

LOAN AGREEMENT

BETWEEN

The Republic of Trinidad and Tobago

AND

Corporación Andina de Fomento

DOCUMENT I

Special Conditions

This document contains the Loan Agreement consisting of these Special Conditions (Document I), the General Conditions (Document II), the Technical Annex (Document III) and the Annex Forms for Debt Management Operations (Document IV) (hereinafter jointly referred to as the "Loan Agreement"), and is entered into on the Effective Date (as defined below) between the following parties and subject to mutually agreed terms and conditions set forth below:

- **CORPORACIÓN ANDINA DE FOMENTO ("CAF")**, a multilateral financial institution established pursuant to the Agreement executed in the city of Bogota, Republic of Colombia, on February 7, 1968, with its headquarters in Caracas, Bolivarian Republic of Venezuela, and duly represented herein by its Executive President Mr. Sergio Díaz-Granados G.; and
- The **REPUBLIC OF TRINIDAD AND TOBAGO** (the "Borrower"), situated at the Ministry of Finance, Eric Williams Finance Building, Independence Square, Port of Spain, Trinidad, Republic of Trinidad and Tobago, and duly represented herein by the Honourable Colm Imbert, Minister of Finance.

ARTICLE 1. Background

1.1. The Borrower has requested an interest-bearing loan from CAF in order to finance the "Sector Wide Approach Programme to Support the Implementation of the Digital Transformation and Digital Inclusion Strategy in Trinidad and Tobago" (hereinafter, the "Programme").

1.2. CAF has undertaken to make available to the Borrower and the Borrower accepts the Loan (as defined below), which will be subject to the terms and conditions set forth in this Loan Agreement.

1.3. The Parties expressly agree that as of the Effective Date, the Loan shall be subject to the terms of the Loan Agreement, which shall supersede, in their entirety, any prior verbal or written agreement between the Parties on the same subject matter.

1.4. Capitalized terms, not specifically defined in these Special Conditions or in the Annexes shall have the meaning assigned to them in the General Conditions.

ARTICLE 2. Purpose of the Loan Agreement

2.1. In accordance with the Articles of the Loan Agreement, and subject to the terms and conditions set forth herein, CAF grants to the Borrower and the Borrower accepts an interest-bearing loan in the amount indicated in Article 3 of these Special Conditions (titled "*Amount of the Loan*"), to be used exclusively in accordance with the provisions of the Loan Agreement.

ARTICLE 3. Amount of the Loan

3.1. The interest-bearing loan that CAF grants the Borrower shall be for an amount of up to One Hundred and Twenty Million Dollars (USD 120,000,000.00) (hereinafter, the "Loan").

ARTICLE 4. Term of the Loan

4.1. The Loan will have a term of twenty (20) years, including a Grace Period of sixty (60) Months, both commencing on the Effective Date.

ARTICLE 5. Utilisation and Purpose of the Loan Proceeds

5.1. The Borrower expressly agrees that the proceeds of the Loan shall be used in strict compliance with the provisions of this Loan Agreement and exclusively for the following:

- a) recognition of the activities and institutional framework developed by Trinidad and Tobago for the implementation of the digital transformation and digital inclusion strategy during the fiscal years 2021-2022 and 2022-2023; and
- b) financing the Finance Fee and Evaluation Expenses.

ARTICLE 6. Executing Agency

6.1. The Parties agree that the use of the proceeds of the Loan shall be carried out by the Borrower as a direct loan to the Republic of Trinidad and Tobago through the Ministry of Finance (hereinafter, the "Executing Agency").

6.2. The Borrower asserts that the Executing Agency is duly authorised to comply with the obligations and exercise all responsibilities under the Loan Agreement.

ARTICLE 7. Disbursements

7.1. The Loan shall be disbursed in two (2) Disbursements: The maximum disbursed amount per calendar year may not exceed fifty percent (50%) of the total amount of the Loan. The total amount disbursed per calendar year will be determined by CAF on the basis of the annual disbursement allocation assigned to the Country. At no time may the annual disbursement limit assigned to the Country be exceeded in accordance with the applicable CAF regulations.

ARTICLE 8. Disbursement Period

8.1. The Borrower shall have a period of up to six (6) Months to request, directly or through the Executing Agency, the first Disbursement and up to twenty-four (24) Months to request the last Disbursement. Both periods shall be counted from the Effective Date.

8.2. The Borrower may request an extension of the periods established in Article 8.1 above, no less than thirty (30) Days in advance of the expiry of those periods, provided that the request is submitted in writing and accompanied by a justification for the request which CAF may accept or reject at its own discretion.

8.3. In the event that CAF approves the extension requested in accordance with Article 8.2 above, it will send a notification in this regard, indicating the new period approved.

ARTICLE 9. Special Conditions

9.1. The Borrower, directly or through the Executing Agency, as appropriate, must comply, to CAF's satisfaction, with the conditions precedent to the first and to all the Disbursements as established in the Article of the General Conditions titled "*Conditions Precedent to Disbursements*" and, in addition, with the following special conditions:

9.1.1 Prior to the respective Disbursements:

Submit to CAF:

- (i) Evidence of compliance with the set of deliverables established in the **Components and Verification Mechanisms Matrix** included in the **Technical Annex** of this Loan Agreement.

ARTICLE 10. Loan Repayment

10.1. The repayment of the Loan shall be carried out through the payment of thirty-one (31) semi-annual consecutive and, to the extent possible, equal instalments, to which the interest accrued at the maturity of each of the Interest Periods will be added.

10.2. The first Instalment shall be paid on the Interest Payment Date sixty (60) Months from the Effective Date; the second Instalment, on the Interest Payment Date sixty-six (66) Months from the Effective Date, and so on until the total number of Instalments are completed, according to the term of the Loan as provided in Article 4 above.

10.3. Any delay in the timely payment of any Instalment shall entitle CAF to collect the corresponding default interest, in the manner established in the Article of the General Conditions titled "*Default Interest*", and/or suspend its obligations, and/or declare the Loan overdue, in accordance with the provisions of the Articles of the General Conditions titled "*Suspension of CAF's Obligations*" and "*Declaration of Expired Term of the Loan*", respectively.

ARTICLE 11. Voluntary Advance Payments

11.1. The Borrower may make voluntary advance payments without a penalty charge to the Loan provided that it has previously satisfied the following conditions to CAF's satisfaction, namely:

- a) that the Borrower does not owe any overdue amount to CAF for capital, interest, Fees and/or other expenses and charges;
- b) that at least ninety-six (96) Months have passed since the Effective Date;
- c) that the value of the voluntary advance payment is a full multiple of an Instalment;

- d) that the Borrower informs CAF in writing, of its intention to carry out a voluntary advance payment at least forty-five (45) Days in advance of the date of prepayment; and
- e) that the voluntary advance payment is carried out on an Interest Payment Date.

11.2. Unless otherwise agreed between the Parties, the voluntary advance payments shall apply to the Instalments in reverse order of proximity to their maturity.

11.3. The Borrower shall pay CAF any other expenses associated with the corresponding voluntary advance payment, including without limitation, those arising from the supervision of the transaction, the applicable operative modality, any related transaction, and/or the early termination of the Loan Agreement, if applicable.

11.4. In case the advance payment is carried out on a date different from the Interest Payment Date (subject to CAF's prior consent), the Borrower shall pay in addition the financial expenses incurred by CAF derived from the cancelation or modification of the corresponding proceeds, any other costs associated with such advance payment, if any.

11.5. Unless otherwise agreed between the Parties, notices of advance payment shall be irrevocable.

ARTICLE 12. Interest

12.1. The Borrower undertakes to pay CAF interest on the Outstanding Loan Balance on each Interest Payment Date.

12.2. The interest referred to in sub-Article 12.1 above shall be calculated at the annual floating rate resulting from adding the Term SOFR rate applicable to the relevant Interest Period and a margin of two percent (2.00%) (hereinafter, the "Margin"), or the rate applicable pursuant to the following sub-Article 12.3 (hereinafter, "Interest Rate"). Likewise, the Article 9 of the General Conditions titled "*Interests*" shall apply. Under no circumstances may the Interest Rate applicable to any Interest Period be less than zero.

12.3. The Borrower accepts and irrevocably agrees that the Margin may be modified by CAF if the Effective Date occurs after the term established in the applicable CAF rules has elapsed. In such case, the Margin shall be the relevant percentage that CAF communicates in writing to the Borrower as applicable on the Effective Date by means of the procedure established for it in the Article of these Special Conditions titled "*Communications*". In the event CAF has not notified the Borrower of the modified Margin within the thirty (30) Days from the Effective Date, the Margin referred to in Article 12.2 shall apply.

12.4. The Borrower irrevocably accepts and agrees that Term SOFR will be replaced by the Alternative Reference Rate for all purposes of the Loan Agreement, in the event that an Alternative Reference Rate Replacement Event occurs. In said circumstances, CAF shall notify the Borrower of the Alternative Reference Rate as provided in the Article of these Special Conditions titled "*Communications*"; in writing, thirty (30) Days prior to the date on which it will be applicable with full effect. The aforementioned notification shall include all the necessary elements for the calculation and determination of the Alternative Reference Rate, which shall substitute the Term SOFR.

12.5. If any payment required to be made by the Borrower under the Loan Agreement is not made on the date on which it was actually due (either on an arranged due date or in advance of such due date, in accordance with the Loan Agreement), the respective amount shall bear default interest as established in Article 10 of the General Conditions titled "*Default Interest*".

ARTICLE 13. Compensatory Financing Fund

13.1. During the first eight (8) years from the Effective Date (or during the period determined in accordance with the following sub-Article 13.2), CAF shall finance a non-refundable fifty (50) Basis Points of the Interest Rate (or the amount applicable in accordance with the following sub-Article) (hereinafter, the "Compensatory Financing"). Such financing shall be provided by CAF's Compensatory Financing Fund.

13.2. The Borrower irrevocably accepts and agrees that the Compensatory Financing may be modified or terminated by CAF if the Effective Date occurs after the term established in CAF's applicable rules has expired. In such case, the Compensatory Financing shall be that which CAF communicates in writing to the Borrower as applicable on the Effective Date by means of the procedure established for such purposes in Article 18 of these Special Conditions titled "*Communications*". In case there is no communication from CAF in this regard within thirty (30) Days from the Effective Date, the Compensatory Financing established in sub-Article 13.1 above shall be applied.

ARTICLE 14. Commitment Fee

14.1. The Borrower shall pay CAF a Commitment Fee of zero point thirty-five percent (0.35%) per year basis (or the amount applicable in accordance with the following paragraph), on the undisbursed Loan balances, in the manner provided for in Article 17 of the General Conditions titled "*Commitment Fee*".

14.2. The Borrower irrevocably accepts and agrees that the Commitment Fee may be modified by CAF if the Effective Date occurs after the term established in CAF's applicable regulation. In such case, the Commitment Fee shall be the one that CAF communicates in writing to the Borrower as applicable on the Effective Date by means of the procedure established in Article 18 of these Special Conditions titled "*Communications*". In case there is no communication from CAF in this regard within thirty (30) Days from the Effective Date, the Commitment Fee referred to in the above sub-Article 14.1 shall apply.

ARTICLE 15. Finance Fee

15.1. The Borrower shall pay CAF a one-time lump sum Finance Fee of zero point eighty-five percent (0.85%) (or the amount applicable in accordance with the following sub-Article 15.2), on the amount indicated in Article 3 of these Special Conditions titled "*Amount of the Loan*" and as established in Article 18 of the General Conditions titled "*Finance Fee*".

15.2. The Borrower irrevocably accepts and agrees that the Finance Fee may be modified by CAF if the Effective Date occurs after the term established in CAF's applicable regulation. In such case, the Finance Fee shall be the one that CAF communicates in writing to the Borrower as applicable on the Effective Date by means of a procedure established in Article 18 of these Special Conditions titled "*Communications*". In case there is no communication

from CAF in this regard within thirty (30) Days from the Effective Date, the provisions established in the above paragraph shall apply.

ARTICLE 16. Evaluation Expenses

16.1. The Borrower shall pay CAF, on the Effective Date or, at the latest, at the time the first Disbursement is carried out, the amount of Thirty-five Thousand Dollars (USD 35,000.00) for Evaluation Expenses.

ARTICLE 17. Debt Management Operations

17.1. The Parties may agree to carry out the Debt Management Operations, in accordance with the terms of this Article.

17.2. Debt Management Operations shall be subject to compliance, to CAF's satisfaction, with all of the following prior conditions:

- a) discretionary approval by CAF;
- b) compliance by the Borrower with the applicable legal regulation;
- c) obtaining required governmental authorizations in order for the Borrower to carry out the Debt Management Operation requested; and
- d) the documentation of the Debt Management Operation is satisfactory to CAF.

17.3. The process for carrying out the Debt Management Operation is the following:

- a) the Borrower shall send CAF a Request for a Debt Management Operation, along with a legal report of the responsible legal area of the Borrower establishing, with reference to the pertinent legal provisions, as follows: (i) that the obligations entered into by the Borrower in the Request for Alternative Currency Operation, are adjusted to the applicable legal rules; (ii) that the transactions that must be carried out to complete the Debt Management Operation, are legal, valid, binding and enforceable; and (iii) that once the Debt Management Operation is executed in accordance with the terms herein, it shall be deemed modified with regard to the Loan Agreement and that such modifications are legal, valid, binding and enforceable;
- b) both, the Debt Management Operation Request and the Debt Management Operation Confirmation, shall be delivered in original documents duly signed by the corresponding Party, at the notification address that appears in Article 18 of these Special Conditions titled "*Communications*";
- c) if CAF, in its sole discretion, approves to conduct the Debt Management Operation as requested, it shall send the Borrower a Confirmation of the Debt Management Operation within the date of expiration of the offer that appears in the corresponding Request of Debt Management Operation.

17.4. With regard to each Debt Management Operation, the Parties expressly agree that:

- a) the Debt Management Operation should be carried out over the total amount of the Outstanding Loan Balance, except in the case where the Parties have an express agreement to the contrary;
- b) from the date that the Borrower sends a Debt Management Operation Request, the Borrower is expressly, unconditionally and irrevocably obliged to perform the respective Debt Management Operation with CAF, in the terms of the Financial Conditions requested;

- c) from the date that CAF sends a Debt Management Operation Confirmation, the respective Debt Management Operation shall be considered as executed and shall be deemed to have entered into full force and effect, and for all legal effect, its terms and conditions shall be mandatory to the Parties;
- d) from the Value Date, the Borrower's payment obligations with regards to the portion of the Loan subject to the respective Debt Management Operation, shall be the ones contained in the Confirmation of the corresponding Debt Management Operation;
- e) a Debt Management Operation consistent in Currency Conversion does not extinguish nor modify the obligation of the Borrower to pay, in Dollars and in the terms of the Loan Agreement: (i) the Outstanding Loan Balance which has not been subject to the Currency Conversion; and (ii) interest accrued until the Value Date;
- f) the Debt Management Operations consisting in Conversion of Interest Rate, do not extinguish or modify the obligation of the Borrower to pay the interest accrued up to the Value Date calculated at the Interest Rate; and
- g) whatever is not expressly modified by the Debt Management Operation Confirmation, the Borrower shall continue to be obliged with the same terms and conditions established in the Loan Agreement.

17.5. With regard to any Debt Management Operation, each of the Parties expresses that they:

- a) know and accept that the other Party can record, at any time, all communications between its representatives, regarding Debt Management Operations;
- b) waive the need for notifications with respect to the ability of the other Party to record such communications;
- c) shall inform its representatives of the possibility that their communications, regarding Debt Management Operations, may be recorded; and
- d) accept that such recordings may be used against them in any claim or proceeding originated due to or in Debt Management Operations.

17.6. In the event that, in accordance with Article 11 of these Special Conditions titled "*Voluntary Advance Payments*", the Borrower makes a voluntary advance payment to a portion of the Loan that was subject to a Debt Management Operation, the Borrower shall pay CAF, in addition to the provisions of the above-mentioned Article 11, any other cost, penalty, or expenses associated with the anticipated termination of the Debt Management Operation, including, among others, the costs of financing breakup and of the anticipated termination of the derivatives agreements that CAF may have incurred due to, or on the occasion of, the corresponding Debt Management Operation.

17.7. The Parties may execute complementary agreements with regard to the Debt Management Operations by simply exchanging letters between the authorised representatives, as long as such complementary agreements do not cause substantial changes to the term or purpose of the Loan and do not result in an increase in the amount, for:

- a) establishing, determining or developing conditions, protocols or additional procedures to the ones existing in the sub-Article 17.3 of this Article related to procedures; or
- b) agree on modifications to the terms of the Annex titled "*Annex Forms for Debt Management Operations*".

17.8. Complementary agreements agreed upon in accordance with the above sub-Article 17.7, shall be mandatory for each Party, shall not release in any way the Borrower from the obligations assumed by virtue of the Loan Agreement, and shall not have as its purpose or as a consequence the novation of the obligations assumed.

ARTICLE 18. Communications

18.1 Any notice, request or communication that the Parties and the Executing Agency, may address to each other, for any matter relating to the Loan Agreement, shall be done in writing, shall be executed by its Authorised Representatives, and shall be deemed to have been made from the date the corresponding document is received by the addressee, at the following addresses:

To CAF Attention: Address:	Corporación Andina de Fomento Gianpiero Leoncini, Representative 8 th Floor Albion Plaza Energy Centre, 22-24 Victoria Avenue, Port of Spain, Republic of Trinidad and Tobago Fax: +1 (868) 222-7372
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To the Borrower/ Executing Agency Attention: Address:	The Republic of Trinidad and Tobago Permanent Secretary Ministry of Finance Level 8 Eric Williams Finance Building Independence Square, Port of Spain, Republic of Trinidad and Tobago Fax: 1-868-627-6108
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18.2 Communications between the Parties may be transmitted to each other by one or more electronic transmissions and will have the same validity and binding force as the original printed document, signed, sent and received, and will be considered to have been made from the date the corresponding document is received by the addressee as evidenced by the respective acknowledgment of receipt, at the electronic (e-mail) addresses indicated below. The validity or binding force of the aforementioned communications will not be denied for the sole reason of having been generated by one or more electronic transmissions used in their formation.

For the purposes of the application of the preceding sub-Article 18.2, the corresponding documents shall be presumed authentic by the fact that they originate from the person who signs it on behalf of the Borrower and/or the Executing Agency, or by those who appear as Authorised Representatives pursuant to Article 37 of the General Conditions titled "*Authorised Representatives*", in the terms and conditions set forth therein.

To CAF e-mail	Corporación Andina de Fomento gleoncini@caf.com
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cc: sledesma@caf.com

To the Borrower/
Executing Agency
e-mail

The Republic of Trinidad and Tobago

Suzette.Leechee@gov.tt

cc: Michelle.DKissoon@gov.tt

18.3 In any case, CAF reserves the right to notify the Borrower that all or part of the documentation to be presented, or sent to CAF in accordance with the provisions of the Loan Agreement will be considered to be delivered only when received at the physical addresses indicated in sub-Article 18.1 above.

18.4 Any change or amendment regarding the addresses and/or electronic addresses indicated in this Article shall be notified to the other Party by any of the means indicated above, only being effective upon acknowledgement of receipt of such change or amendment.

ARTICLE 19. English Language

19.1. All documents to be furnished or communications to be sent or made under the Loan Agreement or any of the other related documents shall be in English. To the extent that the original of any such document or communication is in a language other than English, it shall be accompanied by a translation into English certified by an Authorized Representative of the party delivering such document or communication.

ARTICLE 20. Arbitration

20.1. Any disagreement or discrepancy arising from the Loan Agreement shall be resolved according to the provisions of Article 36 of the General Conditions titled "*Arbitration*".

ARTICLE 21. Loan Agreement Stipulations

21.1. The Loan Agreement is governed by the provisions of these Special Conditions, the General Conditions and the Annexes. The rights and obligations established in the Loan Agreement are valid and enforceable in accordance with its terms, without regard to the legislation of a given country. For any other issues that are not expressly provided for in the Loan Agreement, the legislation of the Country shall apply.

ARTICLE 22. Precedence of the Loan Agreement's Provisions

22.1. In any other matter not expressly provided for in the Special Conditions or in the Annexes, the General Conditions shall apply.

22.2. In case of discrepancy between any stipulation of the Special Conditions and the General Conditions, the provisions of these Special Conditions shall prevail.

22.3. In case of discrepancy between any provisions in the Annexes and the General Conditions, the provisions of the General Conditions shall prevail.

22.4. In case of discrepancy between any stipulation of these Special Conditions and the Annexes, the provisions of the Special Conditions shall prevail. In case of discrepancy between any provisions in these Special Conditions, or between any provisions in the

General Conditions, or between any provision of the same Annex, the specific provision shall prevail over the general one.

ARTICLE 23. Annexes

23.1. The following Annexes are part of the Loan Agreement:

- a) the "Technical Annex".
- b) the "Annex Forms for Debt Management Operations".

ARTICLE 24. Effective Period

24.1. The Parties hereby agree that the Loan Agreement shall enter into force on the date of its signature, with the understanding that the Loan Agreement will not be legally binding until it is signed by both parties (the "Effective Date") and shall terminate with the total payment of the Loan (capital, interest, fees and any other expenses) and the fulfilment of all of the obligations set forth in the Loan Agreement.

This Loan Agreement is signed in two (2) counterparts, in the city of Port of Spain, Republic of Trinidad and Tobago, each of which shall be deemed an original.

Republic of Trinidad and Tobago



Name: Colm Imbert
Position: Minister of Finance of Trinidad
and Tobago
Date: 15/11/2022

Corporación Andina de Fomento



Name: Sergio Díaz-Granados G.
Position: Executive President of CAF
Date: 15/11/2022

DOCUMENT II

General Conditions

Article 1. Definitions

1.1. The following terms shall have the following meanings for the purposes of the Loan Agreement:

Alternative Currency: is the legal currency in the Country, or any other currency different from USD, a money basket or value index.

Alternative Reference Rate: is the rate determined by CAF if an Alternative Reference Rate Replacement Event occurs.

Alternative Reference Rate Replacement Event: is, alternatively, CAF's determination that: (i) a modification in market practices has occurred affecting the determination of the Term SOFR; or that (ii) it is not possible for CAF or that it is no longer commercially acceptable for CAF to continue to use the Term SOFR as a reference for their operations. It is mutually understood and accepted that CAF's right to determine the occurrence of an Alternative Reference Rate Replacement Event shall only be used to preserve the financial management between assets and liabilities and shall not commercially inure to CAF's benefit.

Annexes: are the Technical Annex and the rest of the related documents which are set forth in the Article of the Special Conditions titled "*Annexes*", which are an integral part of the Loan Agreement.

Authorised Representative: shall have the meaning assigned to said term in the Article of these General Conditions titled "*Authorised Representatives*".

Basis Point: is one-hundredth (1/100) of one percent (1%).

Borrower: shall have the meaning assigned to such term in the heading of the Special Conditions.

Business Day: shall be read and used -

- a) exclusively to determine the date on which a Disbursement or payment of principal, interest, fees, expenses, etc., must be settled; being a day on which the banks are open to the public in New York City, United States of America;
- b) exclusively for purposes of determining Term SOFR, where the term "Business Day" shall have the meaning assigned to it in the definition of Term SOFR; and
- c) for any other purpose, to mean any day which is not a Saturday, Sunday, or a day considered as a holiday or national non-business day in the Country.

CAF: shall have the meaning assigned to such term in the Special Conditions.

CAF's Environmental and Social Safeguards: refers to the compilation of environmental

and social principles, standards and procedures, adopted for the purpose of guaranteeing the environmental sustainability and the social responsibility of the operations financed by CAF in the framework of the fulfilment of its institutional mission of promoting sustainable development and which are published (in Spanish) on the following site (or page): <https://www.caf.com/media/30035/salvaguardas-ambientales-y-sociales.pdf>

Commitment Fee: is the commission that the Borrower shall pay to CAF for reserving the availability of the Loan, determined in Article 14 of the Special Conditions titled "*Commitment Fee*".

Confirmation of Debt Management Operations: is the document in form and substance similar to the model titled "*Debt Management Operation Confirmation Form*", contained in the Annex "*Forms for Debt Management Operations*" ("a" or "b" as applicable), according to which CAF accepts the carrying out of the Debt Management Operations described in the corresponding Request for Debt Management Operations.

Conversion of Currency: is the exchange from Dollars to any other Alternative Currency as payment currency of the portion of the Loan over which such Debt Management Operation refers.

Conversion of Interest Rate: is the change in the Interest Rate applicable to the portion of the Loan over which a Debt Management Operation is applied.

Country: is the country of the Borrower and the Executing Agency.

Days: any reference to days, without specifying whether they are calendar days or Business Days, shall be understood as calendar days.

Debt Management Operations: means, generally, a Conversion of Currency and/or Conversion of Interest Rate.

Debt Management Operations Request: means the document with similar form and content to the model titled "*Debt Management Operation Request Form*", which appears in the Annex "*Forms for Debt Management Operations*" ("a" or "b", as applicable), by means of which the Borrower obliges irrevocably and unconditionally to execute with CAF, and upon election of the latter, the Debt Management Operations described in the Financial Conditions Requested.

Default Interest Rate: shall have the meaning assigned to such term in Article 10 of these General Conditions titled "*Default Interest*".

Disbursement: is the act whereby CAF makes available to the Borrower a certain amount of money charged to the Loan in accordance with the modalities provided for in the Article of these General Conditions titled "*Modalities for Implementing the Loan*".

Disbursement Request: means the written communication to be presented to CAF by the Borrower, directly or through the Executing Agency, as the case may be, in form and substance to CAF's satisfaction, to request a disbursement under the Loan.

Dollars or USD: is the legal currency in the United States of America.

Effective Date: shall have the meaning assigned to such term in the Article of the Special Conditions titled "*Effective Period*".

Evaluation Expenses: refers to all of the expenses incurred by CAF before the Effective Date due to the evaluation of the Loan, in order to determine the viability of its granting the Loan and those related to the execution of the Loan Agreement; the amount the Borrower must pay CAF in this regard being determined in accordance with the Article of the Special Conditions titled "*Evaluation Expenses*".

Executing Agency: shall have the meaning assigned to such term in the Article of the Special Conditions titled "*Executing Agency*".

Financial Conditions Requested: are the financial conditions proposed by the Borrower and contained in the respective Debt Management Operations Request, under which the Borrower is obliged *vis-a-vis* CAF, and at the latter's election, to carry out the corresponding Debt Management Operation.

Finance Fee: is the commission that the Borrower must pay to CAF for granting the Loan, determined in the Article of the Special Conditions titled "*Finance Fee*".

Force Majeure or Fortuitous Event (Act of God): is the natural or deliberate cause that produces an extraordinary, unforeseeable and irresistible event, not attributable to the Borrower or to CAF, that prevents the execution of any of the Borrower's obligations other than the payment obligations assumed hereunder, or that determines its partial, late or defective compliance, or the impossibility of compliance, for whomever is obliged to render a service.

General Conditions: are the general rules, including those related to definitions, repayment, interest, fees, inspection and surveillance, conversions, disbursements, as well as all others related to the execution of the Programme or Project herein, which are an integral part of the Loan Agreement and which, unless otherwise expressly agreed in writing in the Special Conditions, shall be binding upon CAF and the Borrower.

Grace Period: is the period between the Effective Date and the maturity date corresponding to the first Instalment of the principal, in accordance with the Article of the Special Conditions titled "*Loan Repayment*"; and during such period, the Borrower shall pay CAF the corresponding interest and fees.

Indebtedness: is any obligation (incurred as debtor, borrower, issuer, cosignatory or guarantor) for the payment or reimbursement of money, either present or future, real or contingent, in accordance with an agreement or instrument which involves or evidences money lent or received or that significantly produces the same economic effects.

Instalment: refers to each repayment instalment of principal that the Borrower must pay CAF on each Interest Payment Date in accordance with the Article of the Special Conditions titled "*Loan Repayment*".

Interest Determination Date: means two (2) Business Days before the beginning of the Interest Period.

Interest Payment Date: means, after the first Disbursement, the last Business Day of each six (6) month period, counted from the Effective Date.

Interest Period: is each six (6) month period commencing on an Interest Payment Date and ending on the next immediate Interest Payment Date, except in the case of the first period, for which the Interest Period shall be the period commencing on the day the First Disbursement occurs and ending on the next immediate Interest Payment Date.

Interest Rate: shall have the meaning assigned to such term in the Article of the Special Conditions titled "*Interest*".

Loan: shall have the meaning assigned to such term in the Special Conditions.

Loan Agreement or Agreement: is the Agreement executed by the Parties incorporating the Special Conditions (Document I), the General Conditions (Document II), the Technical Annex and the Annexes, including its amendments duly executed by the Parties.

Margin: is the percentage established in the Article of the Special Conditions titled "*Interest*", which percentage is to be added to the Reference Rate to determine the Interest Rate.

Month: refers to the period that elapses between a Day and the same date of the following month; the term of a Month being therefore 28, 29, 30 or 31 Days.

Parties: means CAF as creditor and the Borrower as debtor.

Programme or Project: refers to the programme or project to be financed with the proceeds of the Loan, as defined in the Article of the Special Conditions titled "*Background*".

Prohibited Practices: means to offer, give, receive or request, directly or indirectly, anything of value that would unduly influence the actions of another party, as well as any act or omission, including misrepresentation of facts and circumstances, that knowingly or recklessly misleads or attempts to mislead any party to obtain a financial or other benefit or to avoid an obligation; to damage or cause injury, or threaten to damage or cause damage, directly or indirectly, to any party or its property in order to unduly influence the actions of one party; an agreement between two or more parties made with intent to accomplish an improper result including inappropriately influencing the actions of another party; destroying, falsifying, deliberately altering or concealing evidence; or any act intended to materially impede the exercise of CAF's inspection and supervision rights in connection with the provisions of this Loan Agreement or the applicable law in the Country.

Reference Rate: is Term SOFR, or, in the event that an Alternative Reference Rate Replacement Event occurs, the Alternative Reference Rate; it being understood and accepted that all determinations of the Reference Rate shall be made by CAF and deemed final absent manifest error.

Reference Rate Replacement Event: is, alternatively, as determined by CAF, either that: (i) a modification in market practices has occurred affecting the determination of the Term SOFR; or that (ii) it is not possible for CAF or that it is no longer commercially acceptable, for CAF to continue to use the Term SOFR as a reference for their operations; it being understood and accepted that CAF's right to determine the occurrence of a Reference Rate Replacement Event shall only be used to preserve the financial management between assets and liabilities and shall not commercially inure to CAF's benefit.

Special Conditions: are the provisions of a special nature that are obligatory to regulate the specific relationship between CAF and the Borrower contained in the document of the same name that forms an integral part of the Loan Agreement.

Technical Annex: is the document identified as such, that is an integral part of the Loan Agreement and which contains the detailed technical description of the Project or Programme, including its corresponding components.

Term SOFR: is, in relation to any Interest Period, the rate for a term similar to the Interest Period, published by CME Group Benchmark Administration Limited (CBA) (or their proper successor determined at the discretion of CAF) on the Interest Determination Date; it being acknowledged and accepted that, if, at 05:00 p.m. (New York time) on an Interest Determination Date, Term SOFR for a term similar to the pertinent Interest Period has not been published by CBA (or their proper successor determined at the discretion of CAF) and no Alternative Reference Rate Replacement Event has occurred with respect to the Term SOFR, Term SOFR shall be the rate for a term similar to the Interest Period published by CBA (or their proper successor determined at the discretion of CAF) on the first Business Day previous to the date on which the rate was published by CBA, up to a maximum of three (3) Business days prior to such Interest Determination Date. For the sole purpose of determining the Term SOFR, "Business Day" is a day on which banks are open to the public in New York, New York, United States of America. All Term SOFR determinations shall be made by CAF and shall be final, absent manifest error.

Outstanding Loan Balance: means, at any time, the amount of the Borrower's outstanding Loan principal owed to CAF.

Value Date: is the date, determined as such, in the Debt Management Operation Confirmation, from which the corresponding Debt Management Operation takes effect.

1.2. In the cases where the context of these conditions allows it, the words in the singular shall include the plural and *vice versa*.

1.3. The headings of the Articles are to facilitate their identification only, and are not to be construed to contradict in any respect what is established in the text of the Article itself.

1.4. All terms defined in the Loan Agreement shall have the same meaning when used in any communication or other document drawn up, presented or delivered hereunder, unless otherwise stipulated or expressly stated therein, to have a different meaning.

Article 2. Non-Financeable Activities With the Loan Proceeds

2.1. The proceeds of the Loan shall not be used to finance the following activities:

- a) speculation;
- b) gambling and casinos;
- c) operations related to the war industry;
- d) political activities;
- e) production or commercialization of polluting substances or species;
- f) illegal activities according to the law of the Country; and/or
- g) other activities that CAF may determine from time to time and reports in writing to the Borrower.

Article 3. Use of the Loan Proceeds

3.1. The Borrower is obligated to:

- a) use the proceeds of the Loan exclusively for the purposes set forth in the Loan Agreement and to carry out the activities described herein in full compliance with this Loan Agreement and with the Country's laws applicable to the Borrower and to the Executing Agency;
- b) not use, directly or through the Executing Agency, the proceeds of the Loan in activities related, directly or indirectly, to money laundering, nor with the financing of terrorism, nor to individuals and/or legal entities related to them, nor to Prohibited Practices.

3.2. CAF may request, at any time, the documents and information which it may consider necessary in order to determine whether the utilization of the proceeds of the Loan comply with the provisions of the Loan Agreement, indicating in each case the time within which the Borrower and/or Executing Agency, as appropriate, shall present the required documents and information.

3.3. In the event of non-compliance with these obligations, CAF shall have the right to: (i) suspend the Disbursements and the execution of its other obligations under the Loan Agreement; and/or (ii) declare the Loan as due and payable, without the need for any judicial or extrajudicial determination, and without the Borrower being able to invoke arbitration in their favour; and/or (iii) require the Borrower to return the proceeds in respect of which such obligations were breached, together with their corresponding interest. In this last event, the Borrower shall be required to make the relevant repayment within three (3) Days following the date of CAF's request to that effect.

Article 4. Statements of the Borrower

4.1. The Borrower states and guarantees to CAF that whoever (i) executes the Loan Agreement on behalf of the Borrower and (ii) executes the documents sent to CAF under the Loan Agreement, is duly authorised to act on the Borrower's behalf, and that all of the requirements and formalities that are applicable to such person as representative of the Borrower have been fulfilled so that, such person is authorised to execute and bind the Borrower to the terms of this Loan Agreement.

Article 5. Modalities for Implementing the Loan

5.1. The Loan shall be implemented by CAF by means of one or several of the following modalities:

a) **Direct transfers**

CAF may transfer funds directly, against the Loan, to the Borrower or the Executing Agency, as appropriate, to the account indicated in the respective Disbursement

Request, and according to the procedures used by CAF for Disbursements of this type, provided that said transfers are for an amount greater than that indicated by CAF; and/or

b) Other modalities

Other modalities agreed by the Parties in accordance with the provisions of the Article titled "*Modifications*" in these General Conditions.

5.2. For purposes of the provisions of sub-Article 5.1. above, the Borrower directly, or through the Executing Agency, must submit to CAF, along with the Disbursement Request, any other information and documentation required by CAF.

Article 6. Term to Request and Disburse the Loan

6.1. The Borrower, directly or through the Executing Agency, shall make the request for Disbursement to CAF (i) within the terms established in the Article of the Special Conditions titled "*Disbursement Period*"; (ii) by presenting a Disbursement Request, duly completed and signed by an Authorized Representative of the Borrower and/or of the Executing Agency, as applicable, and (iii) by complying with the conditions provided for in the Article of these General Conditions titled "*Conditions Prior to Disbursements*", and the Article of the Special Conditions titled "*Special Conditions*".

6.2. Each Disbursement Request will be irrevocable as per the Borrower. Upon sending the Disbursement Request to CAF, the Borrower and the Executing Agency, in the name and on behalf of the Borrower, clearly, expressly, unconditionally and irrevocably undertake to:

- a) receive from CAF, as a loan, the amount of the Disbursement requested on the terms agreed by CAF;
- b) pay to CAF the principal and interest of the Disbursement under the terms provided in this Loan Agreement; and
- c) make any other mandatory payments and assume the costs that may arise in the terms of the Loan Agreement.

6.3. At the expiration of the deadline for requesting the first and the last Disbursements, as the case may be, the Borrower may not request any other Disbursement, nor complete the pending documentation at that date regarding any Disbursement Request previously presented. Should the Borrower make such a request or complete pending documentation after the time for doing so, CAF shall be expressly entitled not to disburse any amount and shall send the Borrower a written notice to that effect.

Article 7. Conditions Prior to Disbursements

7.1. Loan Disbursements will be subject to compliance with the following pre-conditions, upon CAF's satisfaction:

- a) For the first Disbursement:
 1. that CAF has received a Legal Opinion with reference to the relevant constitutional, legal and statutory provisions, establishing that the obligations assumed by the Borrower under this Loan Agreement are legal, valid, binding and enforceable. Such opinion shall also cover any matter that CAF may deem relevant;

2. that CAF has received a document with the Authorised Signatures, in which the Borrower, and/or the Executing Agency, designate one or more officials to represent them in all acts related to the execution of the Loan Agreement;
 3. that CAF has received the payment of the Evaluation Expenses and of the Finance Fee, or if applicable, that the Borrower and/or the Executing Agency, as applicable, has authorised CAF in writing to deduct such amounts from the first Disbursement;
 4. any other conditions as established in the Special Conditions.
- b) For all Disbursements, including the first one:
1. that the Borrower and/or the Executing Agency, as applicable, have submitted a Disbursement Request to CAF, along with the supporting documents and all other background information required by CAF for such purposes;
 2. that none of the circumstances described in the Articles of these General Conditions titled "*Suspension of CAF's Obligations*", "*Suspension of Obligations for Causes Not Attributable to the Parties*" or "*Declaration of Expired Term of the Loan*" have occurred;
 3. that the modality of implementation of the Disbursement does not contravene or may be related to any activity that contravenes:
 - a) any local rule of any country, or any regional, supranational, community rule, including but not limited to the rules of CAF Shareholder Countries, of the members of the European Union, the United States of America, etc. related to the fight against money laundering and the prevention of terrorist financing and/or the requirements and procedures of the policies and principles implemented by CAF, for the prevention and detection of money laundering and prevention of terrorist financing; and/or
 - b) any principle, recommendation or provision issued by the United Nations and/or any other entity dedicated to fight against money laundering and the prevention of terrorist financing, such as, but not limited to, the Financial Action Task Force (FATF), the Financial Action Task Force of Latin America (GAFILAT, formerly GAFISUD) and each one of its other regional groups;
 4. such other conditions as may be established in the Special Conditions.

Article 8. Ranking

8.1. The Borrower undertakes to maintain the payment obligations assumed under the Loan Agreement, with the same ranking and preference in priority of payment, and in all other respects with all of its other existing or future non-subordinated Indebtedness, without prejudice to the priorities and privileges provided in the applicable law of the Borrower.

Article 9. Interest

9.1. From the date of the first Disbursement, the Outstanding Loan Balance shall accrue interest at the annual rate resulting from the application of the Article of the Special Conditions titled "*Interest*" during both the Grace Period as well as the repayment of the Loan.

9.2. Interest shall be payable until such time as full repayment of the Loan occurs. Interest shall be calculated on the basis of one year equal to three hundred and sixty (360) Days in relation to the number of calendar days actually elapsed. For the purposes of calculating interest, the first Day of each Interest Period shall be included, but not the last

Day. All of the determinations regarding the applicable Interest Rate for each Interest Period shall be made by CAF and shall be conclusive in the absence of manifest error.

Article 10. Default Interest

10.1. Any delay in the payment of any amount owed to CAF under the Loan Agreement shall constitute an automatic default for the Borrower without the need of any judicial or extrajudicial determination. The Borrower may not invoke arbitration in its favour.

10.2. In the event of default, the Borrower shall pay CAF default interest on the portion of the matured principal at the variable annual rate resulting from adding to the highest Reference Rate in effect during the period between the date on which the payment was due (either for maturity specifically set forth in the Agreement or otherwise set forth in the Agreement) and the effective date of payment, the Margin plus two percent (2%) (hereinafter, the "Default Interest Rate"). The "*Default Interest Rate*" calculated in accordance with the provisions herein shall be applicable until such time as the total payment of the amount owed occurs.

10.3. Without prejudice to the charge of a Default Interest Rate, in the event of default by the Borrower, CAF may suspend Disbursements and the compliance with its obligations under the Loan Agreement and/or declare the expiration of the term of the Loan in accordance with the Articles of these General Conditions titled "*Suspension of CAF's Obligations*" and "*Declaration of Expired Term of the Loan*".

10.4. Default Interest Rate shall be calculated on the basis of one year equal to three hundred and sixty (360) days in relation to the number of calendar days actually elapsed. All determinations of a Default Interest Rate shall be made by CAF and shall be conclusive in the absence of manifest error.

Article 11. Non-Business Day Maturities

11.1. Any instalment falling due on a non-Business Day shall be extended to the immediately following Business Day. The preceding shall not apply when the immediate following Business Day corresponds to another calendar year, in which case, the expiration date shall be the last Business Day of the calendar year in which the original period matures.

11.2. All references to a semester or semi-annual period shall be construed as an uninterrupted period of six (6) calendar Months. If the semi-annual period matures on a non-Business Day, it shall be deemed to be extended to the first Business Day of the following Month.

Article 12. Expenses

12.1. All of the expenses incurred by CAF after the Effective Date, such as trips, specialized consultancies, attorneys' fees, expert opinions, appraisals, notarial procedures, registrations and others, shall be the Borrower's exclusive responsibility and for the Borrower's account, which shall be included in the applicable voluntary advance payment or reimbursement within thirty (30) days following the request. In all circumstances, these expenses must be duly justified by CAF.

Article 13. Currency Used for the Loan Disbursement

13.1. The Loan shall be disbursed in Dollars.

Article 14. Currency Used for Loan Payment

14.1. The Borrower expressly undertakes to pay exclusively in Dollars any sum outstanding for principal, interest, fees, expenses and any other charge due to, or in connection with, the Loan Agreement.

Article. 15. Place of Payments

15.1. Any payment to be made by the Borrower to CAF because of, or in connection with, the Loan Agreement, shall be made in the location and bank accounts that CAF communicates in writing to the Borrower.

15.2. The Borrower's payment obligations derived from this Agreement will only be considered fulfilled or satisfied on the date that CAF effectively receives said payments, in immediately available funds in the account indicated by CAF.

Article 16. Application of the Payments

16.1. Any payment made by the Borrower to CAF because of, or in connection with, the Loan Agreement, shall be charged in accordance with the order of precedence set forth below:

- a) expenses and charges;
- b) fees;
- c) default interest, if applicable;
- d) interest due;
- e) repayment of past-due Instalments.

16.2. CAF reserves the right to modify the order of priority provided in this Article, if considered appropriate. In such case, CAF will notify the Borrower in writing in accordance with the provisions of the Article of the Special Conditions titled "*Communications*".

Article 17. Commitment Fee

17.1. The Commitment Fee shall be due and payable upon sixty (60) Days following the Effective Date and shall be calculated when applicable on the undisbursed balance of the Loan.

17.2. Payment of the Commitment Fee will be made at the expiration of each six (6) Month period counted from the Effective Date, on each Interest Payment Date.

17.3. The Commitment Fee shall be calculated on a one-year basis, equal to three hundred and sixty (360) Days, in relation to the number of calendar days effectively elapsed.

17.4. The Commitment Fee will cease, in whole or in part, to the extent that:

- a) all or part of the Loan has been disbursed; or
- b) the obligation to disburse the Loan has become totally or partially null and void, in accordance with the Articles of these General Conditions titled "*Term to Request and Disburse the Loan*", "*Suspension of CAF's Obligations*" and "*Declaration of Expired Term of the Loan*", or
- c) Disbursements have been suspended for reasons not attributable to the Parties, in accordance with these General Conditions titled "*Suspension of Obligations for Causes not Attributable to the Parties*".

Article 18. Finance Fee

18.1. The Finance Fee shall be incurred on the Effective Date. The Borrower shall pay CAF the Finance Fee on the Effective Date, or at the latest when the first Disbursement is made.

Article 19. CAF's Environmental and Social Safeguards

19.1. The Borrower and/or the Executing Agency, as applicable, shall comply throughout the term of the Loan Agreement with: (i) CAF's Environmental and Social Safeguards, in force as of the Effective Date; (ii) the provisions of the environmental and social legislation in force in the Country and applicable to the Programme/Project and/or to the Loan; and (iii) the specific provisions of the Special Conditions of the Loan Agreement.

19.2. The Borrower and/or the Executing Agency, as applicable, undertake to immediately inform CAF of the occurrence of any breach of the obligations provided for in sub-Article 19.1. above.

19.3. The Borrower and/or the Executing Agency, as applicable, undertake to implement a corrective action plan, agreed with CAF, in order to mitigate, correct and compensate for the adverse environmental and social consequences that may arise due to or on the account of the Programme or Project.

19.4. In the event that CAF's Environmental and Social Safeguards are modified and/or updated after the Effective Date, CAF will notify said modification and/or update to the Borrower and/or the Executing Agency, as applicable, as soon as possible, by sending a communication in accordance with the provisions of the Special Conditions titled "*Communications*". Such modification and/or update will not have retroactive effect, however, and so that the Parties will agree on an action plan to adjust the Programme/Project to the corresponding modification and/or update.

Article 20. Payment of Taxes and other Surcharges

20.1. Payment of each Instalment, interest, fees, expenses and other charges, shall be made by the Borrower without any deduction for levies, taxes, costs, liens, rates, duties, tariffs, tax stamps or other surcharges in force on the Effective Date, or that are established after this date. However, in the event that any payment is due for the aforementioned items, the Borrower shall pay CAF such sums so that the resulting net amount, after paying, withholding or otherwise deducting all levies, taxes, costs, liens, fees, duties, tariffs, tax stamps, or other surcharges in force at the time, is equal to all the provisions stipulated in the Loan Agreement.

20.2. Likewise, any tax burden imposed on the Loan Agreement, the receipts, promissory notes or other documents derived therefrom shall be for the account of and exclusively charged to the Borrower.

Article 21. Cancellation of Part or the Total Amount of the Loan

21.1. The Borrower may refuse to receive any part or the total amount of the Loan by sending a written communication, the contents of which must be to CAF's satisfaction, at least fifteen (15) Days prior to the effective date of the cancellation.

21.2. The non-acceptance or renunciation of all or part of the Loan in accordance with the

provisions of sub-Article 21.1. above shall be effective once CAF communicates its acceptance to the Borrower, in writing, and the Borrower assumes all the financial costs that such non-acceptance or renunciation may produce to CAF, if any.

21.3. The non-acceptance or renunciation of all or part of the Loan, as well as the termination of the Loan Agreement, shall not give rise to the reimbursement of the corresponding portion of the Finance Fee or of the Evaluation Expenses.

Article 22. Adjustment of Outstanding Instalments

22.1. CAF shall adjust the outstanding Instalments proportionally, if by virtue of the provisions of the Article of Special Conditions titled: *"Disbursement Period"*, and in the Articles of these General Conditions titled: *"Term to Request and Disburse the Loan"*, *"Cancellation of Part or of the Total Amount of the Loan"*, *"Suspension of CAF's Obligations"*, *"Suspension of Obligations for Causes Not Attributable to the Parties"* and/or *"Declaration of Expired Term of the Loan"*, the Borrower's right to receive any part of the Loan is suspended or becomes null and void.

Article 23. Suspension of CAF's Obligations

23.1. CAF, by written notice to the Borrower and/or the Executing Agency, may suspend Disbursements and the performance of its other obligations under the Loan Agreement, whenever, and for as long as any of the following circumstances arise:

- a) any delay in the payment of any sum owed by the Borrower to CAF for principal, interest, fees, expenses, charges or otherwise under the Agreement or any other agreement entered into with CAF; or
- b) non-compliance of the Borrower and/or the Executing Agency with any other obligation set forth in the Loan Agreement, other than the payment of sums of money to CAF on a specific date; or
- c) non-compliance of the Borrower and/or the Executing Agency, with any obligation set forth in any other agreement with CAF; or
- d) verification of inaccurate information or lack of information, provided or to be provided by the Borrower and/or the Executing Agency, prior to the execution of the Loan Agreement or during its execution, that has affected granting of the Loan; or
- e) that in CAF's reasonable judgment a Prohibited Practice or an activity which is established as money laundering or terrorism financing, has been performed, by an employee, agent or representative of the Borrower and/or of the Executing Agency, in the use of the proceeds of the Loan; or
- f) that there is sufficient evidence of a third party, who has received or may receive proceeds of the Loan, incurred or involved in a Prohibited Practice, or in an activity which is established as money laundering and/or terrorism financing and twenty (20) Business Days have passed since the Borrower and/or the Executing Agency had knowledge, or were notified by CAF of the occurrence of a Prohibited Practice or of an activity which is established as money laundering and/or terrorism financing, without the Borrower and/or the Executing Agency having taken the corrective measures that were necessary, acceptable to CAF, and in compliance with the due process set forth in the Country's law (including the due notice to CAF); or
- g) that in CAF's reasonable judgment, the purpose of the Programme or Project, or the Loan, may be adversely affected, or the execution of the Programme or

Project may become improbable as a consequence of: (i) any restriction, modification or adjustment of the legal capacities, attributions or equity of the Borrower and/or of the Executing Agency; or (ii) any modification or amendment of any condition fulfilled before CAF's approval of the Loan, that may have been carried out without CAF's written authorisation; or

- h) any extraordinary circumstance that, in CAF's reasonable judgment: (i) makes it improbable that the Borrower and/or the Executing Agency will comply with the obligations established in the Loan Agreement; or (ii) impedes the fulfilment of the Programme's or Project's development purpose; or
- i) any other circumstance established in the Loan Agreement.

23.2. Notwithstanding sub-Article 23.1 (f) above, CAF reserves the right to suspend at any time the Disbursements intended to finance direct or indirect payments in favour of third parties that in CAF's reasonable opinion are involved in a Prohibited Practice, or in an activity which is established as money laundering and/or terrorism financing. In the event of such circumstance, CAF may immediately suspend the Disbursements intended to finance direct or indirect payments in favour of such third party in execution of its other obligations in respect of the corresponding third party and shall have the right to demand from the Borrower the return of the portion of the Loan that could have been used to carry out direct or indirect payments to such third party, along with its corresponding interest. In this last case, the Borrower shall be obligated to return the funds on the date indicated for such purposes in CAF's written communication.

Article 24. Suspension of Obligations for Causes Not Attributable to the Parties

24.1. CAF may suspend the execution of its obligations under the Loan Agreement, whenever any of the following circumstances occur:

- a) the withdrawal of the Borrower as a shareholder of CAF; or
- b) any other event of *Force Majeure* or Fortuitous Event (Acts of God) that prevents the Parties from complying with the obligations undertaken.

Article 25. Declaration of Expired Term of the Loan

25.1. CAF shall be entitled to declare the Loan balance immediately due and payable, in the following cases: when any of the circumstances described in the Article of these General Conditions titled "*Suspension of CAF's Obligations*", save and except for the one provided in letter f) occurs;

- b) when the circumstance described in letter a) of the Article of these General Conditions titled "*Suspension of Obligations for Causes Not Attributable to the Parties*" occurs; or
- c) whenever the events of *Force Majeure* or Fortuitous Event (Acts of God) referred to in letter b) of the Article of these General Conditions titled "*Suspension of Obligations for Causes Not Attributable to the Parties*" are prolonged for more than thirty (30) Business Days; or the consequences arising therefrom are not or cannot be remedied within such period.

25.2. The sole verification of the occurrence of one of these cases shall allow CAF to declare the Loan balance due and payable without the need of any judicial injunction or extrajudicial action, without the Borrower being able to invoke arbitration in its favour. For such purposes, CAF shall inform the Borrower and the Executing Agency in writing of such decision. In such cases, CAF shall be expressly authorised to request the Borrower to

immediately repay all sums due, including interest, fees, expenses and charges, accruing up to the date on which the payment is made.

25.3. The Borrower expressly and irrevocably authorises CAF to apply to the payment of any of the amounts owed by the Borrower under this Loan Agreement, the balances in favour of the Borrower that may exist in CAF's possession for any reason. The foregoing shall proceed automatically, and CAF may exercise the powers conferred on it in this Loan Agreement, with no other requirement than the maturity of the amounts due by the Borrower, the maturity declaration by CAF or the non-compliance of any payment, without the need of authorization or ratification from the Borrower or any judicial decision.

Article 26. Obligations of the Executing Agency

26.1. The Borrower authorises and empowers the Executing Agency to assume and carry out the procedures that are expressly assigned to said entity in the Loan Agreement.

26.2. Notwithstanding the provisions of sub-Article 26.1 above, the Borrower shall be the sole party responsible for compliance with the provisions of the Loan Agreement.

Article 27. Increase in the Cost of the Programme or Project, Additional Funding

27.1. If during the execution of the Programme or Project, as the case may be, a modification of its total cost occurs, either due to an increase in its costs or due to modifications in its original scope, the Borrower undertakes to provide such additional proceeds that may be necessary to ensure the correct and timely execution of the Programme or Project. If this situation occurs, the Borrower and/or the Executing Agency, as applicable, agrees to inform and provide CAF with the relevant documentation in a timely manner.

Article 28. Selection of Alternative Financing Sources

28.1. CAF may propose the Project or Programme be financed, from other sources of financing to which CAF might have access during the term of the Loan Agreement, provided that (i) the Programme or Project qualifies as an eligible operation, at CAF's discretion and with respect to the relevant source of financing; and (ii) the Borrower undertakes to comply with the terms and conditions that are required by CAF for this purpose.

28.2. The Borrower and/or the Executing Agency give CAF their consent to share information about the Borrower, the Executing Agency, the Loan and/or the Loan Agreement and/or the Programme or Project with the relevant entities, in order to assess the viability for applying to the relevant entities and to comply with the conditions required by said entity.

28.3. CAF will not incur any liability *vis-a-vis* the Borrower and/or the Executing Agency, regarding the approval or refusal of the request, granting, use, cancellation, termination or suspension of any benefit that could be generated from the alternative sources of financing referred to herein.

Article 29. Special Conditions Arising from Specific Sources of Funds

29.1. CAF will transmit to the Borrower the pertinent requirements and conditions that have been established by the sources of proceeds that are used in the financing of the Loan.

Article 30. Prohibited Practices

30.1. The Borrower and the Executing Agency must take the necessary measures to prevent the occurrence of Prohibited Practices, due to or on account of the Loan Agreement; and/or the Programme or Project to be financed with the proceeds of the Loan.

30.2. The Borrower and/or the Executing Agency, as applicable, shall inform CAF of any fact that may be within its knowledge, regarding any allegations of the occurrence of any Prohibited Practice in the use of funds granted under the Loan Agreement and cooperate with CAF in any investigation carried out as a result of such allegations, obliging itself to provide information and documentation required for such purposes.

30.3. The Borrower and the Executing Agency shall take the necessary corrective measures so that the occurrence of a Prohibited Practice does not affect the development of the Programme or Project and/or the obligations under the Loan Agreement.

Article 31. Reports

31.1. During the term of the Loan, the Borrower must provide, directly or through the Executing Agency, the reports that CAF may deem necessary, within the terms established in each case, with respect to the use of the sums borrowed and the assets and services acquired with such sums, as well as the execution of the Programme or Project, as applicable.

Article 32. Notice of Adverse Circumstances

32.1. The Borrower shall inform CAF, directly or through the Executing Agency, as soon as it has knowledge of:

- a) any circumstance that hinders or could hinder the achievement of the objectives of the Programme or Project, or the execution of the Loan Agreement; and
- b) any amendment to the applicable laws and regulations of the Country which may affect the Borrower and/or the Executing Agency, with regards to the execution of the Programme or Project, as applicable, or the compliance with the Loan Agreement.

32.2. Under such circumstances, CAF may take any action it deems appropriate in accordance with the provisions of the Loan Agreement.

Article 33. Disclosure

33.1. The Borrower undertakes to disclose that the Programme or Project, as applicable, is executed with CAF's financing, and to this end, shall previously coordinate with CAF the form and means of such disclosure.

Article 34. No Waiver

34.1. CAF's delay in exercising any of its rights under the Loan Agreement, or any omission in their exercise, shall not be interpreted as a waiver of such rights, nor as an acceptance of any circumstance whereby they could not be exercised.

34.2. Any waiver or modification of CAF's rights under this Loan Agreement must be made in writing, and such waiver or modification shall be valid only for the specific circumstance and purpose for which it was granted.

Article 35. Assignment, Transfer and Disposition of the Loan Agreement

35.1. CAF, maintaining its contractual position, may, in whole or in part, without any limitation, participate in, transfer or otherwise dispose of the rights over the Loan or over the cash flow derived from its rights over the Loan without prior notice or consent from the Borrower. For this purpose, CAF is authorized to share the required information with the relevant entities.

35.2. In the event that CAF assigns its contractual position, the assignee shall assume CAF's contractual position in the Loan Agreement with respect to the Borrower and shall be bound by the same conditions as agreed between CAF and the Borrower, which is expressly and irrevocably authorised by the Borrower by subscribing to this Agreement. The assignment of CAF's contractual position must comply with the requirements of the legislation of the Country.

35.3. The Borrower may not assign, transfer or otherwise dispose of the rights and obligations under the Agreement, except with the express prior written consent of CAF.

Article 36. Arbitration

36.1. Any controversy or dispute arising directly or indirectly from the Loan Agreement, except for those relating to the execution of past due payment obligations by the Borrower, as well as those relating to CAF's exemptions, immunities and privileges, shall be submitted for consideration of the Parties, who by mutual agreement shall make their best efforts to reach a solution thereto within a period of ninety (90) days from the date on which one Party notifies the other Party in writing of the aforementioned controversy or dispute.

36.2. If no resolution of the controversy or dispute is obtained, in accordance with the preceding sub-Article 36.1, the Parties shall submit the controversy or dispute to an independent Arbitral Tribunal for decision.

36.3. The arbitration shall be definitively resolved and settled in accordance with Section 27 of the UNCITRAL Arbitration Rules (United Nations Commission on International Trade Law).

36.4. Language of Arbitration, Composition and Designation of the Members of the Arbitral Tribunal:

- a) the language of the arbitration shall be English;
- b) the Arbitral Tribunal shall be composed of three members: CAF and the Borrower shall each designate one member and the third (hereinafter the "Chairman") shall be designated by direct agreement between the Parties or through their respective arbitrators.

36.5. Initiation of the Procedure:

- a) in order to submit a controversy to the arbitration procedure, the claimant Party shall address a written communication to the other Party stating the nature of the claim, the relief or compensation that it seeks, and the name of the arbitrator it appoints;
- b) the Party receiving such communication shall, within forty-five (45) days after receiving such communication, state its position regarding the claim and communicate to the other Party the name of the person it appoints as arbitrator.

36.6. Convening of the Arbitral Tribunal:

The Arbitral Tribunal shall be convened in the city designated by the Arbitral Tribunal for such purpose, and, once convened, shall meet on the dates also established by the Arbitral Tribunal.

36.7. Rules to be followed by the Arbitral Tribunal:

The Arbitral Tribunal shall be subject to the following rules:

- a) the Arbitral Tribunal shall be competent to hear only the controversy brought before it by the Parties, shall adopt its own procedure and may, of its own initiative, designate whatever experts it considers necessary. In any event, it shall give the Parties the opportunity to make presentations.
- b) the Arbitral Tribunal shall rule in law on the basis of the terms of the Loan Agreement and shall issue an award even if either Party fails to appear or present its case.
- c) with respect to the arbitral award:
 1. it shall be evidenced in writing and adopted by the concurring vote of at least two (2) members of the Arbitral Tribunal;
 2. it shall be rendered within sixty (60) Business Days following the date on which the Chairman is appointed, unless the Arbitral Tribunal determines that due to special and unforeseen circumstances such period should be extended;
 3. it shall be notified to the Parties in writing by communication signed by at least two (2) members of the Arbitral Tribunal;
 4. it must be complied with within thirty (30) Days following the date of notification; and
 5. it shall be final and binding upon the Parties and will not be subject to any appeal.

36.8. Fees and Expenses:

- a) The fees of each arbitrator shall be paid by the Party that appointed it and the fees of the Chairman shall be paid by both Parties in equal proportion;
- b) Prior to convening the Arbitral Tribunal, the Parties shall agree on the remuneration of the other persons who, by mutual agreement, they deem should take part in the arbitration proceedings. If such agreement is not reached in a timely manner, the Arbitral Tribunal itself shall determine the compensation that may be reasonable for such persons under the circumstances; and
- c) Each party shall defray its own expenses in the arbitration proceedings, but the expenses of the Arbitral Tribunal shall be borne equally by the Parties. Any doubt regarding the division of costs or the manner in which they are to be paid shall be determined, without appeal, by the Arbitral Tribunal.

36.9. Notifications:

Any communication relating to the arbitration or the arbitral award shall be made in the manner provided for in the Agreement. The Parties waive any other form of notification.

36.10. Waiver:

The Borrower and the Executing Agency irrevocably waive, to the fullest extent permitted by the laws of the Country, any immunity or privilege enjoyed by them.

Article 37. Authorised Representatives

37.1. The Borrower and the Executing Agency shall submit to CAF, in a timely manner, the list of authorised signatories who will represent them in the various activities related to

the Loan Agreement. The said list shall be certified by the duly authorised person of the Borrower and/or Executing Agency and communicated in accordance with the procedure established in the Article of the Special Conditions titled "*Communications*".

37.2. The Borrower and the Executing Agency shall notify CAF of any change in the names and/or designation of the authorised representatives. As long as CAF does not receive such list of signatories, it shall be understood that only the person or persons signing the Loan Agreement on behalf of the Borrower shall represent the Borrower and the Executing Agency before CAF.

Article 38. Indemnity

38.1. The Borrower undertakes to indemnify and compensate for any damage or injury caused to CAF or to any of its officers, employees, shareholders, agents, advisors or representatives, derived from any type of claims, collections, litigations, losses, damages, costs, penalties or expenses (including legal expenses) that arise due to or in connection with the Loan Agreement and/or the execution of the Programme or Project, as applicable, excluding such damages or harm exclusively arising from the fault or wilful misconduct of CAF or of the indemnified corresponding party.

Article 39. Partial Nullity

39.1. In the event that any provision of this Agreement, whether coercive or discretionary, is considered prohibited, void, voidable, ineffective or unenforceable, in any jurisdiction, said provision will be considered without any effect in regard to this Loan Agreement, without affecting or invalidating the rest of the provisions, nor the validity or enforceability of said provision in any other jurisdiction.

Article 40. Modifications

40.1. Any modification to the Agreement must be approved in writing, duly executed by the Parties, in full compliance with the requirements set forth in the applicable legislation.

40.2. The Parties by exchange of letters between their Authorised Representatives may:

- a) establish, determine or develop additional conditions, protocols or procedures to those existing in the Technical Annex;
- b) agree to modifications of the terms considered in the Technical Annex that specifically include the possibility of modification by these means;
- c) agree on other disbursement modalities as indicated by CAF in accordance with the terms of the Article in these General Conditions titled "*Modalities for Implementing the Loan*"; and
- d) upon the request of the Borrower and as provided in the law of the Country, change the entity designated as Executing Agency, as provided for in the Article of the Special Conditions titled "*Executing Agency*".

40.3. Complementary agreements reached in accordance with sub-Article 40.2 above:

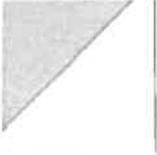
- a) shall not constitute or contain changes to the purpose, term or to the destination of the Loan proceeds and shall not result in an increase of its amount;
- b) shall be mandatory for both Parties, and shall not exempt the Borrower in any way from the obligations assumed under the Loan Agreement, and will not have as their end or effect the novation of the obligations assumed by any Party.

Article 41. CAF's Immunities, Exemptions and Privileges

41.1. None of the provisions set forth in the Agreement can or shall be interpreted as a waiver of the privileges, exemptions and immunities granted to CAF by its Incorporation Agreement (*Convenio Constitutivo*), by the agreements executed with the Country, and/or by the agreements signed with its other Shareholder Countries under and by virtue of their respective legislations.

Article 42. Effective Date

42.1. The Effective Date of the Agreement shall be that established as such in the Article of the Special Conditions titled "*Effective Period*".



TECHNICAL ANNEX

Sector Wide Approach Programme to Support the Implementation of the Digital Transformation and Digital Inclusion Strategy in Trinidad and Tobago

Description

I. Objective

The Sector-Wide Approach Programme (“the Programme”) aims to support the implementation of Trinidad and Tobago’s national digital transformation strategy, through the recognition of actions aimed at modernizing the institutional and regulatory framework, the development of plans, and various initiatives for the digitalization of the State and the closure of gaps in the use of technology by the productive sector and the general population.

The Programme consolidates strategies and initiatives led by the Ministry of Digital Transformation that will contribute to reduce the impacts of the pandemic and promote digitalization as a tool for a more efficient and productive diversification of the economy.

II. Description and components

The Government of Trinidad and Tobago has considered the digital agenda as vital within the framework of Vision 2030 –National Development Strategy 2016-2030, including among its goals, delivering good governance and improvement of public service through e-Government, the digitalization of the productive sector and the closure of technological gaps. Additionally, the road map for post-pandemic recovery has considered the diversification and transformation of the economy, in particular the tourism and agriculture sectors, using digitalization as a key tool and the role of the State as an efficient service provider and facilitator to access information and communication technologies (ICTs).

Given the priorities set forth in the development strategy, the Programme has been structured around three components, based on the Digital Transformation Plan pillars:

- A. *Digital Government*: creation of an institutional framework and public policies for the digitalization of the State, for a better and more efficient government. This includes the regulatory framework for transitioning to digital governance, as well as the development and implementation of digital processes in services provided by the Government to citizens and businesses.
- B. *Digital Economy*: support for the strategic objective of increasing the contribution of the ICT sector from 4% to 8% of GDP and economic development and diversification. Considers initiatives to facilitate digital solutions for the development of the productive sector.
- C. *Digital Society*: initiatives to massify access to ICTs, through the digital inclusion of underserved communities. Supports the creation of an appropriate environment for technological development, digital literacy and capacity building in this sector.

The following section provides more detail about the content of each pillar.



A. Digital government: better government services and more efficient government.

Among the most important actions implemented to date is the creation, in July 2021, of the **Ministry of Digital Transformation (MDT)** responsible for coordinating the country's digital agenda, strengthening ICT infrastructure, expanding Internet access and facilitating multidisciplinary strategies for digitalization of the State and the productive sector. The regulatory framework and strategies proposed will favor the improvement of Trinidad and Tobago's digital ecosystem development.

Among the initiatives, and due to the increase and sophistication of cyber-attacks, the development of a **National Cyber Security Strategy** has been proposed to meet new global threats and protect sensitive business and personal information. It will provide an action plan aimed to improve the security and resiliency of national infrastructure and services, by establishing priorities for the mitigation of risks that must be addressed within a specific timeframe. Also, the **creation of a Cybersecurity Unit** within the MDT is planned for the implementation of the said strategy and the development of a National Contingency Plan, increasing cybersecurity awareness, ensuring that the necessary resources are available to guarantee incident prevention and response and to generate collaborative work internally (specifically with the Ministry of National Security – Cyber Security Incident Response Team "CSIRT), as well as at the regional and international levels.

On the other hand, the Ministry of Finance is developing an **online payment ecosystem for tax collection**, to improve services provided to taxpayers and increase contributions, facilitating processing and payment of obligations for individuals and companies¹. The project includes legal, regulatory and change management initiatives, with standardization between authorities and the commercial banking system, in order to facilitate online banking payments. Also, an agreement with the Telecommunications Services of Trinidad and Tobago (TSTT) to host an **iGovTT online payment solution** is in process, to accelerate the digitalization and modernization process of the Government's payment system.

The **National Digital Identity or Electronic Identity (e-Identity)** project has also been included, for which a business plan is being developed and a request for proposals (RFP) for the development of the tool will be produced. Specifically, an electronic solution for the identification of both individuals and organizations, with a unique digital identity record, that can be stored on physical badges, SIM cards, smartphone applications and computer systems, will be developed. It is expected to improve transaction times, have online authentication, facilitate **electronic signature**, save costs (minimizing duplication of information between government entities), and increase operational efficiency, among other things. For its development, it will be necessary to enact new and amend existing **legislation**, as applicable, in order to provide the support and confidence to make its implementation possible.

The implementation of an **Interoperability Framework Ecosystem** between different government entities and ministries is among the initiatives considered, in order to ensure the exchange of information between agencies, collaborative work and a more homogeneous and standardized use of technology and information, aimed to improve

¹ This initiative is being coordinated with the Inland Revenue Division (IRD), the primary tax collection agency of the Republic of Trinidad and Tobago, representing more than 75% of tax revenue; with the Customs and Excise Division (CED), collector of foreign trade fees and tariffs; and with the Treasury Division, in charge of registering tax collection movements at the Central Bank of Trinidad and Tobago (CBTT).

efficiency, transparency and level of service for citizens. In fact, a Memorandum of Understanding with the Government of Estonia for the support for the development of the said ecosystem is in place, with the goal of completing a pilot project by 2023.

Likewise, the **updating and improvement of the *ttconnect* portal and *ttconnect* ID platform** are in progress, initially developed in 2009 by the National Information and Communication Technology Company Limited (*iGovTT*), supplier of ICT solutions for the Government of Trinidad and Tobago. This portal was created to provide information and services to citizens, including e-services, authentication and others, and consists of two primary components: online presence through *ttconnect.gov.tt* and the *ttconnect* ID services, and as an authentication e-service. The goal is to modernize that platform, to enable migration to e-Government development, in order to reduce operating costs by taking advantage of cloud architecture, and to keep information secure. Development and implementation of a modular design separating the portal from the e-identity service are anticipated, with a simplified architecture based on current standards, also allowing interoperability between ministries, divisions and agencies (MDAs).

Additionally, in order to reduce costs, improve efficiency and create innovative service delivery models, the development of a **Government Digital Cloud (GovNeTT)** has been considered. It will provide secure connectivity between various government entities, enabling greater flexibility and applications that run faster, with scalable potential, regardless of geographic location or number of users. Directly linked to the above, the construction of a **government data center** is in process, with RFPs for its development currently underway. The data center would house 50% of the State's critical data, specifically for MDAs such as the Ministry of National Security or the Ministry of Finance for which the sovereignty of data is critical. The remainder of the data would be stored in other existing *data centers* on the island of Trinidad, depending on the capacity in each case.

On the other hand, support for the implementation of **information management systems for government services** has been included among the initiatives, for aspects such as health, social service delivery, education, community development, housing, citizen safety and security. Among the first projects in process is the development of the centralized health information system (per patient, anywhere, at any time) to support evidence-based decision-making, improve health services with universal access to health information, using common national standards. In parallel, a digital certificate of vaccination is being worked on. Another project is the information system for the management of social service (led by the Ministry of Social Development), to manage resources centrally and digitally, an activity that is performed manually today.

Another of the initiatives identified to promote government digitalization is the creation of a **fund to finance e-services for government entities**, in line with the provisions of the Digital Transformation Strategy. This would support the adoption of new technologies and the development of digital transformation projects by all relevant MDAs. In addition to the creation of this fund, a **governance and management framework** and implementation strategy are being developed.

B. Digital Economy: Economic Development and Diversification

Among the initiatives linked to the institutional and strategic framework, the **Trinidad and Tobago Digital Transformation Plan 2023-2025** is being completed, based on the provisions of the previous SmarTT and ICT Blueprint 2018 instruments, and the goals

provided in Vision 2030. The plan establishes as pillars: (i) digital government (e-services, promoting e-participation, transparency and accountability, government internal efficiency, promote “one-stop-shop”), (ii) digital society (access to information, improvement of equipment and infrastructure, training) and (iii) e-commerce (facilitating commerce, improved opportunities to generate economic activity for rural communities and small businesses, and the establishment of electronic payment facilities, among other things). To date, with UNDP support, the development of an assessment and vision for the future, consultation process, prioritizing change management strategies, and generating a collaboration and communication framework, are being developed, prior to the operationalization of the strategic framework.

In parallel, an **Interconnection Benchmarking Study** was recently completed, specifically the cost policies for the Telecommunications Authority (the Regulator of the telecommunications industry), to obtain comparative parameters with internationally accepted standards. The goal was to establish recommendations for maximum levels for *mobile termination rate* - (MTR) and mobile and fixed international transportation charges to operators. The study used reference samples, comparative average example calculations, average projections for 2024, including a sensitivity and normalization analysis based on demographic and socioeconomic characteristics and other differences in the environment between the jurisdictions analyzed and Trinidad and Tobago. Specific recommendations for the Telecommunications Authority are presented in the study's annexes.

Likewise, work is being done to adapt **Immutable Ledger solutions** for various national industries, particularly the agricultural sector. Specifically, the objective is to have traceability for local agricultural products (including cocoa and honey), contributing to higher valued products and a higher market price, and thus higher income for these sectors. In addition, solutions are expected to be used for the provisioning of geospatial data and images in crop fields, productivity predictions and flood impact, generating a management system that reduces uncertainty and potential losses for the sector.

In line with the above, a project for **electronic payments in the agricultural sector**, through local software solutions to meet the needs of digitalization is another initiative. This pilot programme called *Connected Arima*² is intended to provide the first step to develop a *smart city* by 2025, where the entire community would use digital technology, actively participating in local activities regardless of location, connected to modern technology in public spaces, with free or cost-efficient access to essential e-services. Additionally, and under the *smart city* initiative, the city would be able to host economic activities that make the best use of digital technology as a transformational model, where digital technologies are used to achieve strong citizen-government and business-government collaboration. Moreover, a community would be created that applies innovation to deal with environmental challenges and uses the e-identity service comprehensively; and is supported by utilities provided on modern digital platforms.

As part of the Strategy for Reduction of Carbon Emissions in Trinidad and Tobago by 2040, various initiatives related to the **use of ICTs to promote climate resilience and decarbonization of the economy**, have been considered. Among the awareness measures, a line of work has been included for promoting the use of technology and

² The municipality of Arima is the fourth largest town in Trinidad. It is located in the northern center of the island and had 35,000 inhabitants, according to the 2011 census.

digitalization of the population and government, minimizing the need to travel for carrying out certain economic activities or government procedures.

Finally, work is underway to promote entrepreneurship through the creation of a **software developer's hub** with export potential, including the development of a world-class platform and the payment of licences (jointly with the private sector). Immediate products being developed include a digital industry programme with defined resources and incentives, establishing the developer's *hub*, and establishing a network for ICT companies, including a support committee. To date, there is information to identify the target audience through focus groups with developers, micro and small businesses involved in software development and coordination with other institutions and companies in the private sector to produce a Business Plan.

C. Digital Society: ICTs for all citizens

This component is geared towards closing digital gaps, creating an appropriate environment for technology to be affordable, robust, reliable and to develop the skills required by citizens to obtain the greatest benefits from the digital era. The Programme includes the implementation of several initiatives within the framework of a digital inclusion strategy.

Among the actions identified is the **digital skills development**, oriented to the generation of employment and capacity building in the ICT sector, in order to support excluded communities. The level of coverage and access is measured not only by the availability of physical infrastructure (broadband), but also by the ability to use it in the best possible manner. In this regard, initiatives planned are aimed at improving the digital skills of the population, for which collaboration agreements have already been signed with leading suppliers such as YTEPP, Microsoft Philanthropic Group and Linux Foundation, to provide courses and training where needed.

In addition, the **provision of community-based ICT Access Centers** through iGovTT is another project considered. In order to close digital gaps, the Government has identified communities without coverage and proposed the construction of access centers in those remote or underserved areas, with the necessary digital infrastructure for citizen support, such as Internet facilities, printing and training, among other things.

Also, projects for **community-based technology solutions**, such as the installation of cameras, parking lots, renewable energy and traffic, among other things, have been considered. Specifically, as noted above, a pilot project (*Connected Arima*) is being developed to provide public internet, broadband, Wi-Fi, to all of Arima's citizens and visitors. The provisioning of public Wi-Fi in this sector will be a pilot for the implementation of connected services throughout the country. It will facilitate several "connected" services, such as access to e-government services, parking management, augmented reality tours, environmental monitoring, traffic management, and safety initiatives, among others. It will support the development of an internet of Things (IoT) platform that provides useful data for more efficient management of public infrastructure and data delivery for public policy development.

In addition, the Ministry of Digital Transformation is making investments in **ICT Infrastructure to reach underserved areas**, through the deployment of broadband infrastructure. Within the scope of the Programme, studies to identify at least ten

communities without broadband service are planned, in order to prioritize the planned investments.

Finally, a **sustainable model analysis for free TT WiFi** is being produced, to facilitate productivity platforms and close the digital gap, including greater engagement among citizens. Since 2020, the Government has provided public WiFi hotspots in various locations, such as transportation hubs, libraries, schools and health institutions. The initiative considered as part of the Programme will analyze the connection points already implemented in transport centers (14) to develop a sustainable model for this service.

III. Cost and funding

The interest-bearing loan that CAF grants to the Borrower shall be for up to one hundred and twenty million Dollars (USD 120,000,000.00), for the development and implementation of activities and initiatives described above.

The tentative loan disbursement schedule will be as follows (in USD million):

2022	2023	Total
60	60	120
50%	50%	100%

IV. Components and Verification Mechanisms Matrix

The disbursements of the loan will be subject to the presentation of the following verification mechanisms:

Component	Initiatives	Deliverable / Verification Mechanisms	Deliverable Prior to
A. Digital government: Better government services and more efficient government	1. Creation of the Ministry of Digital Transformation	1.1 Gazette with creation of Ministry 1.2 Draft organizational structure	1 st disbursement
	2. Online Payment Ecosystem for the Collection of Taxes	2.1 First implementation report	2 nd disbursement
	3. iGovTT: online payment solution	3.1 Agreement with TSTT to host the solution	2 nd disbursement
	4. National Digital Identity Project: e-Identity	4.1 ToRs and business plan with costs, models and architecture of the solution 4.2 Sovereign identity model, partnership with private sector 4.3 RfP for self-sovereign identity	1 st disbursement 2 nd disbursement

Component	Initiatives	Deliverable / Verification Mechanisms	Deliverable Prior to
		4.4 RfP Auditing and Trust Environment built on an immutable ledger	
	5. Interoperability framework ecosystem – interconnected ministries	5.1 MoU Gov Estonia – interoperability framework support 5.2 Impact Assessment 5.3 At least one-use case - Pilot project 5.4 RfP interoperability framework	1 st disbursement 2 nd disbursement
	6. Update/replacement of tconnect platform.	6.1 Draft RfP for the Implementation of a New tconnect Portal for the National Information and Communication Technology Company Limited	1 st disbursement
	7. Development of a Government Digital Cloud.	7.1 GovNeTT Cloud Strategy 7.2 Cloud Computing Consideration Policy	1 st disbursement
	8. Construction of Government Data Centres and resiliency on connectivity with Tobago	8.1 RfP for the construction of a Government Data Centre	2 nd disbursement
	9. Creation of a Fund for financing e-services of government entities	9.1 Concept Note for the creation of a Fund for e-services.	2 nd disbursement
	10. Development of Cybersecurity Strategy and creation of Unit	10.1 Concept note defining the strategy and integration with other initiatives, as well as a proposal for the creation of a Cybersecurity Unit	1 st disbursement
	11. Information management systems for government services	11.1 Implementation summary report end-of-year 2022 of Information Management Systems (social service delivery, health, education, community development, housing, citizen safety and security)	2 nd disbursement

Component	Initiatives	Deliverable / Verification Mechanisms	Deliverable Prior to
B. Digital economy: Economic development and diversification	1. Interconnection Benchmarking Study (Telecommunications Authority Regulatory Policies on costing)	Interconnection Benchmarking Study for the Telecommunications Sector of Trinidad and Tobago 2021	1 st disbursement
	2. T&T Digital Transformation Plan 2023-2025 – policies for moving into digital society and economy	2.1 UNDP Readiness Assessment - input for the national plan	1 st disbursement
		2.2 Draft Digital Transformation Plan 2023-2025	2 nd disbursement
	3. Immutable Ledger solutions – traceability for agricultural sector, spatial data and images of fields, yield prediction, flood impact	3.1 Pilot of Connected Arima Project	2 nd disbursement
		3.2 RfP for the particular solution	
		3.3 Programme Profile	
4. ICT for climate resilience and decarbonization of economies	4.1 Strategy for the Reduction of Carbon Emissions in Trinidad and Tobago, 2040.	1 st disbursement	
5. Cashless payments - specific use cases (agricultural sector - pilot Arima markets "Connected Arima Project")	5.1 Business plan for operationalization of the solution – categories of interactions and costs for the solution	1 st disbursement	
	5.2 RfP– prototypes, testing visibility, proposals to build prototypes	2 nd disbursement	
6. Developers' Hub – apps for public solutions, with export capability	6.1 Business plan for the Developers' Hub	2 nd disbursement	
C. Digital society: ICT for all citizens	1. Legislation for National Digital Identity	1.1 Recommendations from impact assessment on policy and legislative/regulatory updates for the National Digital Identity framework	1 st disbursement
	2. Digital Skills Development - ICT Sector Employment	2.1 MoU/Agreement with Microsoft	1 st disbursement

Component	Initiatives	Deliverable / Verification Mechanisms	Deliverable Prior to
	and Capacity Building to support communities	2.2 Partnership agreement with the Linux Foundation 2.3 MoU with YTEPP	2 nd disbursement
	3. Community-based ICT Access Centres (through iGovTT)	3.1 Mid-term achievement report	1 st disbursement
	4. Community based technology solutions – cameras, car parking, renewable energy, traffic (coordination with Ministry of National Security)	4.1 Connected Arima Project Brief 4.2 Concept note (part of the Connected Arima Project)	2 nd disbursement
	5. ICT infrastructure investment to reach unattended sectors or underserved areas.	5.1 Digital Inclusion Survey – investment in regions without broadband service (targeting 10 communities) 5.2 TATT Report: projects dealing with infrastructure and connectivity issues	1 st disbursement
	6. Free TT WiFi – sustainable model analysis (pilot transportation hubs)	6.1 Mid-term achievement report	2 nd disbursement

"Annex Forms for Debt Management Operations"

FORMS

DEBT MANAGEMENT OPERATION REQUEST FORM

(a) CURRENCY CONVERSION

DEAR SIR/MADAM,
CORPORACIÓN ANDINA DE FOMENTO

REF: Loan Agreement # [●] for USD [●], executed between the Corporación Andina de Fomento and [Name of the Country] on [Month] [Day], [Year] (hereinafter, the "Loan Agreement").

Subject: Debt Management Operation Request # [●] – Currency Conversion

[Name of the Country], [●] (hereinafter, the "Borrower"), represented in this act by [●], of nationality [●] and identified with [document] in his capacity as [●]; duly empowered to do so by [document identifying subscriber's empowering] dated [Month] [Day], [Year], hereby, in compliance with the provisions of the Article of the Special Conditions entitled "Debt Management Operations", makes an irrevocable offer to CAF by entering into a Debt Management Operation under the following Requested Financial Conditions (the capitalized terms will have the meaning assigned to them in the Loan Agreement):

REQUESTED FINANCIAL CONDITIONS

<u>DOLLAR CONVERSION TO [name of local currency]</u>	
• AMOUNT IN DOLLARS	[●] ¹
• OFFER VALIDITY	UNTIL [Month] [Day], [Year]

¹ It must be a part equivalent to, at least, one amortization instalment or whole multiples or the entire Unpaid Balance of the Loan.

• EXCHANGE RATE	UP TO [] ²
• INTEREST RATE IN [name of local currency]	UP TO [] ² /UP TO [] ³ + [] ⁴
• REPAYMENT CURRENCY	[name of local currency]
THE CAPITAL AND INTEREST PAYMENT DATES WILL BE THE SAME SET IN THE LOAN AGREEMENT	

The Borrower clearly, expressly and unconditionally agrees with CAF, and at the latter's choice, to enter into the Debt Management Operation according to the Requested Financial Conditions and shall be bound by the terms of the Debt Management Operation Confirmation that, CAF sends to the Borrower, if the former, in its sole discretion, decides to accept this request.

As to the sending to the Borrower, by CAF, of the Debt Management Operation Confirmation, the Currency Conversion requested therein will be understood to have been established and perfected and the terms and conditions of the Debt Management Operation Confirmation will be binding to the Parties for all legal purposes

² Fixed rate

³ In case of Variable Rate, please include the corresponding indexation factor in this field.

⁴ Please include the mark-up on the indexation factor.

DEBT MANAGEMENT OPERATION REQUEST FORM

(b) INTEREST RATE CONVERSION

DEAR SIR/MADAM,
CORPORACIÓN ANDINA DE FOMENTO

REF: Loan Agreement # [●] for USD [●], executed between the Corporación Andina de Fomento and [Name of the Country] on [Month] [Day], [Year] (hereinafter, the "Loan Agreement").

Subject: Debt Management Operation Request # [●] – Interest Rate Conversion

[Name of the Country], [●] (hereinafter, the "Borrower"), represented in this act by [●], of nationality [●] and identified with [document] in his capacity as [●]; duly empowered to do so by [document identifying subscriber's empowering] dated [Month] [Day], [Year], hereby, in compliance with the provisions of the Article of the Special Conditions entitled "Debt Management Operations", makes an irrevocable offer to CAF by entering into a Debt Management Operation under the following Requested Financial Conditions (the capitalized terms will have the meaning assigned to them in the Agreement):

REQUESTED FINANCIAL CONDITIONS

INTEREST RATE CONVERSION (Variable to Fixed) / (Fixed to Variable)	
• AMOUNT IN DOLLARS	[●] ⁵
• OFFER VALIDITY	UNTIL [Month] [Day], [Year]

⁵ It must be a part equivalent to, at least, one amortization instalment or whole multiples or the entire Unpaid Balance of the Loan.

• INTEREST RATE	Up to <input type="checkbox"/> ⁶ / Up to SOFR <input type="checkbox"/> M ⁷ + <input type="checkbox"/> ⁸
THE CURRENCY AND THE CAPITAL AND INTEREST PAYMENT DATES WILL BE THE SAME SET IN THE LOAN AGREEMENT	

The Borrower clearly, expressly and unconditionally agrees with CAF, and at the latter's choice, to enter into the Debt Management Operation according to the Requested Financial Conditions and shall be bound by the terms of the Debt Management Operation Confirmation that CAF sends to the Borrower, if the former, at its sole discretion, decides to accept the request.

With the Debt Management Operation Confirmation sent by CAF to the Borrower, the Interest Rate Conversion requested therein will be understood to have been established and perfected, and the terms and conditions of the Debt Management Operation Confirmation will be binding on the Parties for all legal purposes.

⁶ Fixed Rate.

⁷ Define the number of months applicable to the Term SOFR.

⁸ Variable Rate.

DEBT MANAGEMENT OPERATION CONFIRMATION FORM

(a) CURRENCY CONVERSION

DEAR. SIR/MADAM

Name of the Country

REF: Debt Management Operation Request # -
Currency Conversion

Subject: Debt Management Operation Confirmation # -
Currency Conversion

In response to your Debt Management Operation Request, CAF hereby accepts the above-mentioned request and confirms, based on the Requested Financial Conditions presented by the Borrower, the following terms and conditions:

CONFIRMED FINANCIAL CONDITIONS

DOLLAR CONVERSION TO <u>name of local currency</u>	
• AMOUNT IN DOLLARS	<input type="text"/> ⁹
• VALUE DATE	<u>Month</u> <u>Day</u> , <u>Year</u> ¹⁰
• EXCHANGE RATE	<input type="text"/> ¹¹
• INTEREST RATE IN <u>name of local currency</u> ¹²	<input type="text"/> ¹³ / <input type="text"/> ¹⁴ + <input type="text"/> ¹⁵
THE CAPITAL AND INTEREST PAYMENT DATES WILL BE THE SAME SET IN THE LOAN AGREEMENT	

⁹ It must correspond with the amount established by the Borrower in the respective Debt Management Operation Request.

¹⁰ It must be before the Expiration Date of the Offer of the respective Debt Management Operation Request.

¹¹ It must be within the limit set in the respective Debt Management Operation Request.

¹² It must be equivalent to or fewer than requested by the Borrower in the respective Debt Management Operation Request.

¹³ Fixed Rate.

¹⁴ In case of Variable Rate, please include the corresponding indexation factor in this field.

¹⁵ Please include the mark-up on the indexation factor.

- AMORTIZATION AMOUNT IN [name of local currency]

CAPITAL PAYMENT DATE ¹⁶	IMPORTANCE	INTEREST PAYMENT DATE ¹⁷	IMPORTANCE /RATE

By means of this Debt Management Operation Confirmation, it is understood that the Currency Conversion has been established and perfected and that the application of the Terms and Conditions of these Operations shall be legally binding to both Parties.

¹⁶ It must be the same Capital Payment Date that appears in the Loan Agreement.

¹⁷ It must be the same Interest Payment Date that appears in the Loan Agreement.

DEBT MANAGEMENT OPERATION CONFIRMATION FORM

(b) INTEREST RATE CONVERSION

DEAR. SIR/MADAM

[Name of the Country]

REF: Debt Management Operation Request # [] -
Interest Rate Conversion

Subject: Debt Management Operation Confirmation # [] -
Interest Rate Conversion

In response to your Debt Management Operation Request, CAF hereby accepts the above-mentioned offer and confirms, based on the Requested Financial Conditions presented by the Borrower, the following terms and conditions:

CONFIRMED FINANCIAL CONDITIONS

INTEREST RATE CONVERSION [(Variable to Fixed)/(Fixed to Variable)]	
• AMOUNT IN DOLLARS	[] ¹⁸
• VALUE DATE	[Month] [Day], [Year] ¹⁹
• INTEREST RATE ²⁰	[] ²¹ /SOFR [] ²² + [] ²³
THE CURRENCY AND THE CAPITAL AND INTEREST PAYMENT DATES WILL BE THE SAME SET IN THE LOAN AGREEMENT	

¹⁸ It must correspond to the amount established by the Borrower in the respective Debt Management Operation Request.

¹⁹ It must be before the Expiration Date of the Offer of the respective Debt Management Operation Request.

²⁰ It must be equivalent to or fewer than that requested by the Borrower in the respective Debt Management Operation Request.

²¹ Fixed Rate.

²² Define the number of months applicable to the Term SOFR.

²³ Variable Rate.

By means of this Debt Management Operation Confirmation, it is understood that the Interest Rate Conversion has been established and perfected and that the application of the Terms and Conditions of these Operations shall be legally binding to both Parties.