
AGREED MINUTES OF NEGOTIATIONS

BETWEEN

INDIA AND INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INCLUDING THE PARTICIPATION OF

THE STATE OF KERALA

REGARDING

A PROPOSED LOAN FOR

THE KERALA SOLID WASTE MANAGEMENT PROJECT

1. Negotiations for a proposed loan (“Loan”) from the International Bank for Reconstruction and Development (“IBRD”) to India (“Borrower”) for the Kerala Solid Waste Management Project (“Project”) were held in New Delhi on January 27, 2021, between a delegation representing India (“GoI Delegation”) and a team representing IBRD (“Bank Team”). Included in the GoI Delegation were representatives of the State of Kerala in its capacity as Project Implementing Entity (“Kerala”). The list of the participants to the negotiations (and their means of participation) is provided in Annex 1 to these minutes of negotiations (Minutes).

Purpose of Minutes

2. These Minutes are not a complete record of negotiations but are intended to record certain understandings and agreements reached between the participants in relation to the proposed Project and the related documents.

Conditions of Negotiations

3. The GoI Delegation confirmed that all prerequisites to authorize these negotiations have been complied with.

Legal Documents

4. The following documents were discussed and agreed during the negotiations: (i) the draft Loan Agreement (“Loan Agreement”) to be entered into between India and IBRD with respect to the proposed Loan; (ii) the draft Project Agreement (“Project Agreement”) to be entered into between IBRD and Kerala; and (iii) the draft Disbursement and Financial Information Letter. The agreed versions of these legal documents are attached to these Minutes as Annexes 2, 3 and 4, respectively.

Loan Terms

5. With respect to Section 2.04 of the draft Loan Agreement, at the request of Kerala, the GoI Delegation informed the Bank Team that the GoI has elected to borrow a US dollar-denominated, commitment-linked Variable Spread Loan over reference rate, with level repayment of the principal, as provided in the Loan Choice Worksheet (LCW) dated January 27, 2021. The GoI Delegation also informed the Bank Team that, at the request of Kerala, the GoI had elected a maturity of 13.5 years, including a grace period of 6 years. This is reflected in Schedule 3 to the Loan Agreement. The Bank Team clarified that the repayment schedule is calculated on the basis of the Payment Dates selected by the Borrower and the Board date. A change in the Board date may affect the repayment Schedule, in which case IBRD would inform the Borrower of the revised repayment schedule. A copy of the LCW submitted by the GoI and Kerala is attached as Annex 5 to these Minutes.

Single Borrower Limit Surcharge

6. The General Conditions applicable to the Loan Agreement and the Project Agreement have been revised as of December 2020. The Single Borrower Limit provision is now included in the General Conditions. As agreed between India and the Bank, all Bank loans to or guaranteed by India, negotiated after April 1, 2015 incorporate the wording authorizing the levy of an additional surcharge equivalent to 0.5% p.a. over any amounts in excess of the Bank's single borrower exposure limit vis-à-vis India. If, and when, such single borrower exposure limit is exceeded, the Bank will communicate to India the levying of the surcharge, and the pro-rata portion of the surcharge corresponding to this Loan.

Condition of Effectiveness

7. There are no Project specific conditions of effectiveness. With respect to the conditions of effectiveness listed in Article IX to the General Conditions, after considering the option offered by Section 9.01 of the General Conditions (conditions of effectiveness), between the provision of legal opinions on the Loan Agreement and the Project Agreement, or the provision of representations and warranties by India and the Project Implementing Entity, the GoI Delegation and Kerala selected the provision of a legal opinion.

Disbursement and Financial Information Letter

8. The participants agreed on the draft Disbursement and Financial Information Letter, which includes instructions for purposes of withdrawing and administering the proceeds of the Loan and their audit.

Project Reporting

9. The participants acknowledged that the indicators acceptable to the Bank for the purpose of the reporting on the Project including for mid-term review are the indicators listed in the Results Framework attached to these Minutes as Annex 6.

Project Appraisal Document

10. The Project Appraisal Document (PAD) was reviewed, and changes were made to it consistent with the understanding reached among the participants. Additional minor editorial changes may be further incorporated in the PAD as part of the completion of the review of the proposed Loan, until its disclosure; but they will not affect the changes required by the GoI Delegation. The GoI Delegation confirmed its consent to such further changes.

Personal Data Protection

11. Kerala agrees that the Project Implementation Manual shall include provision that the Project Implementing Entity shall: (a) ensure that the Project's activities involving collection, storage, usage, and/or processing of Personal Data are carried out with due regard to the Borrower's existing legal framework and appropriate international data protection and privacy standards and practices; (b) in the event that, during the implementation of the Project, the approval of any new legislation regarding Personal Data protection may have an impact on the activities financed by the Project, ensure that a technical analysis of said impact is conducted, and that the necessary recommendations and adjustments, are implemented, as appropriate; and (c) except as may otherwise be explicitly required or permitted under the Project Agreement and/or the Loan 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 to the Loan Agreement, ensure that such information, report or document does not include Personal Data. "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.

Disclosure of Information

12. The Bank Team explained that, pursuant to the Bank's Access to Information Policy, the Bank will disclose the PAD, the legal agreements, and related information, including all supplemental letters, upon approval of the Loan by the Bank's Board as well as the Project's Financial Statements. The GoI Delegation confirmed its non-objection to the Bank's disclosure of these documents in accordance with the Bank's Access to Information Policy. It declined, however, to have the PAD disclosed prior to approval of the Loan.

Statutory Committee.

13. According to Article III, Section 4(iii) and Article V, Section 7 of IBRD's Articles of Agreement, the submission to the IBRD Board of a proposal that an operation be financed or guaranteed by IBRD shall be accompanied by a report (Statutory Committee Report) to be issued by a committee (Statutory Committee) whose members shall include an expert selected by the Governor/Alternate Governor representing the member country in whose territory the operation in question is located. The Governor representing India on the IBRD Board of Governors agreed that the official designated and authorized by the Government of India to represent India in the negotiations of IBRD financing provided to, or guaranteed by, India shall be considered to be India's expert on the Statutory Committee, and that said official's signature of the signed minutes of negotiations for such IBRD financing shall be deemed to constitute the signature of the Statutory Committee Report. The Delegations acknowledged the above designation with respect to the financing for this Project and agreed that the signature of the India representative attested in these Minutes shall be deemed to constitute the signature of the Statutory Committee Report.

Board Presentation

14. The Bank Team informed the GoI Delegation that it was working towards submitting the Project to the Bank's Board on March 18, 2021. The GoI Delegation, including Kerala, confirmed that their respective approvals of the legal documents as negotiated – required by the Bank prior to presentation of the Project to its Board – were provided through their signature of these Minutes of Negotiations.

Minutes signed on January 27, 2021.

India	International Bank for Reconstruction and Development
	
Mr. Hanish Chhabra, Director (FB) Department of Economic Affairs Ministry of Finance Government of India	Uri Raich Task Team Leader Senior Urban Specialist World Bank
State of Kerala	
	
Shri. Bishwanath Sinha IAS Principal Secretary (Urban) Local Self Government Department Government of Kerala	

Attachments:

- (1) List of Participants
- (2) Negotiated Loan Agreement
- (3) Negotiated Project Agreement
- (4) Negotiated Disbursement and Financial Information Letter
- (5) Completed Loan Choice Worksheet (and Amortization Schedule)
- (6) Results Framework

ANNEX 1 - LIST OF PARTICIPANTS**A. Government of India Delegation****Department of Economic Affairs, Ministry of Finance***World Bank New Delhi Office*

1. Hanish Chhabra, Director (FB), DEA
2. Punit Kumar, Deputy Director (FB), DEA
3. Rajesh Pant, Senior Accounts Officer, CAAA, DEA
4. Kamlesh Kumar Meena, Assistant Section Officer, DEA

B. Government of Kerala*Webex*

1. Mr. Rajesh Kumar Singh, Additional Chief Secretary, Department of Finance
2. Bishwanath Sinha IAS, Principal Secretary, Local Self Government Department - Urban
3. Mir Mohammed Ali IAS, Executive Director-Suchitwa Mission and Project Director – KSWMP
4. Subodh S., Deputy Project Director, KSWMP
5. Renju R. Pillai, Senior Consultant (Design), Suchitwa Mission, Local Self Government Department

C. World Bank Delegation*World Bank New Delhi Office*

1. Harsh Goyal, Urban Development Specialist (Young Professional) and co- Task Team Leader
2. Lakshmi Narayanan, Program Assistant

Webex

3. Uri Raich, Senior Urban Specialist and Task Team Leader
4. Mridula Singh, Senior Social Development Specialist
5. Deepa Balakrishnan, Senior Environmental Specialist
6. Hélène Bertaud, Lead Counsel, Operations
7. Victor M. Ordonez, Senior Finance Officer
8. Bernadeen Enoke Wijegunawardene, Senior Financial Management Specialist
9. Zhiyu Jerry Chen, Senior Urban Economist
10. Robin Kumar Thakur, Procurement Specialist
11. S.R. Ramanujam, Institutional Development Specialist – Consultant
12. Riddhiman Saha, Urban Consultant
13. Ankush Sharma, Infrastructure Finance Consultant

D. Asian Infrastructure Investment Bank*Webex*

1. Christopher Damandl, Senior Legal Counsel
2. Sangmoo Kim, Senior Investment Operations Specialist (Urban)
3. Ankur Agrawal, Investment Operations Specialist

ANNEX 2

NEGOTIATED VERSION OF THE LOAN AGREEMENT

ANNEX 3

NEGOTIATED VERSION OF THE PROJECT AGREEMENT

ANNEX 4

**NEGOTIATED VERSION OF THE DISBURSEMENT AND FINANCIAL INFORMATION
LETTER**

ANNEX 5

SIGNED COMPLETED LOAN CHOICE WORKSHEET (and Amortization Schedule)

ANNEX 6

RESULTS FRAMEWORK

Results Framework and Monitoring
COUNTRY: India
Kerala Solid Waste Management Project

Project Development Objectives(s)

To strengthen the institutional and service delivery systems for solid waste management in Kerala

Project Development Objective Indicators

Indicator Name	PBC	Baseline	End Target
To strengthen the institutional and service delivery systems for solid waste management in Kerala			
Number of people with access to improved solid waste management services (Number (Thousand))		0.00	6,000.00
Solid waste (inerts and rejects) disposed safely in engineered landfills, as per National SWM Rules 2016 (Metric tons/year)		0.00	146,000.00
Number of ULBs that accessed incentive grants for improving SWM services (Number)		0.00	60.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
Institutional development, capacity building and project management			
Number of cities that have issued SWM bi-laws (Number)		0.00	60.00
Number of participants in SWM training sessions (Number)		0.00	16,800.00
Number of cities with city SWM plans (Number)		0.00	60.00
Grant support to ULBs for SWM			

Indicator Name	PBC	Baseline	End Target
Household coverage of door to door segregated municipal waste collection services (Percentage)		0.00	70.00
Share of plastic waste recycled at the local level (Percentage)		10.00	50.00
Number of ULBs with improved human resource capacity for SWM (Number)		0.00	60.00
Number of ULBs that adopted cost recovery system for SWM (Number)		0.00	60.00
Number of women's groups implementing SWM services financed by the project (Number)		0.00	120.00
Share of the complaints registered resolved within 30 days (Percentage)		0.00	80.00
Number of ULBs in which beneficiary satisfaction survey is conducted (Number)		0.00	60.00
Development of regional SWM facilities			
Number of dumpsites closed (Number)		0.00	3.00
Number of landfills constructed and operational (Number)		0.00	3.00
Number of inter-municipal coordination arrangements in place for regional disposal systems (Number)		0.00	3.00

Monitoring & Evaluation Plan: PDO Indicators					
Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of people with access to improved solid waste management services		Annual	Consolidated Progress Report by SPMU	Progress Reporting by each districts (periodic)	Prepared by DPMU (inputs from ULBs)

Solid waste (inerts and rejects) disposed safely in engineered landfills, as per National SWM Rules 2016	Measures properly disposed amount of solid waste per day (TPD, ton per day) and aggregates by year	Annual	Consolidated Progress Report	State level Progress Report	SPMU
Number of ULBs that accessed incentive grants for improving SWM services	Same as indicator name	Annual	Consolidated Progress Report	Independent Verification of Eligibility Conditions	SPMU (inputs from DPMU)

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of cities that have issued SWM bi-laws	The bi-law is to operationalize the 2020 SWM Strategy	Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU
Number of participants in SWM training sessions	Same as indicator name. The underlying assumption is that the average number of training sessions to be provided per year is 160, and anticipated number of participants to each session is 50.	Annual	Consolidated Progress Report	State level Progress Report	PMU
Number of cities with city SWM plans	Same as indicator name	Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU (inputs from ULBs)

Household coverage of door to door segregated municipal waste collection services		Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU (inputs from ULBs)
Share of plastic waste recycled at the local level	To be measured by adding the capacity of the recycling facilities under the project. The target is 50% of the total plastic waste collected.	Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU (inputs from ULBs)
Number of ULBs with improved human resource capacity for SWM	To be measured by compliance with eligibility criteria related to hiring SWM staff	Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU (inputs from ULBs)
Number of ULBs that adopted cost recovery system for SWM	This indicator will be measured by either establishing a dedicated revenue instrument like a SWM fee or by earmarking/ringfencing a part of the general budget for SWM operations.	Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU (inputs from ULBs)
Number of women's groups implementing SWM services financed by the project		Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU
Share of the complaints registered resolved within 30 days		Annual	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU (inputs from ULBs)
Number of ULBs in which beneficiary satisfaction survey is conducted		Three times: 1st, 4th, and 6th year	Consolidated Progress Report	Progress Reporting by each districts (periodic)	DPMU (inputs from ULBs)

Number of dumpsites closed		Annual	Consolidated Progress Report	State level Progress Report	SPMU
Number of landfills constructed and operational		Annual	Consolidated Progress Report	State level Progress Report	SPMU
Number of inter-municipal coordination arrangements in place for regional disposal systems		Annual	Consolidated Progress Report	State level Progress Report	SPMU

**Legal Department
CONFIDENTIAL DRAFT
(Subject to Change)
Hélène Bertaud
January 27, 2021 (NEGOTIATED)**

LOAN NUMBER _____ - ____

Loan Agreement

(Kerala Solid Waste Management Project)

between

INDIA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between INDIA (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”).

WHEREAS, the Borrower asked the Bank to contribute to the financing of the project described in Schedule 1 to this Agreement (“Project”) whose estimated cost is equivalent to \$300,000,000.

NOW, THEREFORE, 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 one hundred and five million Dollars (\$105,000,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the Project.
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. 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.
- 2.06. The Payment Dates are January 1 and July 1 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with 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 cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Project Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Borrower's Representative is any of the following officials: Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary or Under Secretary of the Department of Economic Affairs of the Ministry of Finance of the Borrower.

- 5.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower's address is:

Secretary
Department of Economic Affairs
Ministry of Finance, Government of India
North Block
New Delhi 110001, India; and

(b) the Borrower's Electronic Address is:

Facsimile:	E-mail:
+91-11-23094075	secy-dea@nic.in

- 5.03. 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:	Email
248423(MCI) or 64145(MCI)	1-202-477-6391	wbindia@worldbank.org

AGREED as of the Signature Date.

INDIA

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 strengthen the institutional and service delivery systems for solid waste management in Kerala.

The Project consists of the following parts:

Part 1. Institutional development, capacity building and project management

1.1 Provision of technical assistance to state agencies:

- (a) LSGD for policy, regulatory and institutional reforms;
- (b) SM for identification, planning, design and implementation of regional SWM and COVID-19 medical waste projects; and
- (c) KSPCB for compliance with national rules through strengthening of regulatory monitoring and enforcement mechanisms for SWM.

1.2 Provision of technical assistance and capacity building activities to ULBs for improved solid waste management in the areas of institutional and policy reforms, financial strengthening, planning, budgeting, reporting, preparation of sub-projects, local level enforcement and compliance, and gender disaggregated analytics.

1.3 Provision of SWM skilling, training and awareness generation, information, education and communication support including skilling and training directed to the relevant officials and technical experts at the State, District and local levels and women sanitation workers; and communication and awareness generation activities through the implementation of a State-wide communication and awareness generation strategy.

1.4 Provision of support to the entities involved in the implementation of the Project for the management, coordination and monitoring of Project activities and the appraisal, preparation, implementation, operation and monitoring of SWM investments.

Part 2. Grants support to ULBs for SWM

Provision of grants to participating ULBs for the improvement of their SWM systems and capacities.

Part 3. Development of regional SWM facilities

Construction, rehabilitation, closure, remediation, and equipment (as the case may be) of facilities servicing more than one ULB, such as: (a) processing and recycling facilities; (b) construction and demolition waste management facilities; (c) transfer stations and regional sanitary landfills for municipal solid waste disposal; (d) closure and remediation of existing waste dumpsites and development of incremental waste disposal cells; and (e) biomedical waste management facilities.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Financial Arrangements.

1. To facilitate the carrying out of the Project, the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity in accordance with the Borrower's standard arrangements for developmental assistance to the States of India.
2. Notwithstanding the provisions of the immediately preceding paragraph, in the event of a conflict between the Borrower's standard arrangements for developmental assistance to the States of India and the provisions of or referred to in this Agreement, the provisions of or referred to in this Agreement shall govern.
3. The Borrower shall exercise its rights under its standard arrangements for developmental assistance to the States of India in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive its rights or obligations under said arrangements.

B. Safeguards.

The Borrower shall ensure, and cause the Project Implementing Entity to ensure, that the Project is carried out with due regard to appropriate health, safety, social, and environmental standards and practices, and in accordance with the provisions of Section I.E of the Schedule to the Project Agreement.

Section II. Project Monitoring Reporting and Evaluation

The Borrower shall furnish to the Bank each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Loan Proceeds

A. General.

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; (b) pay: (i) the Front-end Fee; and (ii) each Interest Rate Cap or Interest Rate Collar premium; 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 USD)	Percentage of Expenditures to be financed (inclusive)
(1) Goods, works, non-consulting services, consulting services, Training and Incremental Operating Costs under Part 1 of the Project	14,737,500	35%
(2) Sub-grants under Part 2 of the Project	49,000,000	35%
(3) Goods, works, non-consulting services, consulting services, Training and Incremental Operating Costs under Part 3 of the Project	41,000,000	35%
(4) Front-end Fee	262,500	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(5) Interest Rate Cap or Interest Rate Collar premium	0	Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	105,000,000	

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; or
 - (b) under Category (2), until such date when the Bank has confirmed to the Borrower that it has accepted the evidence provided by the Project Implementing Entity to confirm that:
 - (i) the Project Steering Committee, the SPMU and the fourteen (14) DPMUs have each been established in accordance with the provisions of Sections I.A. 1 and 2 respectively, and the PMC has been recruited in accordance with Section I.A.3 of the Schedule to the Project Agreement;
 - (ii) One (1) Participation Agreement has been signed between the Project Implementing Entity (through the SPMU) and a Participating ULB, in accordance with the provisions of Sections I.B.2 and 3 of the Schedule to the Project Agreement;
 - (iii) Neither the Project Implementing Entity, nor any of the Participating ULBs for the financing of which the first withdrawal under Category (2)

is applied for, is in default of any of its obligations under Section I.E. of the Schedule to the Project Agreement;

- (iv) the Project Implementation Manual has been adopted in accordance with the provisions of Section I.F.1 of the Schedule to the Project Agreement; and
- (v) the Annual Work Plan and Budget for the corresponding period of time has been prepared in accordance with the provisions of Section II.B of the Schedule to the Project Agreement.

2. The Closing Date is June 30, 2027.

SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The following table 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 1 Beginning July 1, 2027 through January 1, 2034	6.67%
On July 1, 2034	6.62%

APPENDIX

Definitions

1. “Affected Person” means a person or entity who, on account of the execution of the Project and/or Sub-projects, has experienced or would experience direct economic and social impacts caused by: (i) the involuntary taking of land resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not such person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and “Affected Persons” means more than one such Affected Person.
2. “Annual Work Plan and Budget” means the work plan and budget (including related cash forecasts) for the implementation of the Project accepted by the Bank, referred to in Section II.B of the Schedule to the Project Agreement; and “Annual Work Plans and Budgets” means, collectively, all such plans and budgets.
3. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 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.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “Cluster” means a group of ULBs interested in the implementation of a Regional Facility under Part 3 of the Project. “Cluster” is referred to in Section I.C.1 of the Schedule to the Project Agreement.
6. “Counterpart Funds” means the amount to be provided, or caused to be provided, by the Project Implementing Entity in accordance with Section I.D of the Schedule to the Project Agreement.
7. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
8. “Department” means a department of the government of the State of Kerala; and “Departments” means more than one Department.
9. “District” means one of the fourteen (14) administrative divisions of the State of Kerala.
10. “District Collector” means the officer of the Indian administrative service in charge of the administration of, and revenue collection in, the District.
11. “DPMU” means one of the project management units to be established in each District in accordance with the provisions of Section I.A.2(a) of the Schedule to the Project Agreement.

12. “EHS Guidelines” means the World Bank Group Environmental, Health and Safety Guidelines published on www.ifc.org/ehsguidelines, as said guidelines are updated from time to time.
13. “ESMF” means the Project Implementing Entity’s document entitled “Environment and Social Management Framework for Kerala Solid Waste Management Project” and dated May 2020, satisfactory to the Bank, disclosed in country and the Bank’s website on May 15, 2020, setting out the principles, rules, guidelines and procedures to screen and assess the potential adverse environmental and social risks and impacts (including health and safety issues) of Project activities, adopt measures to avoid, reduce, mitigate or offset environmental and social adverse risks and impacts, procedural, budget and institutional arrangements and actions needed to implement these measures, and information on the agency or agencies responsible for addressing the Projects’ risks and impacts. The ESMF incorporates a series of other safeguards tools such as: a physical cultural resources management framework; environmental codes of practices; guidance on environment and health safety guidelines for water, sanitation, solid waste management, and health care facilities; guidance on COVID-19 waste management, health care, civil works and labor management, screening, assessing, planning, and implementing COVID-19 mitigation measures; a gender action plan; a resettlement policy framework; a tribal development framework-social management framework; grievance redress mechanism; and a negative list of investments to avoid major irreversible environmental impacts. The ESMF also includes guidance and guidelines for the carrying out of environmental and social impact assessments, and the preparation of environmental and social management plans, resettlement action plans, tribal development plans-social management plans, for specific activities to be carried out under the Project such as Sub-projects. “ESMF” refers to such environmental and social management framework, including all schedules and appendices, as such framework may be amended by the Project Implementing Entity from time to time, with the prior written agreement of the Bank.
14. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020 and December 21, 2020).
15. “Incremental Operating Costs” means the reasonable costs, which shall have been agreed by the Bank under each Annual Work Plan and Budget, for the incremental expenses incurred by the SPMU and the DPMUs, on account of Project implementation and supervision, consisting of vehicle operation and maintenance, communication and insurance costs, banking charges, rental expenses, office (and office equipment) maintenance, utilities, document duplication/printing, consumables, travel cost and *per diem* for Project staff for travel linked to the implementation or supervision of the Project, and salaries of contractual staff for the Project (but excluding salaries, salary supplements and overheads of members of the Borrower’s, the Project Implementing Entity’s, the District’s, and the Participating ULBs’ civil service).
16. “Intermunicipal Agreement” means the agreement to be entered into between the ULBs in the Cluster and SM in accordance with the provisions of Section I.C.2 of the Schedule to the Project Agreement.
17. “Kerala” and “State of Kerala” each means the Borrower’s state of Kerala.

18. “KSPCB” means Kerala State Pollution Control Board, established under the Water (Prevention and Control of Pollution) Act, 1974.
19. “LSGD” means the Local Self Government Department of the Government of Kerala.
20. “Midterm Review” means the joint review of the Project carried out or to be carried out in accordance with the provisions of Section II.C of the Schedule to the Project Agreement.
21. “Participation Agreement” means the agreement to be entered into between the Project Implementing Entity and a Participating ULB for the extension of a Sub-grant in accordance with the provisions of Sections I.B.2 and 3 of the Schedule to the Project Agreement; and “Participation Agreements” means more than one Participation Agreement.
22. “Participating ULB” means an urban local body in Kerala which meets the requirements described in the Project Implementation Manual for such purpose, to which a Sub-grant has been extended or is proposed to be extended in accordance with the provisions of Sections I.B.2 and 3 of the Schedule to the Project Agreement; and “Participating ULBs” means, collectively, more than one Participating ULB.
23. “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.
24. “PMC” means the team of consultants to be recruited in accordance with the provisions of Section I.A.3 of the Schedule to the Project Agreement.
25. “Procurement Plan” means the Project Implementing Entity’s procurement plan acceptable to the Bank dated December 19, 2020.
26. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
27. “Project Implementing Entity” means the Borrower’s State of Kerala, or any successor thereto.
28. “Project Implementation Manual” means the manual to be prepared and adopted by the Project Implementing Entity in accordance with the provisions of Section I.F.1 of the Schedule to the Project Agreement.
29. “Project Steering Committee” means the committee to be established by the Project Implementing Entity in accordance with the provisions of Section I.A.1 of the Schedule to the Project Agreement.

30. “Regional Facility” means a facility serving more than one ULB, supported under Part 3 of the Project. “Regional Facility” is referred to in Section I.C.1 of the Schedule to the Project Agreement.
31. “Safeguard Instruments” means, collectively, the ESMF as well as all the Sub-project ESIAs, Sub-project ESMPs, Sub-project RAPs and Sub-project TDP-SMPs which may be prepared for the Project in accordance with the ESMF, if any.
32. “Safeguard Policies” means, the Operational Policies (OPs) and Bank Procedures (BPs) of the Bank, namely OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitats), OP/BP 4.09 (Pest Management), OP/BP 4.10 (Indigenous Peoples), OP/BP 4.11 (Physical Cultural Resources), OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.36 (Forests), and OP/BP 4.37 (Safety of Dams); they can be found at <https://policies.worldbank.org>.
33. “Secretary” means the apex official of a Department’s secretariat; and “Secretaries” means more than one Secretary.
34. “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.
35. “SM” means *Suchitwa Mission*, the technical support group in waste management sector established under the LSGD to provide technical and managerial support to LSGD and build capacity in the waste management sector.
36. “State” means an administrative subdivision of the Borrower.
37. “SWM” means solid waste management.
38. “SPMU” means one of the project management unit to be established at the State of Kerala level in accordance with the provisions of Section I.A.2(a) of the Schedule to the Project Agreement.
39. “Sub-grant” means a series of grants, whose availability for disbursement is triggered by the achievement of performance criteria described in the Project Implementation Manual, extended or proposed to be extended by the Project Implementing Entity to a Participating ULB for the financing of a Sub-project, all in accordance with the provisions of Section I.B of the Schedule to the Project Agreement; and “Sub-grants” means more than one Sub-grant.
40. “Sub-project” means a set of activities described in the Project Implementation Manual, which is eligible to a financing from a Sub-grant, based on the achievement of the eligibility requirements and criteria for such financing described in the Project Implementation Manual.
41. “Sub-project ESIA” means (a) any environmental and social impact assessment to be prepared for civil works to be carried out under a Sub-project; and (b) any site-specific environmental and social impact assessment to be prepared pursuant to the ESMF for a Sub-project, in each case describing a set of mitigation, enhancement, monitoring, and

- institutional measures to be taken during implementation of the Sub-project to avoid, minimize and mitigate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, or to enhance positive impacts; in each case as said environmental impact and social assessment: (i) is satisfactory to the Bank, (ii) has been published by the Project Implementing Entity, (iii) has been published on the Bank's website, and (iv) may be amended and/or supplemented from time to time with the prior written agreement of the Bank; and "Sub-project ESIA" means, collectively, more than one Sub-project ESIA.
42. "Sub-project EMP" means the instrument to be prepared for a Sub-project in accordance with the procedures and requirements under the ESMF, satisfactory to the Bank, which details (a) the measures to be taken during the implementation and operation of the Sub-project to avoid, minimize, mitigate or offset adverse environmental and social impacts (including health and safety issues), or to reduce them to acceptable levels; and (b) the actions needed to implement these measure; in each case as said pan: (i) is satisfactory to the Bank, (ii) has been published by the Project Implementing Entity, (iii) has been published on the Bank's website, and (iv) may be amended and/or supplemented from time to time with the prior written agreement of the Bank; and "Subproject EMPs" means more than one Sub-project EMP.
43. "Sub-project RAP" means the instrument to be prepared for a Sub-project in accordance with the procedures and requirements of the ESMF, which includes the principles, procedures, organizational arrangements and budget to implement the resettlement related activities under the Sub-project; in each case as said plan: (i) is satisfactory to the Bank, (ii) has been published by the Project Implementing Entity, (iii) has been published on the Bank's website, and (iv) may be amended and/or supplemented from time to time with the prior written agreement of the Bank; and "Sub-project RAPs" means more than one Sub-project RAP.
44. "Sub-Project TDP-SMP" means a Sub-project tribal development plans or social management plan, the instrument to be prepared for a Sub-project in accordance with the procedures and requirements of the ESMF, which includes the principles, procedures, organizational arrangements and budget to implement indigenous peoples or other related activities under the Project, or under the Sub-project; in each case as said plan: (i) is satisfactory to the Bank, (ii) has been published by the Project Implementing Entity, (iii) has been published on the Bank's website, and (iv) may be amended and/or supplemented from time to time with the prior written agreement of the Bank; and "Sub-Project TDP-SMPs" means more than one Sub-Project TDP-SMP.
45. "Training" means training activities included in an Annual Work Plan and Budget approved by the Bank, comprising seminars, workshops and study tours, along with reasonable costs (in the view of the Bank) associated with such activities, including travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other charges directly related to course preparation and implementation but excluding consultants' services.
46. "ULBs" means urban local bodies.

Legal Department
CONFIDENTIAL DRAFT
(Subject to Change)
Hélène Bertaud
January 27, 2021 (NEGOTIATED)

LOAN NUMBER _____ - ____

Project Agreement

(Kerala Solid Waste Management Project)

between

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

and

STATE OF KERALA

PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and STATE OF KERALA (“Project Implementing Entity”) (“Project Agreement”) in connection with the Loan Agreement (“Loan Agreement”) of the Signature Date between INDIA (“Borrower”) and the Bank, concerning Loan No. [REDACTED]. The Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Loan 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 Loan Agreement or the General Conditions.

ARTICLE II — PROJECT

- 2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of Article V of the General Conditions and the Schedule to this Agreement, and shall provide or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for the Project.

ARTICLE III — REPRESENTATIVE; ADDRESSES

- 3.01. The Project Implementing Entity’s Representative is the Principal Secretary (Urban), Local Self Government Department.
- 3.02. 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:	Email
248423(MCI) or 64145(MCI)	1-202-477-6391	wbindia@worldbank.org

- 3.03. For purposes of Section 10.01 of the General Conditions: (a) the Project Implementing Entity’s address is:

Room No. 264
South Block, Secretariat
Local Self Government Department
Thiruvananthapuram
Kerala; and

(b) the Project Implementing Entity's Electronic Address is:

Facsimile:	E-mail:
+91 471 2312730	<u>sanitationkerala@gmail.com</u>

AGREED as of the later of the two dates written below.

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By

Authorized Representative

Name: _____

Title: _____

Date: _____

STATE OF KERALA

By

Authorized Representative

Name: _____

Title: _____

Date: _____

SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Project Steering Committee

- (a) No later than two (2) months after the Effective Date, the Project Implementing Entity shall establish and thereafter maintain throughout the period of implementation of the Project, a committee (“Project Steering Committee”) with a mandate and composition satisfactory to the Bank, for the purpose of, among other things, providing strategic guidance and oversight for the Project, ensuring coordination and periodic monitoring, and ensuring timely resolution of key issues.
- (b) Without limitation to the generality of the provision of Section I.A.1(a) of this Schedule, the Project Steering Committee shall be chaired by the Chief Secretary of the Project Implementing Entity and shall include Additional Chief Secretary, LSGD, the Principal Secretary (Urban) LSGD, Principal Secretary, Finance, the SM Executive Director, and other Secretaries when needed and the District Collectors involved in the Project activities.

2. Project Management Units.

- (a) No later than two (2) months after the Effective Date, the Project Implementing Entity shall establish under the authority of SM and thereafter maintain, throughout the period of implementation of the Project, one (1) state-level project management unit (“SPMU”) and fourteen (14) district-level project management units (each a “DPMU”) under the overall authority of the SPMU, each with mandate and composition satisfactory to the Bank.
- (b) Without limitation to the generality of the provision of Section I.A.2(a) of this Schedule, each of the SPMU and the DPMU shall be responsible for the coordination, implementation and monitoring of the Project activities carried out at the state level (in the case of the SPMU) or at the ULB level in its respective District (in the case of the DPMUs), including appraisal, due diligence, quality control and reporting on fiduciary, environmental and social requirements and technical aspects of the investment(s) carried out in their area of responsibility.
- (c)
 - (i) Without limitation to the generality of the provision of Section I.A.2(a) of this Schedule, each of the SPMU and the DPMU shall include staff in adequate number, each selected or nominated on the basis of terms of reference, qualifications and experience satisfactory to the Bank.
 - (ii) Without limitation to the generality of the provision of Section I.A.2(c)(i) of this Schedule: (A) the SPMU shall include a financial management

specialist, a procurement specialist, environmental and social development specialists, SWM engineering specialists and a public information specialist; and (B) each DPMU shall include a district coordinator/SWM engineer, a financial management expert, a monitoring and evaluation expert, an environmental engineer and a social development and communications expert.

3. Project Management Consultants

No later than two (2) months after the Effective Date, the Project Implementing Entity shall recruit a team of project management consultants ("PMC") on the basis of terms of reference, qualifications and experience satisfactory to the Bank to, among other things, be dispatched and provide project management support as needed to the SPMU and the DPMUs.

4. Project Implementation Units

(a) No later than two (2) months after the Effective Date, the Project Implementing Entity shall ensure that each Participating ULB has established and shall thereafter maintain throughout the implementation of the Project under its Secretary a dedicated unit (each a "Project Implementation Unit") comprising ULB staff or consultants including a SWM engineer, a finance or accounts officer and one or two technical staff as needed to handle SWM services, each selected on the basis of terms of reference, qualifications and experience satisfactory to the Bank.

(b) The Project Implementing Entity shall ensure that no withdrawal under Category (2) of the disbursement table in Section III.A of Schedule 2 to the Loan Agreement shall be requested to finance a Grant to a Participating ULB which has not yet established its Project Implementation Unit.

B. Sub-projects.

1. For the implementation of Part 2 of the Project, the Project Implementing Entity shall make Sub-grants (comprised of a basic grant and two incentive grants) to Participating ULBs to finance sets of activities (for each Participating ULB, the set of activities to be financed by a grant for a given year is referred to as a "Sub-project"), all in accordance with eligibility criteria providing access to the grants to Participating ULBs, eligibility criteria of activities which may be included in a Sub-project, annual triggers and procedures acceptable to the Bank and described in the Project Implementation Manual.

2. The Project Implementing Entity shall make Sub-grants to each Participating ULB under a Participation Agreement to be entered into between the Project Implementing Entity, through the SPMU, and the Participating ULB, on terms and conditions approved by the Bank (a template of which is attached to the Project Implementation Manual).

3. Without limitation to the generality of the provision of Section I.B.2 of this Schedule, each of the Participation Agreements shall include the following provisions:

- (a) The Project Implementing Entity shall obtain rights adequate to protect its interests and those of the Borrower and the Bank, including the right to:
 - (i) suspend or terminate the right of the Participating ULB to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the Participating ULB's failure to perform any of its obligations under the Participating Agreement; and
 - (ii) require each Participating ULB to:
 - (A) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower;
 - (B) provide, promptly as needed, the resources required for its Sub-project;
 - (C) procure the goods, works and services to be financed out of the Sub-grant in accordance with the provisions referred to in this Agreement;
 - (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Bank, the progress of the Sub-project and the achievement of its objectives;
 - (E) (1) maintain a financial management system and prepare 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 Sub-project; and (2) at the Bank's or the Borrower's or the Project Implementing Entity's request, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Borrower, the Bank and the Project Implementing Entity;
 - (F) enable the Borrower, the Bank and the Project Implementing Entity to inspect the Sub-project, its operation and any relevant records and documents; and
 - (G) prepare and furnish to the Borrower, the Bank and the Project Implementing Entity all such information as the Borrower or the

Bank or the Project Implementing Entity shall reasonably request relating to the foregoing.

- (b) The Project Implementing Entity shall exercise its rights under each Participation Agreement in such manner as to protect the interests of the Borrower, the Bank and the Project Implementing Entity and to accomplish the purposes of the Loan. Except as the Borrower and the Bank shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive any Participating Agreement or any of its provisions.
- 4.
 - (a) No later than six (6) months after the Effective Date the Project Implementing Entity shall recruit an independent verification agent, based on terms of reference, qualifications and experience satisfactory to the Bank, for the purpose of, among other things, verifying the satisfaction of the eligibility criteria prior to the disbursement of the corresponding portion of Sub-grants under Participation Agreements to Participating ULBs, all in accordance with the criteria, verification protocol and procedures described in the Project Implementation Manual.
 - (b) The Project Implementing Entity shall ensure that no disbursement under a Participation Agreement is made without a prior verification of the achievement of the criteria in accordance with the criteria, verification protocol and procedures described in the Project Implementation Manual.

C. Intermunicipal Agreements.

- 1. For the implementation of each regional SWM facility under Part 3 of the Project (each a “Regional Facility”), the Project Implementing Entity shall identify, on the basis of ULB’s technical planning, the group of ULBs (“Cluster”) interested in participating in the construction, rehabilitation, closure, remediation, and equipment (as the case may be) of the Regional Facility.
- 2.
 - (a) For the implementation of each Regional Facility, the Project Implementing Entity, acting through SM, shall enter into an agreement (each an “Intermunicipal Agreement”) with each ULB included in the Cluster, pursuant to which, among other things, the ULBs shall designate SM to be responsible for the coordination of the ULBs in the Cluster and the implementation of the Regional Facility, all on the basis of terms and conditions acceptable to the Bank and further described in the Project Implementation Manual.
 - (b) Without limitation to the generality of the provision of Section I.C.2(a) of this Schedule, each of the Intermunicipal Agreement shall: (i) provide that SM’s responsibility with respect to the implementation of the Regional Facility shall include planning, procurement of technical consultants, work contractors and operators, design, implementation, management and monitoring of the Regional Facility; (ii) describe the cost sharing arrangements among the parties to the Intermunicipal Agreement.

D. Counterpart Funds.

- 1 In addition to the Loan and without limitation to the provision of Section 5.03 of the General Conditions, the Project Implementing Entity shall provide, or cause to be provided, an amount of not less than ninety million Dollars (\$90,000,000) as counterpart funds (“Counterpart Funds”) for the financing of the Project.
2. Both the Loan and the Counterpart funds shall be allocated as reflected in the Annual Work Plans and Budgets, and disbursed in accordance with the provisions of the Annual Work Plans and Budgets in a timely manner, notwithstanding any restriction which may otherwise be imposed by the Project Implementing Entity’s treasury from time to time to control the budgetary allocations and expenditures for state activities, or any treasury ban or freeze or any decision from the Project Implementing Entity that could affect the timely availability of funds.

E. Safeguards.

1. The Project Implementing Entity shall ensure that:
 - (a) the Project is carried out with due regard to appropriate health, safety, social, and environmental standards and practices, and in accordance with the Safeguards Instruments;
 - (b) for each activity under the Project for which the ESMF provides for the preparation of a Sub-project ESIA, a Sub-project EMP, a Sub-project RAP and/or a Sub-project TDP-SMP:
 - (i) proceed to have such Sub-project ESIA, Sub-project EMP, Sub-project RAP and/or Sub-project TDP-SMP, as appropriate: (A) prepared and disclosed in accordance with the ESMF; (B) consulted upon adequately with people affected by the Project as per the ESMF, and submitted to the Bank for review and approval; and (C) thereafter adopted, prior to implementation of the activity; and
 - (ii) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Sub-project ESIA, Sub-project EMP, Sub-project RAP and/or Sub-project TDP-SMP in a manner satisfactory to the Bank; and
 - (c) all measures are taken to implement the Sub-project RAPs in a manner and timeframe satisfactory to the Bank. To this end, the Project Implementing Entity shall ensure that:
 - (i) funds are made available to cover all the costs of implementing the Sub-project RAPs;
 - (ii) prior to carrying out activities which involve displacement, Affected Persons shall be compensated at full replacement cost, resettled and

provided with assistance in accordance with the Sub-project RAPs, as applicable; and

- (iii) the implementation, monitoring and evaluation of such Sub-project RAPs is completed and reported in a manner satisfactory to the Bank.

2. The Project Implementing Entity shall ensure that the Sub-projects do not include any activities or expenditures on the negative list set forth in the ESMF.
3. Except as the Bank shall otherwise agree in writing, the Project Implementing Entity shall ensure that none of the provisions of the Safeguard Instruments is abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Project Implementing Entity shall ensure that:
 - (a) all consultancies related to technical assistance, design and capacity building under the Project, the application of whose results could have environmental, social and health and safety implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Bank; and
 - (b) such terms of reference shall require the technical assistance, design and capacity building activities to take into account the requirements of the applicable Bank Safeguards Policies and EHS Guidelines.
5. Without limitation upon its other reporting obligations under this Agreement, the Project Implementing Entity shall:
 - (a) take all measures necessary on its part to regularly collect, compile, and submit to the Bank, every six months and promptly in a separate report whenever the Bank may require or the circumstances warrant, information on the status of compliance with the Safeguards Instruments, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (i) the status of implementation of the Safeguards Instruments; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the Safeguards Instruments; and (iii) corrective and preventive measures taken or required to be taken to address such conditions;
 - (b) promptly furnish to the Bank a copy of each progress report prepared and submitted by any entity (including any engineer) supervising the Project's civil works, the Project's contractors and/or subcontractors; and
 - (c) promptly notify the Bank 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.

6. The Project Implementing Entity shall maintain, throughout Project implementation, and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.

F. Project Implementation Manual

1. By not later than one (1) month after the Effective Date (or such other date which the Bank has confirmed in writing to the Project Implementing Entity is reasonable and acceptable under the circumstances, as determined by the Bank in its sole discretion), the Project Implementing Entity shall prepare and adopt an implementation manual for the Project (the "Project Implementation Manual") in form and substance acceptable to the Bank.
2. Without limitation to the provisions of Section I.F.1 of this Schedule, the Project Implementation Manual shall set forth, among other things, the following detailed arrangements and procedures for the implementation of the Project: (i) institutional arrangements for the day-to-day execution of the Project; (ii) the preparation and successive updates of the Procurement Plan and its implementation arrangements; (iii) selection of Participating ULBs and eligible activities for Sub-projects, criteria and procedure for the extension of Sub-grants; (iv) arrangements for the implementation of the Safeguard Instruments; (v) budgeting, accounting, flow of funds, disbursement, reporting, auditing, internal controls and other relevant financial management arrangements; (vi) Project monitoring, reporting, evaluation and communication arrangements; (vii) collection, processing and protection of personal data, if any; and (viii) any other administrative, financial, technical and organizational arrangements and procedures as shall be necessary for the implementation of the Project and the achievement of its development objective.
3. The Project Implementing Entity shall thereafter ensure that the Project is carried out in accordance with the Project Implementation Manual, and except as the Bank may otherwise agree in writing, shall not amend or waive, or permit to be amended or waived, any provision of the Project Implementation Manual.
4. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

A. Reports.

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of indicators acceptable to the Bank. Each such Project Report shall cover the period of one calendar semester and shall be furnished to the Borrower in a timely fashion which enables the Borrower to comply with its obligation to the Bank under Section II of the Loan Agreement. 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 Project Implementing Entity shall ensure that such information, report or document does not include Personal Data.

2. The Project Implementing Entity shall provide to the Borrower not later than five (5) months after the Closing Date, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Borrower or the Bank shall reasonably request for the purposes of that Section.

B. Annual Work Plans and Budgets

1. (a) Except for the Project Implementing Entity's fiscal year during which the Loan Agreement shall become effective, each year, the Project Implementing Entity shall, with inputs from the Participating ULBs: (i) prepare and furnish to the Bank by January 15 in each year, beginning in 2021, a draft Annual Work Plan and Budget for review and comment, summarizing the implementation progress of the Project for the said year and the Project activities (including, among others, Incremental Operating Costs and Training) to be undertaken in the following fiscal year (together with documentary evidence that the safeguard obligations related to such upcoming Project activities shall be fully complied with in a timely fashion in accordance with the Safeguards Instruments), including the proposed annual budget and sources of financing for the Project (Loan, Counterpart Funds, and any other source of financing which may become available for the Project); (ii) taking into account the Bank's comments, finalize and furnish to the Bank no later than March 31 in each year, beginning in 2021, the Annual Work Plan and Budget, acceptable to the Bank; and (iii) thereafter ensure the implementation of the Project during the following fiscal year in accordance with the Annual Work Plan and Budget agreed with the Bank and in a manner acceptable to the Bank (and update such Annual Work Plans and Budgets on a quarterly basis). The Project Implementing Entity shall not amend, suspend, abrogate, or waive said Annual Work Plans and Budgets or any provision thereof without the prior written agreement of the Bank.
- (b) For the Project Implementing Entity's fiscal year during which the Loan Agreement shall become effective, the date referred to in Section II.B.1(a)(i) of this Schedule shall be one (1) month after the Effective Date and the date referred to in Section II.B.1(a)(ii) of this Schedule shall be two (2) months after the Effective Date. Such Annual Work Plan and Budget shall not include any reporting related to activities implemented during the fiscal year during which it is prepared.

C. Project Midterm Review

The Project Implementing Entity shall:

1. not later than thirty-six (36) months after the Effective Date, or such other date as may be agreed with the Bank, carry out jointly with the Bank, a midterm review of the Project (the

- “Midterm Review”), to assess the status of Project implementation, as measured against the indicators referred to in Section II.A.1 of the Schedule to this Agreement and the legal covenants included in this Agreement. Such review shall include an assessment of the following: (a) overall progress in implementation; (b) results of monitoring and evaluation activities; (c) progress on procurement and disbursement; (d) progress on implementation of safeguards measures; (e) implementation arrangements and Project staffing; and (f) the need to make any adjustments to the Project and reallocate funds to improve performance, if any;
2. to this end, prepare with inputs from the Participating ULBs, and furnish to the Bank, at least one (1) month before the Midterm Review, a report (or reports), in scope and detail satisfactory to the Bank and integrating the results of the monitoring and evaluation activities performed pursuant to Section II.A.1 of this Schedule, on the progress achieved in the carrying out of the Project during the period preceding the date of such report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of its objectives during the period following such date; and
 3. review jointly with the Bank the report or reports referred to in the preceding paragraph, and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of its objectives, based on the conclusions and recommendations of such report or reports and the Bank’s views on the matter.

Date: _____

Mr. Sukhbir Singh
Controller of Aid Accounts and Audit
Aid Accounts, and Audit Division
Department of Economic Affairs, Ministry of Finance
Government of India
B-Wing, 5th Floor
Janpath Bhawan
New Delhi, India 110001

Re: India: Kerala Solid Waste Management Project
IBRD Loan No. 9208-IN and AIIB Loan _____
Additional Instructions: Disbursement and Financial Information Letter (“DFIL”)

Mr. Sukhbir Singh,

I refer to the loan agreements between India (the “Borrower”) and the International Bank for Reconstruction and Development (the “World Bank”) Loan 9208-IN; and the Borrower and the Loan Agreement between the Asian Infrastructure Investment Bank (“The AIIB”) Loan _____ (“AIIB Loan”) for the Kerala Solid Waste Management Project. The General Conditions, as defined in the Loan Agreement, provide that the Borrower may from time to time request withdrawals of the loan amount from the loan account of each loan, in accordance with the Disbursement and Financial Information Letter (DFIL), and such additional instructions as the World Bank and AIIB may specify from time to time by notice to the Borrower. The General Conditions also provide that the DFIL may specify Project specific financial reporting requirements. This letter (A) constitutes such additional instructions; and (B) serves as instructions of withdrawal of the funds corresponding to the AIIB Loan under a co-financing framework agreement, and corresponding applicable procedures.

I. Disbursement Arrangements, Withdrawal and Reporting of Loan Funds

The *Disbursement Guidelines for Investment Project Financing*, dated February 2017, (“Disbursement Guidelines”) are available in the World Bank’s public website at <https://www.worldbank.org> and its secure web-based portal (<https://clientconnection.worldbank.org>) “Client Connection”. The Disbursement Guidelines are an integral part of the DFIL, and the manner in which the provisions in the Disbursement Guidelines apply to the World Bank and AIIB loans is specified below.

(i) Disbursement Arrangements

Schedule 1 sets out the disbursement methods which may be used by the Borrower, information on registration of authorized signatures, processing of withdrawal applications (including minimum value of applications), and instructions on supporting documentation.

(ii) Electronic Delivery. Refer to section 10.01 (c) of the General Conditions.

The World Bank and AIIB may permit the Borrower to electronically deliver applications (with supporting documents) through the World Bank’s web-based portal “Client Connection”. This option may be effected

if the officials designated in writing by the Borrower who are authorized to sign and deliver Applications have registered as users of “Client Connection”. The designated officials may deliver Applications electronically by completing the Form 2380, which is accessible through “Client Connection”. By signing the Authorized Signatory Letter, the Borrower confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the World Bank and AIIB by electronic means. The Borrower may continue to exercise the option of preparing and delivering Applications in paper form. The World Bank and AIIB reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Borrower. By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Borrower confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation, available in the World Bank's public website at <https://worldbank.org> and “Client Connection”; and (b) to cause such official to abide by those terms and conditions.

II. Financial Reports and Audits

(i) Financial Reports. The Borrower must prepare and furnish to the World Bank and AIIB not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports (“IFR”) for the Project covering the financial information of the corresponding semester.

(ii) Audits. Each audit of the Financial Statements must cover the period of one fiscal year of the Borrower, commencing with the fiscal year in which the first withdrawal was made. The audited Financial Statements for each such period must be furnished to the World Bank and AIIB not later than six (6) months after the end of such period.

III. Other Information

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the World Bank’s website (<http://www.worldbank.org/>) and “Client Connection”. The World Bank recommends that you register as a user of “Client Connection”. From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Grant, and retrieve related policy, financial, and procurement information. For more information about the website and registration arrangements, or if you have any queries in relation to the above, please contact the World Bank by email at AskLoans@WorldBank.org using the reference **Kerala Solid Waste Management Project. IBRD Loan No. 9208-IN, and AIIB Loan _____**.

Yours sincerely,

Junaid Kamal Ahmad
Country Director
India
South Asia Region

Attachments

1. Form of Authorized Signatory Letter
2. Interim unaudited Financial Report (IFR)

Schedule 1 : Disbursement Provisions

Basic Information					
Loan Number		Country	India	Closing Date *	Section III.B.2. of Schedule 2 to the Loan Agreement
World Bank	AIIB	Borrower	India (DEA/CAAA)		
9208-IN		Name of the Project	Kerala Solid Waste Management Project	Disbursement Deadline Date Subsection 3.7 **	Four months after the closing date.
Disbursement Methods, and Supporting Documentation					
Disbursement Methods Section 2 (**)		Applicability	Supporting Documentation Subsections 4.3 and 4.4 (**)		
Direct Payment		No	Not Applicable		
Reimbursement		Yes	Interim unaudited Financial Report in the format provided in Attachment 2		
Advance – Designated Account		Yes	Interim unaudited Financial Report in the format provided in Attachment 2		
Special Commitments		No	Not Applicable		
Designated Account (Sections 5 and 6 **)					
	World Bank			AIIB	
Financial Institution		Reserve Bank of India		Reserve Bank of India	
Type		Pooled		Pooled	
Currency		United States Dollar (USD)		United States Dollar (USD)	
Ceiling		Fixed at USD 15,750,000		Fixed at USD 15,750,000	
Amount		Cumulated forecast for one semester, as provided in the financial reports IFR		Cumulated forecast for one semester, as provided in the financial reports IFR	
Frequency of Reporting Subsection 6.3 (**)		Semiannual, which is the frequency of all financial reports (IFRs)		Semiannual, which is the frequency of all financial reports (IFRs)	
Minimum Value of Applications (subsection 3.5)					
The minimum value of applications for Reimbursement is USD 1,000,000 equivalent.					
Authorized Signatures (Subsection 3.1 and 3.2 **) The form for Authorized Signatories Letter is provided in Attachment 1 of this letter					
Withdrawal and Documentation Applications (Subsection 3.3 and 3.4 **)					
Authorized Signatories Letter (ASL). The ASL will be sent to the following address: The World Bank No. 11, Taramani Main Road Taramani, Chennai – 600 113, India Attention: WFACS Unit.					
Withdrawal Applications (WAs). All WAs and its supporting documentation will be electronically sent through the World Bank’s system ClientConnection.					
Additional Instructions					
* The Borrower must also consider the Closing Date applicable to the AIIB Loan (provided by the AIIB).					

**** Sections and subsections relate to the “Disbursement Guidelines for Investment Project Financing, dated February 2017”**

1. *Co-financing/Financing Percentage:* Financing ratio between the World Bank Loan and the AIIB Loan for the Project will be in the form of joint co-financing at **50:50** respectively, and considering Borrower’s funding (GOI) as complement, as stated in attachment 3 below.
2. *Processing of Disbursements:* The World Bank will provide disbursement services for AIIB, including review and approval of Application for Withdrawal. The World Bank will provide such services using its own policies and procedures, including the instructions contained or referenced to in the DFIL. The Borrower will simultaneously submit two Applications for Withdrawal, one covering the financing corresponding to the AIIB Loan and one covering the financing corresponding IBRD Loan. The World Bank will process the deposits/transfers of funds corresponding to both loans in coordination, and in line with the arrangements agreed, with the AIIB.

Attachment 1 – Form of Authorized Signatory Letter

[Letterhead]
Ministry of Finance
[Street address]
[City] [Country]

[DATE]

The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: Mr. Junaid Kamal Ahmad, *Country Director*

Re: Loan No. 9208-IN (Kerala Solid Waste Management Project)

I refer to the Loan Agreement (“Agreement”) between the International Bank for Reconstruction and Development (the “Bank”) and India (the “Borrower”), dated _____, providing the above Loan. For the purposes of Section 2.02 of the General Conditions as defined in the Agreement, any ¹[one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign applications for withdrawal [and applications for a special commitment] under this Loan.

For the purpose of delivering Applications to the Bank, including by electronic means, ²[each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Borrower, acting ³[individually] ⁴[jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Bank.

⁵[This confirms that the Borrower is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the World Bank by electronic means. In full recognition that the World Bank shall rely upon such representations

¹ Instruction to the Borrower: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. *Please delete this footnote in final letter that is sent to the Bank.*

² Instruction to the Borrower: Stipulate if more than one person needs to *jointly* sign Applications, if so, please indicate the actual number. *Please delete this footnote in final letter that is sent to the Bank.*

³ Instruction to the Borrower: Use this bracket if any one of the authorized persons may sign; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the Bank.*

⁴ Instruction to the Borrower: Use this bracket only if several individuals must jointly sign each Application; if this is not applicable, please delete. *Please delete this footnote in final letter that is sent to the Bank.*

⁵ Instruction to the Borrower: Add this paragraph if the Borrower wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. *Please delete this footnote in final letter that is sent to the Bank.*

and warranties, including without limitation, the representations and warranties contained in the *Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation* (“Terms and Conditions of Use of SIDC”), the Borrower represents and warrants to the World Bank that it will cause such persons to abide by those terms and conditions.]

This Authorization replaces and supersedes any Authorization currently in the Bank records with respect to this Agreement.

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

[Name], [position] Specimen Signature: _____

Yours truly,

/ signed /

[Position]

Attachment 2 - Interim unaudited Financial Statements (IFR)

P168633 : KERALA SOLID WASTE MANAGEMENT PROJECT (IBRD Loan xxxx IN)
INTERIM UNAUDITED FINANCIAL REPORT (IUFR 1)

SOURCES AND USES OF FUNDS
FOR THE PERIOD FROM XXXX TO XXXX

		Amount in INR		
Description		For the six-month period xxxx to xxxx	For the year XXXX XX	Cumulative to Date
1		2	3	4
(A) Opening Balances				
1	State Consolidated Fund - RBI Account (relevant account head for project)			
2	Special Treasury Bank Account of SPMU under LSGD			
	Sub Total (A)			
(B) Sources of Funds				
1	Performance Grants released to State Consolidated Fund (RBI account No....)			
	--- ULBs			
2	Transfer to Special Treasury Bank Account of Project Director/SPMU			
	Sub Total (B)			
Total Fund Available (A+B)				
(C) Uses of Funds				
Actual Expenditures				
1	Component 1: Institutional development, capacity building and project management			
2	Component 2: Grant support to ULBs for SWM			
3	Component 3: Development of regional SWM facilities			
	Sub Total (C)			
(D) Total Net Funds Available (A+B-C)				
(E) Closing Balance				
1	State Consolidated Fund - RBI Account (relevant account head for project)			
2	Special Treasury Bank Account of SPMU under LSGD			
	Sub Total (E)			

Certified that the amount of forecast reflected in the IUFR for Performance Grants are only for those Municipalities that have complied with the minimum criteria to qualify for the performance grants, including audit eligibility criteria, as defined in the Program Implementation Manual.

Finance Manager

Project Director

Principal Secretary (LSGD)

**P168633 : KERALA SOLID WASTE MANAGEMENT PROJECT (IBRD Loan xxxx IN)
INTERIM UNAUDITED FINANCIAL REPORT (IUFR 2)**

**USES OF FUNDS BY PROJECT COMPONENTS/SUB COMPONENTS
FOR THE PERIOD FROM XXXX TO XXXX**

			Amount in INR		
Project Components/Sub Components		Aggregate Allocation (PAD)	Expenditure		
			For the period xxxx to xxxx	For the year XXXX-XX (YTD)	Cumulative to Date
1	2	3	4	5	6
	1 Component 1: Institutional development, capacity building and project management				
1.1	Technical Assistance to state agencies				
1.2	Technical assistance to ULBs				
1.3	Training and awareness generation/ Information Education Communication (IEC) support				
1.4	Project Management support				
		-	-	-	-
	2 Grant support to ULBs for SWM				
2.1	Grants to ULBs				
		-	-	-	-
	3 Development of regional SWM facilities				
3.1	regional processing and recycling facilities				
3.2	regional construction and demolition (C&D) waste management facilities				
3.3	transfer stations and regional sanitary landfills for municipal solid waste disposal				
3.4	closure/remediation of existing waste dumpsites and development of incremental disposal cells as interim safe disposal facility				
3.5	Plastic waste and marine litter reduction interventions				
3.6	Climate smart and disaster resilience interventions				
3.7	Private sector participation in SWM				
		-	-	-	-
	Grand Total (1+2+3)	-	-	-	-

Finance Manager

Principal Secretary (LSGD)

Notes

The Grand total of expenditure should be equal to the Sub total of C (Uses of Funds) in IUFR 1.

P168633 : KERALA SOLID WASTE MANAGEMENT PROJECT (IBRD Loan xxxx IN)
INTERIM UNAUDITED FINANCIAL REPORT (IUFR 3)

DA STATEMENT/FUNDS FORECAST
FOR THE PERIOD XXXX TO XXXX

Particulars				Amount (USD)
PART I				
1. Cumulative Advances up to end of last reporting period				
2. Less: Cumulative expenditure up to end of last reporting period				
3. Outstanding Advances to be adjusted (1 minus 2)				
PART II				
4. Opening Advance balance at beginning of current reporting period (same as item 3)				
5. Add: Advances received during reporting period				
6. Outstanding Advances to be adjusted (4 plus 5)				
7. Less: Expenditure for current reporting period (column 6 of IUFR Annex 1)				
8. Closing Advance balance at end of current reporting period (6 minus 7)				
PART III				
9. Total forecast funding requirement				

	total		WB share	AIIB share
Expenditure for the current reporting period (to be documented in the WB CC system)		-	0	0

Finance Manager

Project Director

Principal Secretary (LSGD)

Note:

1, Advance refers to amounts transferred by the World Bank to the Project Designated Account with the Reserve Bank of India.

**P168633 : KERALA SOLID WASTE MANAGEMENT PROJECT (IBRD Loan xxxx IN)
INTERIM UNAUDITED FINANCIAL REPORT (IUFR 4)**

Payments against prior review contracts

FOR THE PERIOD FROM XXXX TO XXXX

[illegible]

Finance Manager

Project Director

Principal Secretary (LSGD),

**P168633 : KERALA SOLID WASTE MANAGEMENT PROJECT (IBRD Loan xxxx IN)
INTERIM UNAUDITED FINANCIAL REPORT - IUFR ANNEX 1**

SUMMARY SHEET FOR EXPENDITURE BY CATEGORIES

Period: from __/__/20__ to __/__/20__ (six-monthly)

Category No.	Category Description	Reimbursable % age	Actual Expenditure for the current period			Actual Expenditure Cumulative to Date		
			Total Expenditure INR	Amount (Bank/AIIB share) INR	Amount (Bank/AIIB share) USD Equiv.	Total Expenditure INR	Amount (Bank/AIIB share) INR	Amount (Bank/AIIB share) USD Equiv.
1	2	3	4	5=4*3	6	7	8=7x3	9
1	Goods, works, non-consulting services, consulting services, Trainings and Incremental Operating Costs under component 1	35.00%						
2	Grants under component 2 (Aggregate of actual utilization of BGs/PGs by participating municipalities)	35.00%						
3	Goods, works and non-consulting services under component 3	35.00%						
	Total							

Finance Manager

Project Director

Principal Secretary (LSGD)

Notes

- 1) For category 2, expenditure reported in column 4 is "Aggregate of actual utilization of PGs" that should be equal to the amount reported against item C (2) in IUFR 1 & item C in Annex 2
- 2) For category 1 & 3, Expenditure reported in column 4 above should be equal to the amount reported against item C (1 & 3) in IUFR 1.

KERALA LOCAL GOVERNMENT AND SERVICE DELIVERY PROJECT (IBRD Loan xxxx IN)
INTERIM UNAUDITED FINANCIAL REPORT - ANNEX 2
AGGREGATE DETAILS OF PERFORMANCE GRANTS TO ULBs

Amount in INR

Particulars	ULBs			ULBs					Total
	H1	H2	Total	2020-21	2021-22	2022-23	2023-24	2024-25	
a) Aggregate of Opening Balance of RBI account									
b) Aggregate of BG/PGs released during the reporting period									
c) Aggregate of actual utilization of PGs by participating ULBs									
d) Aggregate of Closing Balance of RBI account									

Finance Manager

Project Director

Notes

- 1) The aggregate of Performance Grants released to LG treasury accounts must match with the disbursements from the State Public Account (dedicated project sub head under major head 8448). In case of difference, please provide a reconciliation.
- 2) H1 means the half year period from April to Sept and H2 means the half year period from Oct to Mar each year.

Attachment 3 – Co-financing ratio AIIB:World Bank by component

All disbursements will follow the ratio IBRD:AIIB at **50:50** for all components and categories for the entire project. Actual ratio is shown in the table below.

World Bank	AIIB	Counterpart Funding	Total	
USD 105,000,000	USD 105,000,000	USD 90,000,000	USD 300,000,000	Amount
35%	35%	30%	100%	Percentage

FOR OFFICIAL USE ONLY

Victor Ordonez, WFACS

Cleared with and cc: Uri Raich, SEAU2
 Harsh Goyal, SSAU1
 Zoe Kolovou, LEGES

Cc: Enoka Wijegunawardene, ESAG2



Financial Terms of IBRD Flexible Loan (IFL) Worksheet for Loan Choices

Please complete the form electronically. Print the completed form and sign afterwards.

Click on shaded areas and enter information. Click where instructed to select from the drop-down menu items, see the accompanying Instructions for completing the Loan Choice Worksheet*.)

FINANCING INFORMATION

Country Name: India

Project or Program Name: Kerala Solid Waste Management Project

Borrower: India

Currency of loan amount (please select ONE): US Dollar



Loan Amount: USD 105 million

If the loan is to be in more than one currency, please indicate currency and amount for each currency on a separate sheet.

SPREAD OVER REFERENCE RATE

Please select only ONE of the following options:



Fixed Spread

OR



Variable Spread

REPAYMENT TERMS

Please select payment dates: The 1st of January-July of each year.



Grace period. Please specify number of years (from 0-19.5):

Year(s) 6

Total repayment term including grace period. Please specify number of years (from 0-35):

Year(s) 13.5

Please select only ONE of the following options:



Repayment schedule linked to commitment



Repayment schedule linked to disbursement (NOTE: if repayment schedule linked to disbursement is selected, the only amortization profiles available are: i. Level Repayment or ii. Annuity Repayment)

Please select only ONE of the following amortization profiles:



i. Level Repayment



ii. Annuity Repayment



iii. Bullet Repayment



iv. Other Tailored Repayment (Please specify scheduled payment dates and payment amounts to be paid on principal payment dates. If additional space is required, please attach a separate sheet.)

FRONT-END FEE

Please select only ONE of the following options:



Finance Front-End Fee out of the loan proceeds (capitalized)



Borrower will pay Front-End Fee upfront from own resources

CONVERSION OPTIONS

Currency conversions and interest rate conversions are available as default options pursuant to section 4.01 of the General Conditions. Please refer to section 4.01 (b) of the General Conditions for further information about conversion options.

Indicate if Borrower wishes to opt out of any conversion options.

Opt out of:

- ☐ Currency Conversion
☐ Interest Rate Conversion
☐ Interest Rate Caps or Collars

NOTE: Only select this option if you want IBRD to automatically fix the interest rate of each loan disbursement. The ARF option by amount is not available for IFLs with repayment schedule linked to disbursement.

☐ Automatic Rate Fixing Conversion (ARF)

Please specify either:

Period: (equal to one or more Interest Periods): select period

OR

Amount (minimum of USD 3m or 10% of the loan, whichever is higher):

If the Borrower chooses, to have Caps/Collars, please select only ONE of the following options

- ☒ Cap/Collar premium to be financed out of the Loan proceeds as long as there are available funds to be disbursed
☐ Cap/Collar premium paid by the Borrower from own resources

☐ Automatic Conversion to Local Currency

NOTE: This option will automatically convert each loan disbursement and its currency of repayment into a local currency. Please contact Financial Advisory and Banking email to: FAB@worldbank.org for available currencies, amounts, tenors and rates as well as for specific instructions and forms related to this option.

BORROWER'S RATIONALE STATEMENT FOR CHOICE OF LOAN TERMS

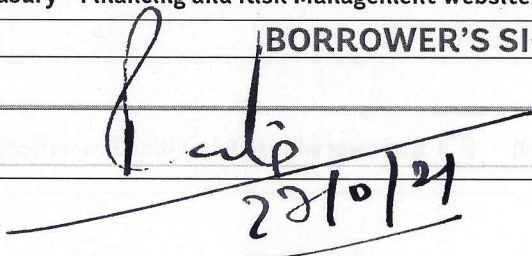
The terms selected are suitable for the project and the State government systems

REPRESENTATION

The Borrower represents that it has made its own independent decisions to obtain the Loan on the terms contained in this worksheet and as to whether the Loan is appropriate for it based upon its own judgment. The Borrower is not relying on any communication (written or oral) of the World Bank as a recommendation to take the Loan upon the terms selected herein, it being understood that information and explanations related to the terms and conditions of the Loan will not be considered a recommendation to take the Loan. The Borrower further represents that it understands and accepts the terms, conditions and risks of the Loan. With respect to conversion options the Borrower represents and warrants that any such conversions will be undertaken for purposes of prudent debt management and not for speculative purposes and will be requested through a submission of a separate conversion request if applicable. For information regarding conversion options please refer to the World Bank Treasury - Financing and Risk Management website.

BORROWER'S SIGNATURE AND DATE

Signature:


27/01/21

Date: 27.01.2021

Amortization Schedule

Project	P168633-KSWMP	Region	SOUTH ASIA	Country	India
TTL	UriRaich	Lending Instrument	IPF		
Loan	IBRD 92080-001	Financial Product	IFL - Variable Spread Loan	Status	Negotiated
Amt in CoC	USD 105,000,000.00	Loan Description	KERALA IPF - KSWMP		

Amortization Schedule					
Borr Ctry	IN-India	Income Category	3	Avg Repay Maturity (Years)	20.00
Amortization Schedule Parameters					
Maturity Profile	CUSTOM	Maturity Type	LEVEL		
Repayment Term	COMMITMENT_LINKED	Repay Freq (in months)	006		
Grace Periods (in months)	072	Final Maturity (in months)	162		
First Maturity Dt	01Jul2027	Last Maturity Dt	01Jul2034		
Est Last Disb Dt		Disb Grouping (in months)	000		
Payment Day / Month	01/01	Annuity Rate (%)	0.00		

Version Number: 001

Repayment Schedule					
Repay No	Repay Dt	Repay Amt (USD)	Repay Amt (USD)	Repay Pct	
001	01Jul2027	7,003,500.00	7,003,500.00	6.67000	
002	01Jan2028	7,003,500.00	7,003,500.00	6.67000	
003	01Jul2028	7,003,500.00	7,003,500.00	6.67000	
004	01Jan2029	7,003,500.00	7,003,500.00	6.67000	
005	01Jul2029	7,003,500.00	7,003,500.00	6.67000	
006	01Jan2030	7,003,500.00	7,003,500.00	6.67000	
007	01Jul2030	7,003,500.00	7,003,500.00	6.67000	
008	01Jan2031	7,003,500.00	7,003,500.00	6.67000	
009	01Jul2031	7,003,500.00	7,003,500.00	6.67000	
010	01Jan2032	7,003,500.00	7,003,500.00	6.67000	
011	01Jul2032	7,003,500.00	7,003,500.00	6.67000	
012	01Jan2033	7,003,500.00	7,003,500.00	6.67000	
013	01Jul2033	7,003,500.00	7,003,500.00	6.67000	
014	01Jan2034	7,003,500.00	7,003,500.00	6.67000	
015	01Jul2034	6,951,000.00	6,951,000.00	6.62000	
Total		105,000,000.00	105,000,000.00	100.00000	

Average Repayment Maturity		
Sub Loan Average Repayment Maturity (ARM)	9.78	
ARM Saving	10.22	

Certificate Of Completion

Envelope Id: 6DA429AB13FA4E15A57F72C5F2D05CCA	Status: Completed
Subject: Kerala Solid Waste Management Project - Negotiated January 27, 2021	
Source Envelope:	
Document Pages: 59	Signatures: 3
Certificate Pages: 6	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Disabled	The World Bank
Time Zone: (UTC-05:00) Eastern Time (US & Canada)	1818 H Street NW
	Washington, DC 20433
	esignatureleges@worldbank.org
	IP Address: 27.56.185.152

Record Tracking

Status: Original	Holder: The World Bank	Location: DocuSign
1/27/2021 6:57:12 AM	esignatureleges@worldbank.org	
Security Appliance Status: Connected	Pool: Security Pool	

Signer Events	Signature	Timestamp
Uri Raich P. uraich@worldbank.org Security Level: Email, Account Authentication (Optional)	 Signature Adoption: Pre-selected Style Using IP Address: 116.88.216.171	Sent: 1/27/2021 6:57:15 AM Viewed: 1/27/2021 7:38:49 AM Signed: 1/27/2021 7:40:01 AM

Electronic Record and Signature Disclosure:
Accepted: 1/27/2021 7:38:49 AM
ID: 8eb99307-c723-4ae3-8ea0-572a134c79de
Company Name: The World Bank

Bishwanath Sinha bsinha92@gmail.com Security Level: Email, Account Authentication (Optional)	 Signature Adoption: Pre-selected Style Using IP Address: 43.227.132.138	Sent: 1/27/2021 7:40:05 AM Viewed: 1/27/2021 7:44:49 AM Signed: 1/27/2021 7:46:35 AM
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Electronic Record and Signature Disclosure:
Accepted: 1/27/2021 7:44:49 AM
ID: 7fe38620-70df-4be1-939d-38d26c706b22
Company Name: The World Bank

Hanish Chhabra Hanish.ias@ias.nic.in Security Level: Email, Account Authentication (Optional)	 Signature Adoption: Drawn on Device Using IP Address: 117.97.248.94 Signed using mobile	Sent: 1/27/2021 7:46:40 AM Viewed: 1/27/2021 8:19:28 AM Signed: 1/27/2021 10:21:52 AM
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Electronic Record and Signature Disclosure:
Accepted: 1/27/2021 8:19:28 AM
ID: 376ae51e-2ae0-4424-90b3-2920f0b1e4ee
Company Name: The World Bank

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp

Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Justina Parambaloth jparambaloth@worldbank.org The World Bank Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 6:57:12 AM Viewed: 1/27/2021 6:57:12 AM Signed: 1/27/2021 6:57:12 AM
Enoka Wijegunawardene bwijegunawardene@worldbank.org Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 6:57:14 AM
Harsh Goyal hgoyal@worldbank.org Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 6:57:14 AM Viewed: 1/27/2021 6:58:08 AM
Mir Mohammed Ali mir19in@gmail.com Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 6:57:14 AM Viewed: 1/27/2021 7:21:46 AM
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Helene Bertaud hbertaud@worldbank.org Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 6:57:13 AM
Uri Raich uraich@worldbank.org Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 6:57:13 AM Viewed: 1/27/2021 7:33:48 AM
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Carbon Copy Events	Status	Timestamp
Justina Parambaloth jparambaloth@worldbank.org The World Bank Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 10:21:55 AM
OFFICIAL DOCUMENTS odesk@worldbank.org WB - Legal Security Level: Email, Account Authentication (Optional) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 1/27/2021 10:21:57 AM
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	1/27/2021 6:57:14 AM
Certified Delivered	Security Checked	1/27/2021 8:19:28 AM
Signing Complete	Security Checked	1/27/2021 10:21:52 AM
Completed	Security Checked	1/27/2021 10:21:57 AM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

Electronic Disclosure Statement And Consent for E-Signature with a Relevant World Bank Group Organization [\[1\]](#)

1.0 Acknowledgement of Independent Vendor:

A relevant “World Bank Group Organization” means any of the following international organizations established by treaty among its member countries: International Bank for Reconstruction and Development (“IBRD”), International Development Association (“IDA”), International Finance Corporation (“IFC”), Multilateral Investment Guarantee Agency (“MIGA”), and International Centre for Settlement of Investment Disputes (“ICSID”).

By checking the ‘I agree’ box below in this Electronic Disclosure Statement and Consent for E-Signature (“Disclosure Statement and Consent”), you agree and understand that: (1) the e-signature service (the “Service”) is not owned or operated by any of the relevant World Bank Group Organizations in any way. Instead, the Service is owned, operated and maintained by an independent vendor; and (2) no relevant World Bank Group Organization is responsible or liable for the services provided by the independent vendor.

2.0 Agreement to Terms of Service and Privacy Policy:

When using the Service, you agree and understand that the Service’s [Terms of Service](#), including the [Service Privacy Policy](#), will govern your use of e-signature.

3.0 Limitation of Liability:

You agree and understand that your use of the Service with a relevant World Bank Group Organization is at your own risk.

You agree and understand that the relevant World Bank Group Organization expressly disclaims all warranties of any kind related to the site, the services and the materials, whether express or implied, including, but not limited to: (1) the implied warranties of merchantability; (2) fitness for a particular purpose; and (3) non-infringement. You agree to be solely responsible for any damage to your computer system or loss of data that results from use of the Service.

In no event will the relevant World Bank Group Organization or its licensors, business partners, contractors, collaborators, partners, agents, employees or the like be liable for any indirect, consequential, incidental, collateral, exemplary, punitive, reliance or special damages (including, without limitation, business interruption or loss of goodwill, data, revenue or profits), even if advised or made aware of the possibility of any such losses or damages and regardless of

whether the claim is based on contract, tort (including negligence, strict liability and willful and/or intentional conduct), warranty, indemnity or other theory of liability.

4.0 Remedies and No Warranty:

The relevant World Bank Group Organization makes no warranty that: (1) the Service will meet your requirements; (2) the Service will be uninterrupted, timely, secure or error-free; (3) any results or outcomes from the use of the service will be accurate or reliable; (4) the quality of the Service will meet your expectations; or (5) the Service, or its servers, or communications sent from the any of the relevant World Bank Group Organizations, will be free of viruses or other harmful elements.

You agree and understand that your sole course of action and exclusive remedy for any losses or damages incurred or suffered by you as a result of your use of the Service shall be to terminate your Service account and cease using the Service. Under no circumstances will you have any claim against any of the relevant World Bank Group Organizations for any losses or damages whatsoever arising out of or related to your use of the Service.

5.0 Preservation of Immunities.

Nothing in this Disclosure Statement and Consent shall constitute, be construed, or considered to be, a limitation upon or a waiver, renunciation or modification of any immunities, privileges or exemptions of any of the World Bank Group Organizations accorded under its respective Articles of Agreement, international Convention or any applicable law. Such immunities, privileges or exemptions are specifically reserved.

6.0 Additional Terms:

By checking the 'I agree' box below, you agree and confirm that:

- You understand that this Disclosure Statement and Consent governs only e-signature transactions or arrangements with a relevant World Bank Group Organization which may be subject to additional Service terms;
- You can access and read this Disclosure Statement and Consent; and
- You can print on paper the Disclosure Statement and Consent or save or send the same to a place where you can print it for future reference and access.
- With respect to IBRD and IDA, you (a) will always keep your e-mail address updated with the Service and follow instructions provided by the relevant World Bank Group Organization to keep your e-mail address updated with the Service as needed; and (b) understand that the minimum system requirements for using the Service may change

over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>

[1] This Electronic Disclosure Statement and Consent for E-Signature with a relevant World Bank Group Organization is to be used on a specific **transactional basis** and does not in any way or form purport to create an ongoing contractual relationship between the user of the Service, the independent vendor and any of the relevant World Bank Group Organizations.