

FINANCE

Loans

**Agreement Between the
UNITED STATES OF AMERICA
and the INTERNATIONAL BANK
FOR RECONSTRUCTION AND
DEVELOPMENT**

Signed at Washington September 29, 2022

Entered into force September 29, 2022



NOTE BY THE DEPARTMENT OF STATE

Pursuant to Public Law 89—497, approved July 8, 1966
(80 Stat. 271; 1 U.S.C. 113)—

“ . . .the Treaties and Other International Acts Series issued under the authority of the Secretary of State shall be competent evidence . . . of the treaties, international agreements other than treaties, and proclamations by the President of such treaties and international agreements other than treaties, as the case may be, therein contained, in all the courts of law and equity and of maritime jurisdiction, and in all the tribunals and public offices of the United States, and of the several States, without any further proof or authentication thereof.”

Loan Agreement

between

UNITED STATES OF AMERICA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
(as Trustee of the Clean Technology Fund Parallel Fund)**

LOAN AGREEMENT, dated September 29, 2022, between the UNITED STATES OF AMERICA, acting through its DEPARTMENT OF THE TREASURY (the “Loan Contributor”); and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the “IBRD” or the “Trustee”), as trustee of the Clean Technology Fund Parallel Fund (the “CTF Parallel Fund”) (the Loan Contributor and the Trustee will be collectively referred to as the “Parties”) (the “Loan Agreement”).

WHEREAS the Clean Technology Fund was established to provide concessional financing in developing countries to scale-up investment opportunities in clean technology projects that contribute to the demonstration, deployment, and transfer of low-carbon technologies with significant potential for long-term greenhouse gas emissions reductions.

WHEREAS the CTF Parallel Fund is a parallel and associated fund of the Clean Technology Fund, is established and administered by the Trustee along with the Clean Technology Fund pursuant to the decision taken by the CTF Trust Fund Committee on March 22, 2022 for the purpose of accepting loan contributions to the CTF, and both the CTF Parallel Fund and the Clean Technology Fund are supporting the achievement of the same objectives as defined in the CTF Governance Framework document and are governed by the same CTF Trust Fund Committee.

WHEREAS the Trustee administers the CTF Parallel Fund, *inter alia*, in accordance with the terms of the CTF Parallel Fund Standard Provisions and, insofar as relevant to the Trustee’s administration of the CTF Parallel Fund, the relevant decisions of the CTF Trust Fund Committee.

WHEREAS the Loan Contributor has decided to contribute to the CTF Parallel Fund by way of providing a loan contribution from their internal unconditional repayable contribution authorities in accordance with the provisions of this Loan Agreement and the CTF Parallel Fund Standard Provisions.

WHEREAS the Trustee has decided to accept such loan contribution to the CTF Parallel Fund in accordance with the provisions of this Loan Agreement.

NOW, THEREFORE, the Parties have agreed as follows:

PARAGRAPH 1 — DEFINITIONS; INTERPRETATION; CONSTRUCTION

1.1 In this Loan Agreement, unless otherwise defined herein, all terms defined in the CTF Parallel Fund Standard Provisions attached hereto as the annex shall have the same meaning herein and in addition:

“Interest Period” means: (a) the initial period from and including the first Drawdown Date but excluding June 1, 2023; and (b) each subsequent six (6) month period thereafter from and including the last day of the preceding period to but excluding June 1 and December 1 of each year.

1.2 In this Loan Agreement, unless the context otherwise requires:

(a) headings are inserted for convenience of reference only and do not affect the interpretation of this Agreement;

(b) words importing the singular include the plural and vice versa; and

(c) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document but disregarding any amendment, supplement, replacement or novation made in breach of this Agreement;

1.3 The annex and schedules attached hereto constitute an integral part of this Loan Agreement, whose provisions taken together shall constitute the entire agreement between the Parties. Unless otherwise specified, the annex may be amended only by written amendment of all contributors to the CTF Parallel Fund. In the event of a conflict between the provisions of this Loan Agreement and those of the schedules, the provisions of this Agreement shall take precedence.

1.4 This Loan Agreement between the Parties sets out the terms of the Loan Contributor's loan contribution to the CTF Parallel Fund.

PARAGRAPH 2 — THE LOAN CONTRIBUTION

2.1 The Loan Contributor irrevocably and unconditionally agrees to lend to the Trustee, on the terms and conditions set forth or referred to in this Loan Agreement, the Loan Contribution in the amount of United States Dollars USD 950,790,182.99 to the CTF Parallel Fund. This amount represents the full commitment of the Loan Contributor for the CTF Parallel Fund. The Trustee agrees to accept such Loan Contribution under the terms and conditions set forth or referred to in this Loan Agreement.

2.2 The Loan Contributor shall deposit the Loan Contribution in the currency specified in paragraph 2.1 above in accordance with the following schedule (each amount deposited hereinafter referred to as a "Installment") upon submission of a Drawdown Request by the Trustee to the Loan Contributor as set out in the following schedule (the "Installment Schedule").

- (a) The First Installment in the amount of USD 95,079,018.30 shall be due after the effectiveness of this Loan Agreement and before February 28, 2023;
- (b) The Second Installment in the amount of USD 95,079,018.30 shall be due on or before August 31, 2023;
- (c) The Third Installment in the amount of USD 95,079,018.30 shall be due on or before February 28, 2024;
- (d) The Fourth Installment in the amount of USD 95,079,018.30 shall be due on or before August 31, 2024;
- (e) The Fifth Installment in the amount of USD 95,079,018.30 shall be due on or before February 28, 2025;
- (f) The Sixth Installment in the amount of USD 95,079,018.30 shall be due, on or before August 31, 2025;
- (g) The Seventh Installment in the amount of USD 95,079,018.30 shall be due on or before February 28, 2026;
- (h) The Eighth Installment in the amount of USD 95,079,018.30 shall be due on or before August 31, 2026;
- (i) The Ninth Installment in the amount of USD 95,079,018.30 shall be due on or before February 28, 2027; and
- (j) The Tenth and Final Installment in the full remaining amount of the Loan Contribution shall be due on or before August 31, 2027.

2.3 The Trustee shall issue a Drawdown Request at least thirty (30) days before each Installment is due. The Contribution is being provided in Installments on the basis of financial needs of the CTF Parallel Fund. If, on the basis of the anticipated CTF Trust Fund Committee allocations and availability of funds in the CTF Parallel Fund, it is necessary to either bring Installments forward or delay them, in their entirety or in part, or add additional Installments, the Bank and the Loan Contributor shall mutually decide to revise the Installment Schedule, as confirmed by the Trustee with fifteen (15) days written notice to the Loan Contributor. A revision to the Installment Schedule, as confirmed by the Trustee in writing, shall be deemed agreed to by the Loan Contributor and binding on the Parties, if no written objection is provided by the Loan Contributor to the Trustee during the fifteen (15) day notice period.

2.4 When making each such deposit, the Loan Contributor shall instruct its bank to include in its payment details information (remittance advice) field of its payment message, information indicating: the amount paid, that the payment is made by the Loan Contributor for FIF No. 069036 (Clean Technology Fund Parallel Fund), and the date of the deposit.

2.5 The proceeds of the Loan Contribution shall be credited to the CTF Parallel Fund as the Loan Contribution by the Loan Contributor to be used and administered in accordance with the CTF Parallel Fund Standard Provisions.

PARAGRAPH 3 — INTEREST AND PRINCIPAL PAYMENTS

3.1 Subject to the terms of paragraph 3.3 of this Loan Agreement interest shall accrue on the Outstanding Loan Balance at a rate of three-fourths of one per cent ($3/4$ of 1%) per annum during each Interest Period and shall be payable in arrears on each Interest Payment Date. The Interest Payment Amount shall be computed on the basis of the actual number of days elapsed and a year of three hundred and sixty (360) days.

3.2 Subject to paragraph 3.3 of this Loan Agreement, the Trustee shall repay the Outstanding Loan Balance in forty semi-annual installments on June 1 and December 1 of each year commencing on June 1, 2033 and culminating on December 1, 2052. The amount to be repaid at each semi-annual installment shall be the Individual Loan Contributor's Loan Resources available as determined by the Trustee in relation to each Payment Date in accordance with paragraph 3.3.

For the avoidance of doubt, funds committed by the CTF Trust Fund Committee but cancelled and returned to the Trustee may be made available for commitment by the CTF Trust Fund Committee, and not be made part of the Individual Loan Contributor's Return of Other Funds contributing to the Individual Loan Contributor's Loan Resources. Funds used by the Trustee to recover the difference between the Set Aside and the amount of the Administrative Costs and the Project Administration Fees borne by the Loan Contributor pursuant to paragraph 10.1. shall not be made part of the Individual Loan Contributor's Loan Resources.

3.3 The Trustee will, in accordance with the terms of this Loan Agreement, determine the amount of the Individual Loan Contributor's Loan Resources available in the CTF Parallel Fund for the purpose of making any payment and/or repayment under the terms of this Loan Agreement. For the purpose of this Loan Agreement, the Individual Loan Contributor's Loan Resources shall be determined, in relation to each Payment Date, and the Trustee shall make payment only to the extent of the Individual Loan Contributor's Loan Resources. The Individual Loan Contributor's Loan Resources is used to pay the Interest Payment Amount first, and the resources that remain after the payment of the Interest Payment Amount is applied towards repayment of the Principal Repayment Amount.

(a) If, on the last scheduled Payment Date, Individual Loan Contributor's Loan Resources are less than the amount due and payable under this Agreement including the Outstanding Loan Balance and the Interest Payment Amount:

(i) the obligation for the Trustee to pay to the Loan Contributor any shortfall of the interest payment and/or repayment of the Outstanding Loan Balance ceases to exist, and any payment and/or repayment is no longer due and payable by the Trustee, provided that the respective MDBs have informed the Trustee that all Individual Loan Contributor's Loan Reflows, all Individual Loan Contributor's Return of Other Funds and all Individual Loan Contributor's Investment Income have been returned to the Trustee, and default payments to MDBs if any have been written off; and

(ii) the obligation for the Trustee to pay to the Loan Contributor any shortfall of the interest payment and/or repayment of the Outstanding Loan Balance remains provided that the respective MDBs are yet to inform the Trustee that all Individual Loan Contributor's Loan Reflows, all Individual Loan Contributor's Return of Other Funds and all Individual Loan Contributor's Investment Income have been returned to the Trustee, and default payments to MDBs if any have been written off. The obligation of the Trustee to pay to the Loan Contributor any shortfall of the interest payment and/or repayment of the Outstanding Loan Balance ceases to exist and any payment and/or repayment is no longer due and payable by the Trustee at the point the respective MDBs inform the Trustee that all Individual Loan Contributor's Loan Reflows, all Individual Loan Contributor's Return of Other Funds, and all Individual Loan Contributor's Investment Income have been returned to the Trustee, and default payments to MDBs if any have been written off.

PARAGRAPH 4 — PAYMENT ARRANGEMENTS

4.1 On each Payment Date, the Trustee shall make payment to the Loan Contributor for value on such date subject to the terms of paragraph 3.3 of this Loan Agreement.

4.2 For the purpose of this Loan Agreement, the Outstanding Loan Balance is the amount in the United States dollars and any payment under this Loan Agreement shall be made in that currency.

4.3 Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day unless the next Business Day falls within the next calendar month, in which case it shall be effected on the last Business Day of the then current calendar month.

4.4 All payments by the Trustee under this Loan Agreement shall be paid to the bank account designated by the Loan Contributor unless otherwise designated in writing by the Loan Contributor no less than ten (10) Business Days prior to the relevant Payment Date.

4.5 All payments required to be made by the Loan Contributor or the Trustee under this Loan Agreement shall be calculated without reference to any set-off and be made free and clear of and without any deduction for or on account of any set-off.

PARAGRAPH 5 — SUCCESSION

5.1 Neither Party to this Loan Agreement may assign, transfer, novate or dispose of any of its rights or obligations under this Agreement without the prior written consent of the other Party to this Agreement (such consent not to be unreasonably withheld or delayed).

PARAGRAPH 6 — NOTICES

6.1 Any notice, request, consent, approval or waiver (hereinafter referred to generally as “notice”) required or permitted to be given or made under this Loan Agreement shall be in writing in the English language. Such notice shall be deemed to have been duly given or made when it has been delivered by hand or by mail, facsimile or e-mail to the Party to which such notice is directed, at the following address (or at such other address as the Party shall have designated by notice to the Party giving or making such notice).

(a) For the Loan Contributor:

United States Department of the Treasury
1500 Pennsylvania Ave, N.W.
Washington, D.C. 20220
United States of America

Attention: Andrew Velthaus
International Programs (150 Account) Advisor
Telephone: +1 202 913-5188
Email: andrew.velthaus2@treasury.gov

(b) For the Trustee:

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

Attention: Director, Trust Funds and Partner Relations
Telephone: +1 202 473 7414
Facsimile: +1 202 522 2447
Email: ciftrustee@worldbank.org

PARAGRAPH 7 — AMENDMENTS AND WAIVERS; SEVERABILITY; PARTIES

7.1 No provision of this Loan Agreement may be amended or supplemented except in a written agreement executed by authorized representatives of the Parties provided, however, that the annex may only be amended with the agreement of all contributors to the CTF Parallel Fund.

7.2 No failure or delay in exercising any right under this Loan Agreement shall impair such right, or be construed, as a waiver or variation of it or preclude its exercise at any subsequent time, and no single or partial exercise of any right shall preclude any other or further exercises thereof or the exercise of any other right.

7.3 Neither Party shall be deemed to have waived any of its rights under this Loan Agreement unless expressly so stated in a notice by the Party waiving such right to the other Party.

7.4 This Loan Agreement may be executed in counterparts, each of which is an original and all of which together shall be deemed to constitute one and the same instrument.

PARAGRAPH 8 — ENTRY INTO FORCE AND TERMINATION

8.1 This Loan Agreement shall enter into force on the date of the last signature by the Parties.

8.2 This Loan Agreement and all obligations of the Parties under this Agreement shall forthwith terminate upon payment of all amounts due and payable under this Agreement. For the avoidance of doubt, in a case where there is not sufficient Individual Loan Contributor's Loan Resources on the last scheduled Payment Date, this Agreement and all obligations of the Parties under this Agreement shall forthwith terminate when the Trustee's obligation to pay any shortfall of any amounts ceases to exist pursuant to paragraph 3.3 of this Agreement, as the case may be.

PARAGRAPH 9 — CONSULTATIONS

9.1 The rights and obligations of the Trustee and the Loan Contributor under this Loan Agreement 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 Trustee nor the Loan Contributor shall be entitled in any proceeding under this paragraph to assert any claim that any provision of this Agreement is invalid or unenforceable because of any provision of the Articles of Agreement of the IBRD.

9.2 The Parties shall use their best efforts to settle through consultations any disagreement or dispute arising out of or relating to this Loan Agreement.

9.3 Nothing in this Loan Agreement shall operate as or be construed to constitute a waiver, renunciation or any other modification of any privilege or immunity of IBRD under Article VIII of the Articles of Agreement or under any applicable law.

9.4 The obligations of the Trustee under this Loan Agreement are not the obligations of any government or member of IBRD.

PARAGRAPH 10 — MISCELLANEOUS

10.1 In anticipation of defraying the Administrative Costs and the Project Administration Fees, the Trustee may set aside 6% of the Loan Contribution (the Set Aside). The Trustee shall deduct the amount of the Administrative Costs and the Project Administration Fees approved by the CTF Trust Fund Committee and borne by the Loan Contributor from the Set Aside. In case the amount of the Set Aside is in excess of the amount of the Administrative Costs and the Project Administration Fees borne by the Loan Contributor, the excess is made part of the Individual Loan Contributor's Loan Resources. In case the amount of the Administrative Costs and the Project Administration Fees borne by the Loan Contributor exceeds the amount in the Set Aside, the Trustee shall recover the difference from the Individual Loan Contributor's Loan Resources. If the Individual Loan Contributor's Loan Resources at a given point are not sufficient to cover the Outstanding Loan Balance and the difference between the amount of the Administrative Costs and the Project Administration Fees borne by the Loan Contributor and the amount in the Set Aside, the Trustee shall cover the difference by recovering from the Individual Loan Contributor's Loan Resources that may be available in future Payment Dates or, if the Individual Loan Contributor's Loan Resources that may be available in future Payment Dates are not sufficient, from additional contributions provided by the Loan Contributor, should the Loan Contributor provide any additional contributions and subject to the Loan Contributor's written consent.

10.2 After the Trustee's obligation to pay the Loan Contributor has been fulfilled or has ceased to exist under the terms of the Loan Agreement including paragraphs 3.2 and 3.3 of this Loan Agreement, if applicable, unless otherwise determined by the CTF Trust Fund Committee, the Trustee shall transfer to the CTF (MTO No. 069011), where the IBRD also acts as trustee, any funds remaining in the CTF Parallel Fund and/or any funds that return to the CTF Parallel Fund that could have been attributed to the Loan Contributor as Individual Loan Contributor's Unallocated Contribution, Individual Loan Contributor's Investment Income, Individual Loan Contributor's Reflows, and Individual Loan Contributor's Return of Other Funds. The funds transferred to the CTF shall not be deemed a grant contribution from the United States of America to the CTF, but they shall be deemed investment income as defined in the CTF Standard Provisions and used for the purpose for which investment income is used as stated in the CTF Standard Provisions.

IN WITNESS whereof, the parties hereto, acting through their duly authorized representatives, have caused this Loan Agreement to be signed in their respective names as of the date first above written.

UNITED STATES OF AMERICA

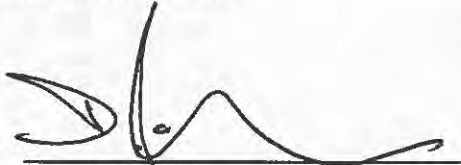
By



Andy Baukol
Performing the Duties of Under Secretary for
International Affairs

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
as Trustee of the Clean Technology Fund Parallel Fund**

By



Dirk Reinermann
Director
Trust Funds and Partner Relations
Development Finance

ANNEX

Standard Provisions Applicable to the Clean Technology Fund Parallel Fund

The following provisions (the "CTF Parallel Fund Standard Provisions") shall be applicable to and form an integral part of all Loan Agreements entered into between the Trustee, not personally or in its individual capacity but solely in its capacity as trustee of the CTF Parallel Fund and Loan Contributors.

1. Definitions

1.1. Capitalized terms hereinafter appearing in the CTF Parallel Fund Standard Provisions, but not otherwise defined, shall have the same meaning as that ascribed to them in the CTF Governance Framework Document, and the terms set forth below shall have the following meanings:

"Administrative Costs" means administrative and other costs incurred by any of the Trustee, the Administrative Unit and the MDBs, in connection with the performance of their administrative services and other activities in support of the CTF Parallel Fund but excluding any costs which are separately covered by any project/program fees provided by the CTF Parallel Fund.

"Administrative Unit" means the administrative unit established to support the work of the CIF and to support the CTF Trust Fund Committee and other bodies of the CIF, in accordance with the terms of the CTF Governance Framework Document.

"Business Day" means any day (other than a Saturday or Sunday) when banks are generally open for business in New York, N.Y., U.S.A., Washington, D.C., U.S.A. and the capital city of the country of the Loan Contributor as specified in the Loan Agreement.

"CIF" means the Climate Investment Funds established by the World Bank, in consultation with the MDBs, developed and developing countries, and other development partners, which include the SCF, the CTF and the CTF Parallel Fund.

"CTF" means the Clean Technology Fund established in accordance with, and for the purposes set forth, in the CTF Governance Framework Document, under the framework of the CIF.

"CTF Governance Framework Document" means the Governance Framework for the CTF, adopted by the CTF Trust Fund Committee at the joint meeting of the Trust Fund Committees for the SCF and the CTF on November 18, 2008, as may be amended from time to time in accordance with its terms.

"CTF Parallel Fund" means the fund established parallel to the Clean Technology Fund to receive new loan contributions that are financially segregated from the contributions made to the Clean Technology Fund including the Original Loan Contributions.

"CTF Parallel Fund Standard Provisions" means the standard provisions applicable to the Clean Technology Fund Parallel Fund in this annex.

"CTF Standard Provisions" means the standard provisions applicable to the Clean Technology Fund, a copy of which is also attached to the respective agreements for the Original Loan Contributions as Schedule I.

"CTF Trust Fund Committee" means the trust fund committee of the CTF and the CTF Parallel Fund, established in accordance with the terms of the CTF Governance Framework Document.

“Drawdown Date” means each date on which any proceeds of the Loan Contribution are withdrawn by the Trustee.

“Drawdown Request” means any request for drawdown of either installment of the Loan Contribution, submitted to the Loan Contributor by the Trustee in accordance with the Loan Agreement, substantially in the form attached hereto as Schedule II.

“Final Transfer Date” means the earlier of: (a) six (6) months after: (i) in case there is sufficient Individual Loan Contributor’s Loan Resources to make all payments in accordance with the Repayment Schedule, the last scheduled Payment Date among all the Loan Agreements; and (ii) in case there is no sufficient Individual Loan Contributor’s Loan Resources on the last scheduled Payment Date among all the Loan Agreements, the last date the respective MDBs inform the Trustee that all Individual Loan Contributor’s Loan Reflows, all Individual Loan Contributor’s Return of Other Funds and all Individual Loan Contributor’s Investment Income have been returned to the Trustee, and default payments to MDBs, if any, have been written off; and (b) six (6) months after the date of notice provided by the Trustee under paragraph 12.2 below to terminate its role as trustee of the CTF Parallel Fund.

“Financial Procedures Agreements” means any financial procedures agreement entered into between the Trustee and any MDB.

“IBRD” means the International Bank for Reconstruction and Development.

“Individual Loan Contributor’s Investment Income” means a portion of Investment Income determined by the Trustee as attributable to the Loan Contributor after excluding any investment income earned on CTF Parallel Fund funds transferred to MDB that has been returned to the Trustee by the MDBs.

“Individual Loan Contributor’s Loan Reflows” means a portion of Loan Contributors’ Loan Reflows determined by the Trustee as attributable to the Loan Contributor.

“Individual Loan Contributor’s Loan Resources” means the portion of funds available in the CTF Parallel Fund as determined by the Trustee that may be used for making payments on the Loan Contribution in the form of interest and principal due on the Loan Contribution on any Payment Date or any other payments made on other dates, and include Individual Loan Contributor’s Loan Reflows, Individual Loan Contributor’s Return of Other Funds, Individual Loan Contributor’s Investment Income, and Individual Loan Contributor’s Unallocated Contribution. The Trustee will no longer calculate Individual Loan Contributor’s Loan Resources after the Trustee’s obligations to repay the Loan Contributor cease to exist under the terms of the Loan Agreement.

“Individual Loan Contributor’s Return of Other Funds” means a portion of Return of Other Funds determined by the Trustee as attributable to the Loan Contributor.

“Individual Loan Contributor’s Unallocated Contribution” means a portion of unallocated Loan Contribution determined by the Trustee as attributable to the Loan Contributor.

“Interest Payment Amount” means for each Interest Payment Date, the amount of interest payable on the Loan Contribution on such date.

“Interest Payment Date” means the last day of an Interest Period, as accordingly reflected in the Repayment Schedule.

“Interest Period” means the period specified in the Loan Agreement.

“Investment Income” means the aggregate amount of: (i) any investment income earned from the investment of CTF Parallel Fund funds pursuant to paragraph 5.2. below; and (ii) any investment income earned on CTF Parallel Fund funds transferred to MDBs, to the extent that such income has been returned to the Trustee by the MDBs.

“Loan Contributors' Loan Reflows” means Reflows from loans extended by the MDBs, as allocated by the Trustee for loan contributions.

“Loan Contribution” means a loan provided to the CTF Parallel Fund by any Loan Contributor pursuant to the terms of the Loan Agreement.

“Loan Contributor” means any country (including any ministry and agency thereof), or, if agreed by the CTF Trust Fund Committee and the Trustee, such other entity, that provides a loan contribution to the CTF Parallel Fund.

“Loan Agreement” means a loan agreement entered into between the Trustee and any Loan Contributor providing a Loan including its annex and schedules.

“MDBs” means the multilateral development banks named in the CTF Governance Framework Document.

“Original Loan Contributions” means the Loan Contribution made pursuant to the Loan Agreement between KfW and the International Bank for Reconstruction and Development as trustee of the trust fund for the Clean Technology Fund dated April 29, 2010, the Loan Agreement between Agence Francaise De Developpement and the International Bank for Reconstruction and Development as trustee of the trust fund for the Clean Technology Fund dated October 8, 2010, and the Loan Arrangement between the Government of Canada, as represented by the Minister for International Cooperation, acting through the Canadian International Development Agency and the International Bank for Reconstruction and Development as trustee of the trust fund for the Clean Technology Fund dated March 30, 2012.

“Outstanding Loan Balance” means the amount of the Loan Contribution withdrawn by the Trustee in the currency specified in the Loan Agreement less the amount set aside for Administrative Costs and the Project Administration Fees pursuant to the terms of the Loan Agreement and all Principal Repayment Amounts repaid to the Loan Contributor as of a Payment Date.

“Payment Date” means any Interest Payment Date or Principal Repayment Date, as applicable and as reflected as such in the Repayment Schedule.

“Prepayment” means any repayment of the Outstanding Loan Balance in full or in part in advance of its maturity pursuant to the applicable terms of the Loan Agreement.

“Principal Repayment Amount” means for each Principal Repayment Date, the amount of principal of the Loan Contribution payable on such date.

“Principal Repayment Date” means each date on which all or any portion of the principal amount of the Loan Contribution is payable, as specified in the Loan Agreement and accordingly reflected in the Repayment Schedule.

“Project Administration Fees” means the amount allocated to the MDBs in accordance with the policies and decisions approved by the CTF Trust Fund Committee, if applicable, as a fee to cover the MDBs' costs in respect of services performed by the MDBs in connection with managing the project cycle of any specific CTF Parallel Fund project. For the avoidance of doubt, Project Administration Fee does not include any fee

received or due to be received by the MDBs from the project recipient, and is not provided to cover any cost which is covered by such fees received by the MDBs from any project recipient.

“Reflow” means any payments of principal, interest, fees or any other reflow of funds from CTF Parallel Fund loans or other financial products other than grants, which are due to be returned to the CTF Parallel Fund, pursuant to the Financial Procedures Agreement consistent with the terms of the pertinent funding approved by the CTF Trust Fund Committee. For the avoidance of doubt, the Reflow does not include any return of funds from CTF Parallel Fund grants or Administrative Costs, including cancelled or unused funds, or any investment income earned on CTF Parallel Fund resources held by any MDB.

“Repayment Schedule” means the schedule for repayment of the Loan Contribution to reflect the terms of this Loan Agreement, which is attached hereto as Schedule I.

“Return of Other Funds” means any funds, other than Reflows, due to be returned to the CTF Parallel Fund, pursuant to the Financial Procedures Agreement consistent with the terms of the pertinent funding approved by the CTF Trust Fund Committee.

“SCF” means the Strategic Climate Fund established under the framework of CIF.

2. Establishment of the CTF Parallel Fund

2.1. The CTF Parallel Fund is established pursuant to the decision taken by the CTF Trust Fund Committee on March 22, 2022, to support the same purpose and objectives of that of the CTF. The governance and operational framework applied to the CTF applies to the CTF Parallel Fund and is set out in the CTF Governance Framework Document.

3. Loan Contributions

3.1. The Trustee may accept Loan Contributions from Loan Contributors in accordance with the provisions of the CTF Parallel Fund Standard Provisions and the Loan Agreement.

3.2. The terms of payments agreed between the Trustee and the Contributor shall be specified in the Loan Agreement.

3.3. The Trustee shall administer the Loan Contributions in accordance with each Loan Agreement entered into between each Loan Contributor and the Trustee and the CTF Parallel Fund Standard Provisions. The IBRD shall act solely in its capacity as trustee of the CTF Parallel Fund under the Loan Agreements and the CTF Parallel Fund Standard Provisions, and not in its individual or personal capacity. Absent any gross negligence or willful misconduct on the part of the Trustee, the Trustee’s liability under the Loan Agreements and the CTF Parallel Fund Standard Provisions shall in any event be limited to the extent of the resources made available in the CTF Parallel Fund pursuant to the Loan Agreements and the CTF Parallel Fund Standard Provisions. Payments to be made on the Loan Contributions shall be made solely from the applicable Individual Loan Contributor’s Loan Resources available in the CTF Parallel Fund for such payments, and the Trustee’s obligation to make such payments shall in any event be limited to the amount of the applicable Individual Loan Contributor’s Loan Resources. Neither IBRD itself nor any of the other Loan Contributors shall have any personal liability with respect to the Loan Contribution.

4. Administration of the Loan Contributions

4.1. The Trustee shall be responsible only for performing those functions specifically set forth in the Loan Agreement and shall not be subject to any other duties or responsibilities to the Loan Contributors, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Agreement shall be considered a waiver of any privileges or immunities of the IBRD under its Articles of Agreement or any applicable law, all of which are expressly reserved.

5. Commingling, Exchange and Investment of the Contributions

5.1. The Loan Contribution funds in the CTF Parallel Fund shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the IBRD. The Loan Contribution funds may be commingled with other trust fund assets maintained by the IBRD.

5.2. The Trustee shall invest the CTF Parallel Fund funds, including the Loan Contribution funds in the Fund pending their disbursement, in accordance with the IBRD's policies and procedures for the investment of trust funds administered by the IBRD. The Trustee shall credit all income from such investment to the CTF Parallel Fund to be used for the purposes provided in the Loan Agreement and the CTF Parallel Fund Standard Provisions.

6. Use of CTF Parallel Fund Resources

6.1. Subject to the availability of applicable resources held in the CTF Parallel Fund as determined by the Trustee, the Trustee may commit, transfer and/or use the CTF Parallel Fund resources for any purpose approved and in the amount allocated by the CTF Trust Fund Committee in accordance with the terms of the CTF Governance Framework Document and the Loan Agreement.

6.2. The Trustee may make, from the CTF Parallel Fund resources, principal, interest and any other payments on the Loan Contribution in accordance with the terms of the Loan Agreement entered into pursuant to paragraph 3.2 above.

7. Administrative Costs

7.1. CTF Parallel Fund resources may be used to cover the Administrative Costs incurred by each of the Trustee, the Administrative Unit and the MDBs. Upon approval of any proposal by the CTF Trust Fund Committee for compensation for the Administrative Costs pursuant to the terms of the CTF Governance Framework Document, the Trustee may transfer to each party the respective amount of compensation approved for that party; provided that such amount of compensation transferred shall be subject to an end of year adjustment based on actual costs incurred.

7.2. In the event that the CTF Trust Fund Committee shall have decided to cease making allocations of funding prior to the Final Transfer Date and approved proposals for compensation for the Administrative Costs until the Final Transfer Date pursuant to the terms of the CTF Governance Framework Document, the Trustee may, upon approval of the proposal by the CTF Trust Fund Committee, transfer to each of the MDBs, the Administrative Unit and the Trustee, the respective amount of compensation approved for that party; provided that if any funds transferred are unused by any such party after the completion of its services in support of the CTF Parallel Fund, such party shall return the unused funds to the CTF Parallel Fund.

8. Procedures to Govern Transfer of Resources to the MDBs

8.1. The Trustee shall, subject to paragraphs 6.1 and 6.2 above and to the availability of applicable resources held in the CTF Parallel Fund as determined by the Trustee, commit and transfer the Fund funds to the MDBs in accordance with the Financial Procedures Agreements entered into between the Trustee and the MDBs for the purpose of the CTF and the CTF Parallel Fund.

8.2. The Financial Procedures Agreements shall provide that:

(a) each MDB shall be responsible for: (i) the use of the CTF Parallel Fund funds transferred to it and activities carried out therewith in accordance with: (A) its policies and procedures (including in respect of procurement of goods and services and reporting arrangements); and (B) the applicable decisions of the CTF Trust Fund Committee, including the purpose for which the allocations of the funds have been approved; and (ii) reporting to the CTF Trust Fund Committee on its activities in accordance with the terms of the CTF Governance Framework Document; and

(b) each MDB shall, in the discharge of functions as contemplated in the Financial Procedures Agreement, exercise the same degree of care as it exercises with respect to the administration and implementation of its own resources. In administering the funds from the CTF Parallel Fund and performing its functions in accordance with the terms of the Financial Procedures Agreement, the MDB shall not be liable for any loss, costs, damages or other liability that may result from any act or omission on the part of the MDB other than those caused by its gross negligence or willful misconduct.

In addition, recognizing the obligations of MDB member countries under various United Nations Security Council Resolutions to take measures to prevent financing of terrorists, the Trustee will include in each Financial Procedures Agreement that the MDB will use reasonable efforts, in accordance with the MDB's policies and procedures, to ensure that the funds provided to the MDB by the Trustee are used for their intended purposes and are not diverted to terrorists or their agents.

8.3. The Trustee shall require, and accept from, the MDBs that have received CTF Parallel Fund funds from the Trustee, an audited financial report and/or periodic unaudited financial reports, as agreed between the Trustee and the CTF Trust Fund Committee. The Trustee shall furnish the CTF Trust Fund Committee and each Loan Contributor with: (i) copies of all audited financial reports; and (ii) upon request, any other relevant financial information, received from the MDBs under the Financial Procedures Agreements.

8.4. Upon the transfer of funds, the Trustee shall have no responsibility for the use of CTF Parallel Fund funds transferred and activities carried out therewith, including collection of Reflows or Return of Other Funds due to any MDB from the beneficiaries of CTF Parallel Fund funding or such other entities. Each MDB will be responsible for reporting to the CTF Trust Fund Committee on its activities carried out with CTF Parallel Fund funds pursuant to the CTF Governance Framework Document and the Financial Procedures Agreement.

9. Reflow and Return of Funds by the MDBs

9.1. The Trustee shall receive, by way of transfers of funds from the MDBs pursuant to the Financial Procedures Agreements, any Reflows or Return of Other Funds, which are received or held by the MDBs and due to be returned to the CTF Parallel Fund under the terms of the pertinent CTF Parallel Fund funding approved by the CTF Trust Fund Committee. Any Reflow or Return of Other Funds received by the Trustee shall be credited to the CTF Parallel Fund.

10. Employment of Consultants and Procurement of Goods

10.1. Procurement of goods and services by the Trustee or the Administrative Unit for activities financed by CTF Parallel Fund resources shall be made in accordance with the policies and procedures of the IBRD. Procurement of goods and services for activities financed by the CTF Parallel Fund resources transferred to the MDBs shall be made in accordance with the policies and procedures of the respective MDB as set out in paragraph 8.2 above.

11. Accounting and Financial Reporting

11.1. The Trustee shall maintain separate records and ledger accounts in respect of the Loan Contributions deposited in the CTF Parallel Fund and disbursements made therefrom.

11.2. The Trustee shall report to the CTF Trust Fund Committee annually unless otherwise agreed between the Trustee and the CTF Trust Fund Committee, on the status of allocation of funding recorded by the Trustee, commitments, transfers and use of funds from the CTF Parallel Fund and receipts of funds in the CTF Parallel Fund. Upon request by a Loan Contributor, the Trustee will, quarterly, furnish such financial information to the Loan Contributor.

11.3. The Trustee shall cause a financial statement prepared by the Trustee with respect to the CTF Parallel Fund to be audited by the IBRD's external auditors annually unless otherwise agreed between the Trustee and the CTF Trust Fund Committee; provided that the cost of any such audit, including the internal costs of the Trustee with respect such audit, shall be included in the Trustee's Administrative Costs. The Trustee shall furnish the CTF Trust Fund Committee and each Loan Contributor with copies of such audited financial statement and auditor report as soon as practicable.

12. Termination

12.1. In the event that the CTF Trust Fund Committee shall cease making allocations from the outstanding balance of the CTF Parallel Fund pursuant to the terms of the CTF Governance Framework Document, the Trustee shall continue to administer the CTF Parallel Fund after the date of cessation of allocation by the CTF Trust Fund Committee until the Final Transfer Date in accordance with the provisions of the Loan Agreement.

12.2. The Trustee may terminate its role as Trustee of the CTF Parallel Fund at any time after providing the CTF Trust Fund Committee six (6) months' advance notice in writing. Following termination, the Trustee shall carry on no business for the CTF Parallel Fund except for the purpose of winding up its affairs. The Trustee shall, in consultation with the CTF Trust Fund Committee to the extent possible, take all necessary action for winding up its affairs in an expeditious manner, and for meeting the commitments already made by the Trustee, and if applicable, the Trustee and respective individual Loan Contributors agree to any resulting revision or novation to the repayment terms in accordance with the terms of the Loan Agreement.

13. Disclosure

13.1. The Loan Contributor consents that the Trustee may disclose the Loan Agreement, annual reports of the CTF Parallel Fund and any other information on the CTF Parallel Fund in accordance with the IBRD's policy on disclosure of information.

Schedule I
Repayment Schedule

Repayment of the Loan Contribution is made in accordance with paragraph 3.2. and 3.3. of the Loan Agreement.

Schedule II

Form of Drawdown Request from the Trustee to the Loan Contributor

[insert date]

To:

Attention:

Re: Drawdown Request under the Loan Agreement for the CTF Parallel Fund (FIF No. 069036) dated []

We refer to the Loan Agreement (the “*Agreement*”) dated [insert date] between [name of Loan Contributor] (the “Loan Contributor”) and the International Bank for Reconstruction and Development, as trustee of the trust fund for the Clean Technology Fund Parallel Fund (the “Trustee”). Unless otherwise defined in this request, all capitalized terms appearing herein will have the meanings ascribed to them under the Agreement.

We hereby request a drawdown of the installment of the Loan in the amount of USD [] pursuant to paragraphs 2.1 and 2.2 of the Agreement. Please arrange for the proceeds to be deposited to the following account:

[Trustee’s bank account details]

When making such deposit, the Loan Contributor will instruct its corresponding bank to include in the payment details information (remittance advice) field of its SWIFT payment message, information indicating: the amount paid, that the payment is made by the Loan Contributor for FIF No. 069036 (Clean Technology Fund Parallel Fund), and the date of the deposit.

Sincerely,

International Bank for Reconstruction and Development,
as Trustee of the Trust Fund for the Clean Technology Fund Parallel Fund

[●]
Authorized Representative