Service of any notice or process in connection with any proceeding under this Section or in connection with any proceeding to enforce any award rendered pursuant to this Section may be made in the manner provided in Section 10.01. The parties to the Loan Agreement and the Guarantee Agreement waive any and all other requirements for the service of any such notice or process.

ARTICLE IX
Effectiveness; Termination

Section 9.01 Conditions of Effectiveness of Legal Agreements

The Legal Agreements shall not become effective until the Loan Party and the Project Implementing Entity confirm and the Bank is satisfied that the conditions specified in paragraphs (a) through (c) of this Section are met.

- (a) The execution and delivery of each Legal Agreement on behalf of the Loan Party or the Project Implementing Entity which is a party to such Legal Agreement have been duly authorized by all necessary actions and delivered on behalf of such party, and the Legal Agreement is legally binding upon such party in accordance with its terms.
- (b) If the Bank so requests, the condition of the Borrower (other than the Member Country) or of the Project Implementing Entity, as represented and warranted to the Bank at the date of the Legal Agreements, has not undergone any material adverse change after such date.
- (c) Each condition specified in the Loan Agreement as a condition of its effectiveness has occurred ("Additional Condition of Effectiveness").

Section 9.02 Legal Opinions or Certificates; Representation and Warranty

For the purpose of confirming that the conditions specified in paragraph (a) of Section 9.01 above have been met:

- (a) The Bank may require an opinion or certificate satisfactory to the Bank confirming: (i) on behalf of the Loan Party or the Project Implementing Entity that the Legal Agreement to which it is a party has been duly authorized by, and executed and delivered on behalf of, such party and is legally binding upon such party in accordance with its terms; and (ii) each other matter specified in the Legal Agreement or reasonably requested by the Bank in connection with the Legal Agreements for the purpose of this Section.
- (b) If the Bank does not require an opinion or certificate pursuant to Section 9.02(a), by signing the Legal Agreement to which it is a party, the Loan Party or the Project Implementing Entity shall be deemed to represent and warrant that on the date of such Legal Agreement, the Legal Agreement has been duly authorized by, and executed and delivered on behalf of, such party and is legally binding upon such party in accordance with its terms, except where additional action is required to make such Legal Agreement legally binding. Where additional action is required following the date of the Legal Agreement, the Loan Party or the Project Implementing Entity shall notify the Bank when such additional action has been taken. By providing such notification, the Loan Party or the Project Implementing Entity shall be deemed to represent and warrant that on the date of such notification the Legal Agreement to which it is a party is legally binding upon it in accordance with its terms.

Section 9.03 *Effectiveness*

(a) Except as the Bank and the Borrower shall otherwise agree, the Legal Agreements shall enter into effect on the date upon which the Bank dispatches to the Loan Parties and the Project Implementing Entity notice confirming it is satisfied that the conditions specified in Section 9.01 have been met ("Effective Date").

(b) If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Borrower to make withdrawals from the Loan Account if the Loan Agreement had been effective, or the Bank has determined that an extraordinary situation provided for under Section 3.08 (a) exists, the Bank may postpone the dispatch of the notice referred to in paragraph (a) of this Section until such event (or events) or situation has (or have) ceased to exist.

Section 9.04 *Termination of Legal Agreements for Failure to Become Effective*

The Legal Agreements and all obligations of the parties under the Legal Agreements shall terminate if the Legal Agreements have not entered into effect by the date ("Effectiveness Deadline") specified in the Loan Agreement for the purpose of this Section, unless the Bank, after consideration of the reasons for the delay, establishes a later Effectiveness Deadline for the purpose of this Section. The Bank shall promptly notify the Loan Parties and Project Implementing Entity of such later Effectiveness Deadline.

Section 9.05 *Termination of Legal Agreements on Performance of All Obligations*

(a) Subject to the provisions of paragraphs (b) and (c) of this Section, the Legal Agreements and all obligations of the parties under the Legal Agreements shall forthwith terminate upon full payment of the Withdrawn Loan Balance and all other Loan Payments due.

(b) If the Loan Agreement specifies a date by which certain provisions of the Loan Agreement (other than those providing for payment obligations) shall terminate, such provisions and all obligations of the parties under them shall terminate on the earlier of: (i) such date; and (ii) the date on which the Loan Agreement terminates in accordance with its terms.

(c) If the Project Agreement specifies a date on which the Project Agreement shall terminate, the Project Agreement and all obligations of the parties under the Project Agreement shall terminate on the earlier of: (i) such date; and (ii) the date on which the Loan Agreement terminates in accordance with its terms. The Bank shall promptly notify the Project Implementing Entity if the Loan Agreement terminates in accordance with its terms prior to the date so specified in the Project Agreement.

ARTICLE X
Miscellaneous Provisions

Section 10.01 *Execution of Legal Agreements; Notices and Requests*

(a) Each Legal Agreement executed by Electronic Means shall be deemed an original, and in the case of any Legal Agreement not executed by Electronic Means in several counterparts, each counterpart shall be an original.

(b) Any notice or request required or permitted to be made or given under any Legal Agreement or any other agreement between the parties contemplated by the Legal Agreement shall be in writing. Except as otherwise provided in Section 9.03 (a), such notice or request shall be deemed to have been duly given or made when it has been delivered by hand, mail, or Electronic Means, to the party to which it is to be given or made at such party's address or Electronic Address specified in the Legal Agreement or at such other address or Electronic Address as such party shall have designated by notice to the party giving such notice or making such request. Any notice or request delivered by Electronic Means shall be deemed dispatched by the sender from its Electronic Address when it leaves the Electronic Communications System of the sender and shall be deemed received by the other party at its Electronic Address when such notice or request becomes capable of being retrieved in machine readable format by the Electronic Communications System of the receiving party.

(c) Unless the Parties otherwise agree, Electronic Documents shall have the same legal force and effect as information contained in a Legal Agreement or a notice or request under a Legal Agreement that is not executed or transmitted by Electronic Means.

Section 10.02 *Action on Behalf of the Loan Parties and the Project Implementing Entity*

(a) The representative designated by a Loan Party in the Legal Agreement to which it is a party (and the representative designated by the Project Implementing Entity in the Project Agreement or the Subsidiary Agreement) for the purpose of this Section, or any person authorized by such representative for that purpose, may take any action required or permitted to be taken pursuant to such Legal Agreement, and execute any documents or dispatch any Electronic Document required or permitted to be executed pursuant to such Legal Agreement, on behalf of such Loan Party (or the Project Implementing Entity).

(b) The representative so designated by the Loan Party or person so authorized by such representative may agree to any modification or amplification of the provisions of such Legal Agreement on behalf of such Loan Party by Electronic Document or by written instrument executed by such representative or authorized person; provided that, in the opinion of such representative, the modification or amplification is reasonable in the circumstances and will not substantially increase the obligations of the Loan Parties under the Legal Agreements. The Bank may accept the execution by such representative or other authorized person of any such instrument as conclusive evidence that such representative is of such opinion.

Section 10.03 *Evidence of Authority*

The Loan Parties and the Project Implementing Entity shall furnish to the Bank: (a) sufficient evidence of the authority of the person or persons who will, on behalf of such party, take any action or execute any documents, including Electronic Documents, required or permitted to be taken or executed by it under the Legal Agreement to which it is a party; and (b) the Electronic Address or the authenticated specimen signature of each such person.

Section 10.04 *Disclosures*

The Bank may disclose the Legal Agreements to which it is a party and any information related to such Legal Agreements in accordance with its policy on access to information, in effect at the time of such disclosure.

APPENDIX
Definitions

1. “Additional Condition of Effectiveness” means any condition of effectiveness specified in the Loan Agreement for the purpose of Section 9.01 (c).
2. “Additional Event of Acceleration” means any event of acceleration specified in the Loan Agreement for the purpose of Section 7.07 (f).
3. “Additional Event of Suspension” means any event of suspension specified in the Loan Agreement for the purpose of Section 7.02 (m).
4. “Amortization Schedule” means the schedule for repayment of principal amount specified in the Loan Agreement for purposes of Section 3.03.
5. “Anti-Corruption Guidelines” means: (a) for the Project: the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, as further defined in the Loan Agreement; and (b) for the CERP: the latest iteration of the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants” that had been issued by the Bank as the day of the Bank’s endorsement of the CERP for financing.
6. “Approved Currency” means, for a Currency Conversion, any Currency approved by the Bank, which, upon the Conversion, becomes the Loan Currency.
7. “Arbitral Tribunal” means the arbitral tribunal established pursuant to Section 8.04.
8. “Association” means the International Development Association.
9. “Automatic Conversion to Local Currency” means, with respect to any portion of the Withdrawn Loan Balance, a Currency Conversion from the Loan Currency to a Local Currency for either the full maturity or the longest maturity available for the Conversion of such amount with effect from the Conversion Date upon withdrawals of amounts of the Loan from the Loan Account.
10. “Automatic Rate Fixing Conversion” means an Interest Rate Conversion whereby either: (a) the initial Reference Rate component of the interest rate for a Loan based on a Variable Spread is converted to a Fixed Reference Rate; or (b) the initial Variable Rate for a Loan with a Fixed Spread is converted to a Fixed Rate,⁵ in either case for the aggregate principal amount of the Loan withdrawn from the Loan Account during any Interest Period or any of the two or more consecutive Interest Periods that equals or exceeds a specified threshold, and for the full maturity of such amount, as specified in the Loan Agreement or in a separate request from the Borrower.
11. “Bank” means the International Bank for Reconstruction and Development.

⁵ Not available due to the suspension of the Fixed Spread terms until further notice.

12. “Borrower” means the party to the Loan Agreement to which the Loan is extended.
13. “Borrower’s Representative” means the Borrower’s representative specified in the Loan Agreement for the purpose of Section 10.02.
14. “CERP ESCP” means the environmental and social commitment plan for the CERP to be prepared and adopted by the Borrower, as the same may be amended from time to time in accordance with the provisions thereof, setting forth the material measures and actions that the Borrower shall carry out to address the potential environmental and social risks and impacts of the activities detailed in the Crisis Response Action Plan, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social documents to be prepared thereunder.
15. “CERP Manual” means the implementation manual to be prepared and adopted by the Borrower setting forth the detailed implementation arrangements for the CERP, including: (a) any structures or institutional arrangements, allocation of responsibilities and decision making powers for coordinating and implementing the activities thereunder; (b) the specific activities and the list of Eligible Expenditures under the CERP in response to the declared/determined Eligible Crisis or Emergency pursuant to the Crisis Response Action Plan; (c) the template for the Crisis Response Action Plan; (d) the financial management and withdrawal arrangements for the implementation of the CERP; (e) the procurement methods and procedures to be followed in the implementation of the CERP; (f) a description of the environmental and social assessment and mitigation measures applicable to the CERP; (g) template of the CERP Reports as well as the monitoring and evaluation arrangements for the activities thereunder; and (h) the CERP ESCP (as an annex).
16. “CERP Report” means each report on the CERP to be prepared and furnished to the Bank pursuant to Section 5.08 (b)(ii) of these General Conditions.
17. “Closing Date” means the date specified in the Loan Agreement or such other date – including an earlier date at the Borrower’s request – as the Bank may establish, by notice to the Loan Parties.
18. “Co-financier” means the financier (other than the Bank or the Association) referred to in Section 7.02 (h) providing the Co-financing. If the Loan Agreement specifies more than one such financier, “Co-financier” refers separately to each of such financiers.
19. “Co-financing” means the financing referred to in Section 7.02 (h) and specified in the Loan Agreement provided or to be provided for the Project by the Co-financier. If the Loan Agreement specifies more than one such financing, “Co-financing” refers separately to each of such financings.
20. “Co-financing Agreement” means the agreement referred to in Section 7.02 (h) providing for the Co-financing.
21. “Co-financing Deadline” means the date referred to in Section 7.02 (h)(i) and specified in the Loan Agreement by which the Co-financing Agreement is to become effective. If the Loan Agreement specifies more than one such date, “Co-financing Deadline” refers separately to each of such dates.

22. “Commitment Charge” means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01 (b).
23. “Commitment-linked Amortization Schedule” means an Amortization Schedule in which timing and amount of principal repayments is determined by reference to the date of approval of the Loan by the Bank and calculated as a portion of the Withdrawn Loan Balance, as specified in the Loan Agreement.
24. “Contingent Emergency Response Project” and the term “CERP” mean the contingent emergency response project prepared from time to time by the Borrower and agreed with the Bank aimed at responding promptly and effectively to an Eligible Crisis or Emergency, as further elaborated in the Crisis Response Action Plan, as amended from time to time by agreement between the Borrower and the Bank.
25. “Conversion” means any of the following modifications of the terms of all or any portion of the Loan that has been requested by the Borrower and accepted by the Bank: (a) an Interest Rate Conversion; (b) a Currency Conversion; or (c) the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate; each as provided herein, in the Loan Agreement and in the Conversion Guidelines.
26. “Conversion Date” means, for a Conversion, such date as the Bank shall determine on which the Conversion enters into effect, as further specified in the Conversion Guidelines; provided that in case of an Automatic Conversion to Local Currency, the Conversion Date shall be the date of withdrawal from the Loan Account of the amount in respect of which the Conversion has been requested.
27. “Conversion Guidelines” means, for a Conversion, the Directive “Conversion of Financial Terms of IBRD and IDA Loans and Financing Instruments” issued and revised from time to time, by the Bank and the Association, in effect at the time of the Conversion.
28. “Conversion Period” means, for a Conversion, the period from and including the Conversion Date to and including the last day of the Interest Period in which the Conversion terminates by its terms; provided, that solely for the purpose of enabling the final payment of interest and principal under a Currency Conversion to be made in the Approved Currency, such period shall end on the Payment Date immediately following the last day of said final applicable Interest Period.
29. “Counterparty” means a party with whom the Bank enters into a hedging arrangement for purposes of executing a Conversion.
30. “Covered Debt” means any debt which is or may become payable in a Currency other than the Currency of the Member Country.
31. “Crisis Response Action Plan” means the plan to be prepared and adopted by the Borrower in response to an Eligible Crisis or Emergency detailing, among others: (a) the activities to be implemented under the CERP in response to the Eligible Crisis or Emergency; (b) the estimated budget therefor and corresponding appropriations or financing sources; (c) the implementation timeline which, unless the Bank otherwise agrees, shall not exceed twelve (12) months; (d) the

foreseeable procurement and an abridged Procurement Plan for the CERP; and (e) the indicators for monitoring and evaluating the activities to be implemented under the CERP in response to the Eligible Crisis or Emergency.

32. “Currency” means the currency of a country and the Special Drawing Right of the International Monetary Fund. “Currency of a country” means the currency which is legal tender for the payment of public and private debts in that country.
33. “Currency Conversion” means a change of the Loan Currency of all or any amount of the Unwithdrawn Loan Balance or the Withdrawn Loan Balance to an Approved Currency.
34. “Currency Hedge Notes Transaction” means one or more notes issued by the Bank and denominated in an Approved Currency for purposes of executing a Currency Conversion.
35. “Currency Hedge Transaction” means either: (a) a Currency Hedge Swap Transaction; or (b) a Currency Hedge Notes Transaction.
36. “Currency Hedge Swap Transaction” means one or more Currency derivatives transactions entered into by the Bank with a Counterparty as of the Execution Date for purposes of executing a Currency Conversion.
37. “Default Interest Period” means for any overdue amount of the Withdrawn Loan Balance, each Interest Period during which such overdue amount remains unpaid; provided, however, that the first such Default Interest Period shall commence on the 31st day following the date on which such amount becomes overdue, and the final such Default Interest Period shall end on the date at which such amount is fully paid.
38. “Default Interest Rate” means for any Default Interest Period: (a) in respect of any amount of the Withdrawn Loan Balance to which the Default Interest Rate applies and for which interest was payable at a Variable Rate immediately prior to the application of the Default Interest Rate: the Default Variable Rate plus one half of one percent (0.5%); and (b) in respect of any amount of the Withdrawn Loan Balance to which the Default Interest Rate applies and for which interest was payable at a Fixed Rate⁶ immediately prior to the application of the Default Interest Rate: Default Reference Rate plus the Fixed Spread plus one half of one percent (0.5%).
39. “Default Reference Rate” means the Reference Rate for the relevant Interest Period; it being understood that for the initial Default Interest Period, Default Reference Rate shall be equal to Reference Rate for the Interest Period in which the amount referred to in Section 3.02 (e) first becomes overdue.
40. “Default Variable Rate” means the Variable Rate for the relevant Interest Period; provided that: (a) for the initial Default Interest Period, Default Variable Rate shall be equal to the Variable Rate for the Interest Period in which the amount referred to in Section 3.02 (e) first becomes overdue; and (b) for an amount of the Withdrawn Loan Balance to which the Default Interest Rate applies and for which interest was payable at a Variable Rate based on a Fixed

⁶ Not available due to suspension of the Fixed Spread terms until further notice.

Reference Rate and the Variable Spread immediately prior to the application of the Default Interest Rate, "Default Variable Rate" shall be equal to the Default Reference Rate plus the Variable Spread.

41. "Derivatives Agreement" means any derivatives agreement between the Bank and a Loan Party (or any of its sub-sovereign entities) for the purpose of documenting and confirming one or more derivatives transactions between the Bank and such Loan Party (or any of its sub-sovereign entities), as such agreement may be amended from time to time. "Derivatives Agreement" includes all schedules, annexes and agreements supplemental to the Derivatives Agreement.
42. "Disbursed Amount" means, for each Interest Period, the aggregate principal amount of the Loan withdrawn from the Loan Account during such Interest Period.
43. "Disbursement-Linked Amortization Schedule" means an Amortization Schedule in which principal amount repayments are determined by reference to the date of disbursement and the Disbursed Amount and calculated as a portion of the Withdrawn Loan Balance, as specified in the Loan Agreement.
44. "Disbursement and Financial Information Letter" means the letter transmitted by the Bank to the Borrower as part of the additional instructions to be issued under Section 2.01 (b).
45. "Dollar", "\$" and "USD" each means the lawful currency of the United States of America.
46. "Effective Date" means the date on which the Legal Agreements enter into effect pursuant to Section 9.03 (a).
47. "Effectiveness Deadline" means the date referred to in Section 9.04 after which the Legal Agreements shall terminate if they have not entered into effect as provided in that Section. "Electronic Address" means the designation of a party that uniquely identifies a person within a defined Electronic Communications System for purposes of authenticating the dispatch and receipt of Electronic Documents.
48. "Electronic Communications System" means the collection of computers, servers, systems, equipment, network elements and other hardware and software used for the purposes of generating, sending, receiving or storing or otherwise processing Electronic Documents, acceptable to the Bank and in accordance with any such additional instructions as the Bank may specify from time to time by notice to the Borrower.
49. "Electronic Document" means information contained in a Legal Agreement or a notice or request under a Legal Agreement that is transmitted by Electronic Means.
50. "Electronic Means" means the generation, sending, receiving, storing or otherwise processing of an Electronic Document by electronic, magnetic, optical or similar means, including, but not limited to, electronic data interchange, electronic mail, telegram, telex or telecopy, acceptable to the Bank.

- 51. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic or social impact to the Borrower associated with a natural or man-made crisis or disaster.
- 52. “Eligible Expenditure” means an expenditure which meets the requirements of Section 2.05.
- 53. “Environmental and Social Standards” means, collectively: (a) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (b) “Environmental and Social Standard 2: Labor and Working Conditions”; (c) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (d) “Environmental and Social Standard 4: Community Health and Safety”; (e) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (f) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (g) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (h) “Environmental and Social Standard 8: Cultural Heritage”; (i) “Environmental and Social Standard 9: Financial Intermediaries”; (j) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; as further defined in the Loan Agreement for purposes of the Project or the last iteration of such standards issued by the Bank as of the day of the Bank’s endorsement of the CERP for financing for purposes of the CERP.
- 54. “EURIBOR” means for any Interest Period, the EUR interbank offered rate for deposits in EUR for six months, expressed as a percentage per annum, that appears on the Relevant Rate Page at the customary publication time as specified by the EURIBOR benchmark administrator in the EURIBOR benchmark methodology, as reasonably determined by the Bank for the relevant Interest Period.
- 55. “Euro”, “€” and “EUR” each means the lawful currency of the Euro Area.
- 56. “Euro Area” means the economic and monetary union of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.
- 57. “Execution Date” means, for a Conversion (or its early termination), the date on which the Bank has undertaken all actions necessary to effect (or terminate) the Conversion, as reasonably determined by the Bank.
- 58. “Financial Statements” means the financial statements referred to in Section 5.09 (a).
- 59. “Fixed Rate” means a fixed rate of interest applicable to the amount of the Loan to which a Conversion applies, as determined by the Bank in accordance with the Conversion Guidelines and notified to the Borrower pursuant to Section 4.01 (c).⁷
- 60. “Fixed Reference Rate” means a fixed reference rate component of the interest applicable to the amount of the Loan to which a Conversion applies, as determined by the Bank in

⁷ Interest Rate Conversions to Fixed Rate are not available due to the suspension of the Fixed Spread terms until further notice. Some rate fixing Currency Conversions are available, subject to the Conversion Guidelines.

accordance with the Conversion Guidelines and notified to the Borrower pursuant to Section 4.01 (c).

61. "Fixed Spread" means the Bank's fixed spread for the Original Loan Currency established by the Bank in accordance with its policies in effect at 12:01 a.m. Washington, D.C. time, one calendar day prior to the date of the Loan Agreement, expressed as a percentage per annum and as periodically published by the Bank; provided, that: (a) for purposes of determining the Default Interest Rate, pursuant to Section 3.02 (e), that is applicable to an amount of the Withdrawn Loan Balance on which interest is payable at a Fixed Rate, the "Fixed Spread" means the Bank's fixed spread in effect at 12:01 a.m. Washington, D.C. time, one calendar day prior to the date of the Loan Agreement, for the Currency of denomination of such amount; (b) for purposes of a Conversion of the Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread, and for purposes of fixing the Variable Spread pursuant to Section 4.02, "Fixed Spread" means the Bank's fixed spread for the Loan Currency as reasonably determined by the Bank on the Conversion Date; and (c) upon a Currency Conversion of all or any amount of the Unwithdrawn Loan Balance, the Fixed Spread shall be adjusted on the Execution Date in the manner specified in the Conversion Guidelines.⁸
62. "Front-end Fee" means the fee specified in the Loan Agreement for the purpose of Section 3.01 (a).
63. "Guarantee Agreement" means the agreement between the Member Country and the Bank providing for the guarantee of the Loan, as such agreement may be amended from time to time. "Guarantee Agreement" includes these General Conditions as applied to the Guarantee Agreement, and all appendices, schedules and agreements supplemental to the Guarantee Agreement.
64. "Guarantor" means the Member Country which is a party to the Guarantee Agreement.
65. "Guarantor's Representative" means the Guarantor's representative specified in the Loan Agreement for the purpose of Section 10.02.
66. "Installment Share" means the percentage of the total principal amount of the Loan payable on each Principal Payment Date as specified in a Commitment-linked Amortization Schedule.
67. "Interest Hedge Transaction" means, for an Interest Rate Conversion, one or more interest rate swap transactions entered into by the Bank with a Counterparty as of the Execution Date and in accordance with the Conversion Guidelines, in connection with the Interest Rate Conversion.
68. "Interest Period" means the initial period from and including the date of the Loan Agreement to but excluding the first Payment Date occurring thereafter, and after the initial period, each period from and including a Payment Date to but excluding the next following Payment Date.
69. "Interest Rate Cap" means, with respect to all or any amount of the Withdrawn Loan Balance, a ceiling that sets an upper limit: (a) in respect of any portion of the Loan that accrues interest

⁸ Suspended until further notice.

at a Variable Rate based on a Reference Rate and the Fixed Spread, for the Variable Rate⁹; or (b) in respect of any portion of the Loan that accrues interest at a Variable Rate based on a Reference Rate and the Variable Spread, for the Reference Rate.

70. "Interest Rate Collar" means, with respect to all or any amount of the Withdrawn Loan Balance, a combination of a ceiling and a floor that sets an upper and a lower limit: (a) in respect of any portion of the Loan that accrues interest at a Variable Rate based on a Reference Rate and the Fixed Spread, for the Variable Rate¹⁰; or (b) in respect of any portion of the Loan that accrues interest at a Variable Rate based on a Reference Rate and the Variable Spread, for the Reference Rate.
71. "Interest Rate Conversion" means a change of the interest rate basis applicable to all or any amount of the Withdrawn Loan Balance: (a) from the Variable Rate to the Fixed Rate or vice versa;¹¹ (b) from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread;¹² (c) from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread or vice versa; or (d) Automatic Rate Fixing Conversion.
72. "Legal Agreement" means any of the Loan Agreement, the Guarantee Agreement, the Project Agreement, or the Subsidiary Agreement. "Legal Agreements" means collectively, all of such agreements.
73. "Lien" includes mortgages, pledges, charges, privileges and priorities of any kind.
74. "Loan" means the loan provided for in the Loan Agreement.
75. "Loan Account" means the account opened by the Bank in its books in the name of the Borrower to which the amount of the Loan is credited.
76. "Loan Agreement" means the loan agreement between the Bank and the Borrower providing for the Loan, as such agreement may be amended from time to time. "Loan Agreement" includes these General Conditions as applied to the Loan Agreement, and all appendices, schedules and agreements supplemental to the Loan Agreement.
77. "Loan Currency" means the Currency in which the Loan is denominated; provided that if the Loan Agreement provides for Conversions, "Loan Currency" means the Currency in which the Loan is denominated from time to time. If the Loan is denominated in more than one currency, "Loan Currency" refers separately to each of such Currencies.
78. "Loan Party" means the Borrower or the Guarantor. "Loan Parties" means collectively, the Borrower and the Guarantor.
79. "Loan Payment" means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements, including (but not limited to) any amount of the Withdrawn Loan Balance,

⁹ Not available due to the suspension of the Fixed Spread terms until further notice.

¹⁰ Not available due to the suspension of the Fixed Spread terms until further notice.

¹¹ Not available due to the suspension of the Fixed Spread terms until further notice.

¹² Not available due to the suspension of the Fixed Spread terms until further notice.

interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any transaction fee for a Conversion or early termination of a Conversion, any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, any Unwinding Amount payable by the Borrower, any other fees, costs or charges applicable under the Loan, and any refund of the Withdrawn Loan Balance payable by the Borrower, as applicable.

80. "Local Currency" means an Approved Currency that is not a major currency, as reasonably determined by the Bank.
81. "Maturity Fixing Date" means, for each Disbursed Amount, the first day of the Interest Period next following the Interest Period in which the Disbursed Amount is withdrawn.
82. "Member Country" means the member of the Bank which is the Borrower or the Guarantor.
83. "Member Guarantee" means a financial guarantee or credit enhancement provided by a member or members of the Bank, to the Bank in respect of a Loan for applicable Loan Payments. Member Guarantee excludes the guarantees provided by a Member Country to the Bank in respect of a Loan provided to a Borrower within such Member Country's territory, where the Borrower is not the Member Country.
84. "Original Loan Currency" means the currency of denomination of the Loan as defined in Section 3.08 (a).
85. "Payment Date" means each date specified in the Loan Agreement occurring on or after the date of the Loan Agreement on which interest, Commitment Charge and other Loan charges and fees (other than the Front-end Fee) are payable, as applicable.
86. "Preparation Advance" means the advance referred to in the Loan Agreement and repayable in accordance with Section 2.07 (a).
87. "Principal Payment Date" means each date specified in the Loan Agreement on which all or any portion of the principal amount of the Loan is payable.
88. "Procurement Plan" means the Borrower's procurement plan for the Project, provided for under Section IV of the Procurement Regulations, as such plan may be updated from time to time with the Bank's approval.
89. "Procurement Regulations" means: (a) for the Project: the "World Bank Procurement Regulations for Borrowers under Investment Project Financing", as further defined in the Loan Agreement; and (b) for the CERP: the latest iteration of the "World Bank Procurement Regulations for Borrowers under Investment Project Financing" that had been issued by the Bank as of the day of the Bank's endorsement of the CERP for financing.
90. "Project" means the project described in the Loan Agreement for which the Loan is extended, as the description of such project may be amended from time to time by agreement between the Bank and the Borrower.
91. "Project Agreement" means the agreement between the Bank and the Project Implementing Entity relating to the implementation of all or part of the Project, as such agreement may be amended from time to time. "Project Agreement" includes these General Conditions as applied

to the Project Agreement, and all appendices, schedules and agreements supplemental to the Project Agreement.

92. “Project Implementing Entity” means a legal entity (other than the Borrower or the Guarantor) which is responsible for implementing all or a part of the Project and which is a party to the Project Agreement or the Subsidiary Agreement.
93. “Project Implementing Entity’s Representative” means the Project Implementing Entity’s representative specified in the Project Agreement for the purpose of Section 10.02 (a).
94. “Project Report” means each report on the Project to be prepared and furnished to the Bank pursuant to Section 5.08 (b)(i) of these General Conditions.
95. “Public Assets” means assets of the Member Country, of any of its political or administrative subdivisions and of any entity owned or controlled by, or operating for the account or benefit of, the Member Country or any such subdivision, including gold and foreign exchange assets held by any institution performing the functions of a central bank or exchange stabilization fund, or similar functions, for the Member Country.
96. “Reference Rate” means, for any Interest Period:
- (a) (i) for USD, SOFR; (ii) for EUR, EURIBOR; (iii) for GBP, SONIA; and (iv) for JPY, TONA; provided that if the relevant Reference Rate is not available through the normal sources of information at the customary publication times in respect of the relevant Interest Period, the Bank shall reasonably determine such Reference Rate taking into account the prevailing market practice with respect to alternative methods for calculating the Reference Rate, their market representativeness and acceptability to the Bank for purposes of its asset and liability management, and notify the Borrower accordingly;
 - (b) if the Bank determines that (i) the Reference Rate for the relevant Loan Currency has permanently ceased to be quoted for such currency, or (ii) the Bank is no longer able, or it is no longer commercially acceptable for the Bank, to continue to use such Reference Rate, for purposes of its asset and liability management, such other comparable reference rate for the relevant currency, including any applicable spread, as the Bank shall determine, and notify to the Borrower pursuant to Section 3.02 (c); and
 - (c) for any currency other than USD, EUR, GBP or JPY: (i) such reference rate for the Original Loan Currency as shall be specified or referred to in the Loan Agreement; or (ii) in the case of a Currency Conversion to such other currency, such reference rate as shall be determined by the Bank in accordance with the Conversion Guidelines and notice thereof given to the Borrower in accordance with Section 4.01 (c).
97. “Relevant Rate Page” means the display page designated by an established financial market data provider selected by the Bank as the page for the purpose of displaying at customary publication times the Reference Rate (including any applicable spread to the relevant prior benchmark rate) for the Loan Currency.
98. “Respective Part of the Project” means, for the Borrower and for any Project Implementing Entity, the part of the Project specified in the Legal Agreements to be carried out by it.

99. "Screen Rate" means with respect to a Conversion, such rate as determined by the Bank on the Execution Date taking into account the applicable interest rate, or a component thereof, and market rates displayed by established information vendors in accordance with the Conversion Guidelines.
100. "SOFR" means for any Interest Period, the Secured Overnight Financing Rate (SOFR) for the relevant Interest Period (whether calculated on a term basis, or other basis designed to replicate a term structure, and which may include an applicable spread to the relevant prior benchmark rate), expressed as a percentage per annum, that appears on the Relevant Rate Page at customary publication times specified by the applicable benchmark administrator, as reasonably determined by the Bank for the relevant Interest Period.
101. "SONIA" means for any Interest Period, the Sterling Overnight Index Average (SONIA) rate for the relevant Interest Period (whether calculated on a term basis, or other basis designed to replicate a term structure, and which may include an applicable spread to the relevant prior benchmark rate), expressed as a percentage per annum, that appears on the Relevant Rate Page at customary publication times specified by the applicable benchmark administrator, as reasonably determined by the Bank for the relevant Interest Period.
102. "Special Commitment" means any special commitment entered into or to be entered into by the Bank pursuant to Section 2.02.
103. "Sterling", "£" or "GBP" each means the lawful currency of the United Kingdom.
104. "Subsidiary Agreement" means the agreement that the Borrower enters into with the Project Implementing Entity setting forth the respective obligations of the Borrower and the Project Implementing Entity with respect to the Project.
105. "Substitute Loan Currency" means the substitute currency of denomination of a Loan as defined in Section 3.08 (a).
106. "Taxes" includes imposts, levies, fees and duties of any nature whether in effect at the date of the Legal Agreements or imposed after that date.
107. "TONA" means for any Interest Period, the Tokyo Overnight Average Rate (TONA) for the relevant Interest Period (whether calculated on a term basis, or other basis designed to replicate a term structure, and which may include an applicable spread to the relevant prior benchmark rate), expressed as a percentage per annum, that appears on the Relevant Rate Page at customary publication times specified by the applicable benchmark administrator, as reasonably determined by the Bank for the relevant Interest Period.
108. "Umpire" means the third arbitrator appointed pursuant to Section 8.04 (c).
109. "Unwinding Amount" means, for the early termination of a Conversion: (a) an amount payable by the Borrower to the Bank equal to the net aggregate amount payable by the Bank under transactions undertaken by the Bank to terminate the Conversion, or if no such transactions are undertaken, an amount determined by the Bank on the basis of the Screen Rate, to represent the equivalent of such net aggregate amount; or (b) an amount payable by the Bank to the Borrower equal to the net aggregate amount receivable by the Bank under transactions

undertaken by the Bank to terminate the Conversion, or if no such transactions are undertaken, an amount determined by the Bank on the basis of the Screen Rate, to represent the equivalent of such net aggregate amount.

- 110. “Unwithdrawn Loan Balance” means the amount of the Loan remaining unwithdrawn from the Loan Account from time to time.
- 111. “Variable Rate” means: (a) a variable rate of interest equal to the sum of: (1) the Reference Rate for the Original Loan Currency; plus (2) the Variable Spread, if interest accrues at a rate based on the Variable Spread, or the Fixed Spread if interest accrues at a rate based on the Fixed Spread;¹³ and (b) in case of a Conversion, such variable rate as determined by the Bank in accordance with the Conversion Guidelines and notified to the Borrower pursuant to Section 4.01 (c).
- 112. “Variable Spread” means, for each Interest Period: (a) (1) the Bank’s standard lending spread for Loans established by the Bank in accordance with its policies in effect at 12:01 a.m. Washington, D.C. time, one calendar day prior to the date of the Loan Agreement (including the maturity premium, if applicable); and (2) plus or minus the adjusted weighted average margin to the Reference Rate, for the relevant Interest Period, in respect of the Bank’s outstanding borrowings or portions thereof allocated by it to fund loans that carry interest at a rate based on the Variable Spread; as reasonably determined by the Bank, expressed as a percentage per annum and periodically published by the Bank; and (b) in case of Conversions, the variable spread, as applicable, as determined by the Bank in accordance with Conversion Guidelines and notified to the Borrower pursuant to Section 4.01 (c). In the case of a Loan denominated in more than one Currency, “Variable Spread” applies separately to each of such Currencies.
- 113. “Withdrawn Loan Balance” means the amounts of the Loan withdrawn from the Loan Account and outstanding from time to time.
- 114. “World Bank Disbursement Guidelines for Projects” means the World Bank guidelines, as revised from time to time, and issued as part of the additional instructions under Section 2.01 (b).
- 115. “Yen”, “¥” and “JPY” each means the lawful currency of Japan.

¹³ Fixed Spread terms are suspended until further notice.

Finansdepartementet

Utdrag ur protokoll vid regeringssammanträde den 19 februari 2026

Närvarande: statsminister Kristersson, ordförande, och statsråden Svantesson, Edholm, Waltersson Grönvall, Jonson, Strömmer, Forssmed, Forssell, Slottnér, Wykman, Malmer Stenergard, Liljestrand, Bohlin, Carlson, Pourmokhtari, Rosencrantz, Dousa, Larsson, Britz, Mohamsson, Lann

Föredragande: statsråden Svantesson, Jonson, Forssmed, Slottnér, Bohlin, Dousa

Regeringen beslutar proposition 2025/26:143 Extra ändringsbudget för 2026 – Stöd till Ukraina och vaccinberedskap