

**AMENDMENT NO. 1**

**TO**

**PROGRAM IMPLEMENTATION AGREEMENT**

**BETWEEN**

**THE UNITED STATES OF AMERICA,**

**ACTING THROUGH**

**THE MILLENNIUM CHALLENGE CORPORATION**

**AND**

**THE REPUBLIC OF BENIN**

**DATED AS OF DECEMBER [\_18\_], 2017**

## AMENDMENT NO. 1 TO PROGRAM IMPLEMENTATION AGREEMENT

This AMENDMENT NO. 1 TO PROGRAM IMPLEMENTATION AGREEMENT (this “*Amendment*”) is made as of December \_18\_, 2017, between the United States of America, acting through the Millennium Challenge Corporation, a United States government corporation (“*MCC*”), and the Republic of Benin, acting through its government (the “*Government*”) (individually, a “*Party*” and collectively, the “*Parties*”). All capitalized terms used in this Amendment that are not otherwise defined herein have the meanings given to such terms in the Compact or PIA (each as defined below).

### RECITALS

WHEREAS, the Parties entered into that certain Millennium Challenge Compact on September 9, 2015 (the “*Compact*”), pursuant to which MCC agreed to provide assistance of up to Three Hundred Seventy Five Million United States Dollars (US\$375,000,000) to the Government for a program to reduce poverty through economic growth in Benin (the “*Program*”);

WHEREAS, the Parties entered into that certain Program Implementation Agreement on March 23, 2016 (the “*PIA*”) to further specify the terms for implementing the Compact and Program;

WHEREAS, Section 5.4 of the PIA provides that the PIA may be amended or modified by written agreement of the Parties; and

WHEREAS, the Parties desire to revise certain terms and conditions of the PIA.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements set forth herein and in the PIA, the Parties hereby agree as follows:

### AMENDMENTS

1. **Amendments to Annex I (*Definitions*).**
  - (a) The definition of “Additional Sector Documents” in Annex I to the PIA is hereby amended and restated in its entirety to read as follows:

*Additional Sector Documents means the Government Arrears Payment Plan and any other document related to the policy and operation of the electricity sector in Benin as identified by MCC.*
  - (b) The definition of “Reform Agenda” in Annex I to the PIA is hereby deleted in its entirety.
  - (c) The definition of “Stakeholder Committee” in Annex I to the PIA is hereby amended and restated in its entirety to read as follows:

***Stakeholder Committee** means any consultative mechanism or body that is established and operated in accordance with the Stakeholder Engagement Plan developed by MCA-Benin II for the Compact to continue the consultative process throughout implementation of the Program.*

- (d) New definitions of “SBEE Operations Worker Health and Safety Plan” and “Stakeholder Engagement Plan” are hereby added to Annex I to the PIA in proper alphabetical order to read as follows:

***SBEE Operations Worker Health and Safety Plan** means a plan developed by SBEE that describes the means and measures that SBEE will undertake to ensure an accident an injury-free workplace, and to incorporate safety into its business planning process. The plan will include an assessment of each operational function of SBEE and an assessment of associated risks.*

***Stakeholder Engagement Plan** means a plan designed to guide consultations and communications with stakeholders of a proposed business activity or project throughout the life of the business activity or project for the purpose of engaging with stakeholders in a culturally appropriate manner, all as more particularly described in IFC Performance Standard No. 5.*

2. **Amendment to Part B of Annex III** (*Conditions Precedent for the Policy Reform and Institutional Strengthening Project*).

Part B of Annex III of the PIA is hereby deleted in its entirety and replaced with the following:

**PART B.** [reserved].

3. **Amendment to Part C of Annex III** (*Conditions Precedent for the Electricity Generation Project*).

Part C of Annex III of the PIA is hereby amended and restated in its entirety to read as follows:

**PART C. Conditions Precedent for the Electricity Generation Project.**

- (i) Prior to the Disbursement of Program Funding for the Photovoltaic Generation Activity under the Electricity Generation Project after the first anniversary following entry into force, the Government will: (A) adopt the Tariff Plan, as evidenced by a decree or other appropriate legal instrument from ARE and resolution by the Council of Ministers; and (B) provide evidence of ARE’s publication of a tariff schedule, in form and substance satisfactory to MCC.

- (ii) Prior to the Disbursement of Program Funding for the Electricity Generation Project for construction or works for assets owned, to be owned or to be purchased by SBEE, SBEE will adopt the SBEE Operations Worker Health and Safety Plan, as evidenced by (A) a resolution of the SBEE Board of Directors; and (B) the corresponding staffing plan, training plan and budget for implementing the SBEE Operations Worker Health and Safety Plan.

4. **Amendment to Part D of Annex III** (*Conditions Precedent for the Electricity Distribution Project*).

Part D of Annex III of the PIA is hereby amended and restated in its entirety to read as follows:

**PART D. Conditions Precedent for the Electricity Distribution Project.**

- (i) Prior to the Disbursement of Program Funding for the Electricity Distribution Project for construction on relevant sites, the Government will adopt the Hazardous Waste Management Plan.
- (ii) Prior to the Disbursement of Program Funding for any payment under a particular works or construction contract for the Cotonou Grid Strengthening Activity, SBEE will adopt an appropriate maintenance management system, as evidenced by a resolution or other legal instrument of the SBEE Board of Directors adopting such maintenance management system.
- (iii) Prior to the Disbursement of Program Funding for the Electricity Distribution Project for construction or works for assets owned, to be owned or to be purchased by SBEE, SBEE will adopt the SBEE Operations Worker Health and Safety Plan, as evidenced by (A) a resolution of the SBEE Board of Directors; and (B) the corresponding staffing plan, training plan and budget for implementing the SBEE Operations Worker Health and Safety Plan.

**GENERAL PROVISIONS**

5. **Further Assurances.**

Each Party hereby agrees to execute and deliver any and all such further documents and take any and all such other action as may be reasonably necessary or appropriate to carry out the intent and purpose of this Amendment.

6. **Effect of this Amendment.**

From the date this Amendment enters into force in accordance with Paragraph 8, the PIA and this Amendment shall be read together and construed as one document, and each reference in the PIA

to the “PIA,” “hereunder,” “hereof” or words of like import in the Compact or any Supplemental Agreement or in any other document or instrument delivered pursuant to the Compact or any Supplemental Agreement, will mean and be construed as a reference to the PIA, as amended by this Amendment.

**7. Limitations.**

Except as expressly amended by this Amendment, all of the provisions of the PIA remain unchanged and in full force and effect.

**8. Amendment Entry into Force.**

This Amendment will enter into force on and as of the date first written above once this Amendment is signed by the Principal Representative of each Party.

**9. Governing Law.**

The Parties acknowledge and agree that this Amendment is an international agreement entered into for the purpose of amending the PIA and as such will be interpreted in a manner consistent with the PIA and the Compact and will be governed by the principles of international law.

**SIGNATURE PAGE FOLLOWS ON THE NEXT PAGE**

**IN WITNESS WHEREOF**, each Party, by its duly authorized representative, has signed this Amendment in the English language only.

FOR THE UNITED STATES OF AMERICA,  
acting through THE MILLENNIUM  
CHALLENGE CORPORATION

FOR THE REPUBLIC OF BENIN, acting  
through THE MINISTRY OF ECONOMY  
AND FINANCE

\_\_\_\_\_  
/S/

Name: Robert I. Blau  
Title: Vice President  
Department of Compact Operations

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/S/

Name: Romuald Wadagni  
Title: Minister of Economy and Finance