Financing Agreement

Additional Financing for the Mali Reconstruction and Economic Recovery Project

between

REPUBLIC OF MALI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF MALI ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement).

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient a grant, deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement, in an amount equivalent to twenty one million six hundred thousand Special Drawing Rights (SDR 21,600,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04. The Payment Dates are April 15 and October 15 in each year.

2.05. The Payment Currency is Euro.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through MEF in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following, namely that any of the Delegated Contract Management Agencies have breached any of their obligations under the Delegated Contract Management Agreements to which they are a party, in a manner which, in the opinion of the Association, has or may have an adverse impact on the compliance by the Recipient with its
obligations under this Agreement, the implementation of the Project or the achievement of its objectives.

4.02. The Additional Event of Acceleration consists of the event specified in Section 4.01 of this Agreement occurring and continuing for a period of sixty (60) days after notice of the event has been given by the Association to the Recipient.

4.03. The Co-financing Deadline for the effectiveness of the Co-financing Agreement is January 31, 2019.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Effectiveness Deadline is the date ninety (90) days after the signature date of this Agreement.

5.02. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is the Recipient’s Minister of Economy and Finance.

6.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient’s address is:

Ministry of the Economy and Finance
P. O. Box 234
Bamako
Republic of Mali; and

(b) the Recipient’s Electronic Address is:

Facsimile:
+223 20 22 19 14

6.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association’s address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and
(b) the Association's Electronic Address is:

Telex: 248423 (MCI)
Facsimile: 1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF MALI

By

[Signature]

Authorized Representative
Name: Soumana Cisse
Title: Minister of Economy & Finance
Date: December 11, 2018

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative
Name: Souleyna Kane
Title: Country Director
Date: December 11, 2018
SCHEDULE 1
Project Description

The objectives of the Project are to rehabilitate basic infrastructure and restore productive activities of communities impacted by the crisis in the Recipient's territory.

The Project consists of the Original Project, modified as set forth below:

Part 1: Rehabilitation of Local Infrastructure

1. Rehabilitating local public infrastructure to facilitate the resumption of services and economic activity in the Target Areas, including:

   (i) support to a fast-tracked priority investment program aimed at, inter alia, rehabilitation and equipping of classrooms, rehabilitation and equipping of health centers, rehabilitation of water supply systems, and rehabilitation and cleaning of drainage structures; and

   (ii) rehabilitation of local infrastructure as further determined by PLGs on the basis of the Social, Economic and Cultural Development Plans for each PLG.

2. Enhancing the socio-economic impact expected from the rehabilitation of the fishing port of Konna, including:

   (i) rehabilitation of rural roads between Konna and Koana, in order to link the port of Konna to the national road network and villages throughout the commune, all selected in accordance with criteria set forth in the PIM; and

   (ii) rehabilitation of public infrastructure, including schools and pre-schools, and rehabilitation or construction and equipping of sports grounds, youth centers and markets.

3. Upgrading the level and quality of service of health centers and other infrastructure rehabilitated or equipped under Part 1(1)(i) of the Project.

Part 2: Support to Productive Investments

1. Restoring economic activities of selected conflict-impacted households and community-based organizations in the Target Areas, including:

   (i) strengthening the productive assets of selected conflict-impacted households through, inter alia: (a) increasing access to improved seed and animal feed, and (b) recapitalizing livestock through the provision of kits, each consisting of fattening sheep and goats per household; and

   (ii) provision of support to selected community-based organizations through, inter alia: (a) construction or rehabilitation of said organizations' infrastructure for agricultural production activities, such
as small irrigation perimeters, storage facilities, and small processing units; (b) re-launching of said organizations’ livestock and fishery activities, including restocking, animal feed provision, animal vaccination and marketing facilities; and (c) provision of identified support to said organizations’ income-generating artisanal activities, including small shops and facilities for manufacturing handicrafts.

2. Supporting fish production and commercialization in the Konna area through infrastructure and equipment investments and developing agricultural land for increased productivity.

Part 3: Community Engagement and Local Governance

1. Strengthening the institutional capacity of the PLGs and community engagement in the planning, prioritization and oversight of local development activities through:
   (i) revision and validation of Social, Economic and Cultural Development Plans for PLGs;
   (ii) provision of support to said PLGs in conflict-sensitive consultation process at the village level for the prioritization of public infrastructure rehabilitation and identification of community-based organizations and individual vulnerable households to be supported for productive investments;
   (iii) planning and implementation of local development activities;
   (iv) regular dissemination of information related to Project progress and achievements to all stakeholders, especially communities;
   (v) provision of support for setting up a functional and accessible feedback and grievance mechanism contributing to the integrity of the process and principles of accountability and governance;
   (vi) provision of support to PLGs and local community to enable monitoring and oversight of infrastructure rehabilitation and productive investments;
   (vii) outreach and awareness-raising campaigns for the purpose of promoting the Project objectives; and
   (viii) support for community activities aimed at digital literacy and inclusion.

2. Support for institutional strengthening through:
   (i) provision of equipment and technical assistance to fisheries in the fishing port of Konna; and
   (ii) provision of technical assistance to ODPADIN (Office du Développement et de la Pêche et de l’Aquaculture dans le Delta
Part 4: Project Management, Monitoring and Evaluation

1. Project coordination, management and monitoring, preparation of financial audits and periodic evaluations, including:
   (i) preparation of Safeguard Instruments and implementation of Safeguard Instruments-derived mitigation measures associated with the Project; and
   (ii) support for the establishment and capacity building of the PCU technical and fiduciary capacity to manage and implement the Project, including, *inter alia*, recruitment of requisite staff, purchase of equipment, and provision of Training, audits, and monitoring and evaluation activities.

2. Support for enhanced monitoring and evaluation techniques, including:
   (i) third-party monitoring; (ii) GPS (Global Positioning System) field tagging and monitoring; (iii) use of satellite imagery; (iv) interactive beneficiary feedback; and (v) use of existing surveys to reach out to inaccessible areas where direct supervision is not possible.

Part 5: Contingent Emergency Response

Immediate response to an Eligible Crisis or Emergency, as needed, to finance emergency response expenditures and to meet crisis and emergency needs.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee

   (a) The Recipient shall maintain, at all times during the implementation of the Project, a Project steering committee with a mandate, composition and resources satisfactory to the Association ("Project Steering Committee").

   (b) Without limitation upon the provisions of paragraph (a) of Section I.A.1 of this Schedule 2, the Project Steering Committee shall be chaired by the Minister of Economy and Finance with the Minister of Local Governments as the vice-chair and shall be comprised of, inter alia, representatives of Ministry in charge of education, Ministry in charge of health, Ministry in charge of energy and water, Ministry in charge of social development, local governments and civil society. The PCU shall serve as the secretary to the Project Steering Committee.

   (c) The Recipient shall ensure that the Project Steering Committee meets at least semi-annually and is responsible for Project oversight, including, inter alia: (i) reviewing the proposed Annual Work Plans and Budgets for the Project; (ii) providing overall Project guidance, (iii) ensuring coherence between the Project activities and similar Recipient and donor-funded activities; and (iv) identifying necessary Project adjustments based on monitoring and evaluation reports.

2. Project Coordination Unit

   (a) The Recipient shall maintain at all times during Project implementation, a Project coordination unit within MEF, with composition, terms of reference and resources satisfactory to the Association and with staff in adequate numbers with experience and qualifications acceptable to the Association ("Project Coordination Unit" or "PCU").

   (b) The Recipient shall ensure that the PCU is responsible for day-to-day Project coordination and implementation, including: (i) preparing proposed annual work plans of activities for inclusion in the Project, and updating the procurement plan and related budgets and consolidating Project Reports for the Project Steering Committee's review; (ii) carrying out Project financial management and procurement activities; (iii) monitoring and evaluating the Project; and (iv) coordinating the RPIUs.
3. **Regional Project Implementing Units**

   (a) The Recipient shall maintain at all times during Project implementation, up to three (3) regional Project implementation units ("RPIU") as needed, in selected regions, and with composition and resources satisfactory to the Association.

   (b) Without limitation upon the provisions of paragraph (a) of Section I.A.3 of this Schedule 2, the Recipient shall ensure that each RPIU is at all times comprised of qualified and experienced personnel in adequate numbers, including, *inter alia*, an accountant, an infrastructure or local development specialist, and a local governance and capacity building specialist and/or a social development specialist, all with qualifications, experience, and terms of reference acceptable to the Association.

   (c) The Recipient shall ensure that each RPIU is responsible for regional level Project coordination, including preparation of regional level work plans, related budgets, and Progress Reports for submission to the PCU.

B. **Delegated Contract Management Agreement**

1. To facilitate the carrying out of Parts 1, 2 and 3 of the Project, the Recipient, through the PCU, shall enter into agreements with contract management agencies ("Delegated Contract Management Agency"), under terms and conditions satisfactory to the Association ("Delegated Contract Management Agreement").

2. The Recipient shall obtain rights adequate to protect its interests and those of the Association, which shall include the following:

   (a) The Recipient shall have the right to suspend or terminate the right of the Delegated Contract Management Agency to receive the proceeds of the Financing, or obtain a refund of all or any part of the amount of the Financing, then withdrawn, upon the Delegated Contract Management Agency’s failure to perform any of its obligations under the Delegated Contract Management Agreement; and

   (b) Each Delegated Contract Management Agency shall be required to: (i) perform its obligations under the Delegated Contract Management Agreement with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with: (A) the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient; and (B) the Safeguard Instruments, including, if a Resettlement Action Plan for any Project activities is required, all measures required to be taken pursuant to such plan prior to the commencement of works are taken as required; (ii) provide, promptly as needed, the resources required for the purpose; (iii) procure the
goods, works and services to be financed out of the Financing in accordance with the provisions of this Agreement; (iv) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of its Part of the Project and the achievement of the Project objective; (v) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to its obligations under the Delegated Contract Management Agreement; and (B) at the Recipient’s or the Association’s request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; (vi) enable the Recipient and the Association to inspect its performance under the Delegated Contract Management Agreement, including its operation and any relevant records and documents; and (vii) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

3. The Recipient shall exercise its rights under the Delegated Contract Management Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

4. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the Delegated Contract Management Agreement, or any provision thereof.

C. Project Implementation Manual

1. The Recipient shall, in accordance with terms of reference acceptable to the Association and no later than three (3) months after the Effective Date, update the Project Implementation Manual (“PIM”), containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) monitoring, evaluation, reporting and communication; and (e) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall carry out the Project in accordance with the updated PIM and shall not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision of either one thereof, without the prior written consent of the Association.

3. In the event of any conflict between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.
D. Annual Work Plans and Budgets

1. Not later than November 30 in each calendar year, the Recipient shall prepare, for the purpose of forwarding to the Association, an annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of Project implementation, of such scope and detail as the Association shall have reasonably requested.

2. The Recipient shall afford the Association a reasonable opportunity to review such draft annual work plan and budget, and thereafter shall carry out such annual work plan and budget during such subsequent calendar year as shall have been approved by the Association ("Annual Work Plan and Budget"). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the Financing.

3. Any Training proposed to be included in an Annual Work Plan and Budget, shall include, *inter alia*: (a) particulars of the Training envisaged; (b) the criteria for selection of the personnel to be trained, and such personnel if known; (c) the selection method of the institution or individuals conducting such Training; (d) the institution conducting such Training if identified; (e) the purpose and justification for such Training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such Training.

4. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior written approval.

E. Safeguards

1. The Recipient shall, prior to commencing any activities under Parts 1, 2 and 3 of the Project:

   (a) prepare, or cause to be prepared, the relevant Safeguard Instruments under terms of reference satisfactory to the Association;

   (b) furnish to the Association the Safeguard Instruments mentioned in paragraph (a) above and afford the Association a reasonable opportunity to review such Safeguard Instruments; and

   (c) thereafter, publicly disclose and adopt such Safeguard Instruments.

2. The Recipient shall: (a) take such measures, or cause such measures to be taken, as shall be necessary or appropriate to ensure full compliance with the requirements of such Safeguard Instruments; and (b) if any activity under the Project would involve Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before resettlement measures under the RAP, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, have been taken.

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, for each Safeguard Instrument, regularly collect, compile
and furnish to the Association reports in form and substance satisfactory to the Association, on the status of compliance with each Safeguard Instrument, as part of the Project Reports, giving details of:

(a) measures taken in furtherance of such Safeguard Instrument;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instrument; and

(c) remedial measures taken or required to be taken to address such conditions.

4. The Recipient shall not amend, waive or otherwise modify any provision of the Safeguard Instruments without the prior written consent of the Association.

5. In the event that any provision of the Safeguard Instruments shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.

6. The Recipient shall ensure that:

(a) all terms of reference for any technical assistance and studies to be carried out under the Project are consistent with the Association's environmental and social safeguard policies; and

(b) in any Project activity that may support the drafting of regulatory or other instruments for the purpose of local development planning, due attention will be given to said policies.

7. The Recipient shall ensure that any contracts for civil works under the Project include codes of conduct, mandatory for any personnel working on any Project activities, in form and substance acceptable to the Association, detailing measures on environmental, health and safety as well as measures to prevent and respond to gender-based violence and sexual exploitation and abuse.

8. Prior to deploying Malian military personnel to protect Project workers and property, the Recipient shall ensure that said military personnel are: (a) duly screened to confirm that they have not engaged in past unlawful or abusive behavior, including but not limited to gender-based violence or excessive use of force; and (b) adequately instructed and trained, namely on the use of force and appropriate behavior/conduct, all in a manner acceptable to the Association and as further detailed in a code of conduct for military personnel adopted by the Recipient in form and substance and in a manner satisfactory to the Association.

9. The Recipient shall promptly review all allegations of unlawful or abusive acts of Malian military personnel deployed to protect Project personnel and property, take appropriate action (or urge appropriate parties to take appropriate action) to prevent recurrence and, where necessary, report unlawful and abusive acts to the relevant authorities.
10. The Recipient shall ensure that a grievance redress mechanism is maintained, and its availability adequately publicized, to hear and determine fairly and in good faith, any complaints raised in relation to the implementation of the Project, including but not limited to any security-related grievances, and take all measures necessary to implement the determinations made under such grievance mechanism in a manner acceptable to the Association.

F. Immediate Response Mechanism

1. In order to ensure the proper implementation of Part 5 of the Project, the Recipient shall:

   (a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for Part 5 of the Project, including: (i) designation of, terms of reference for and resources to be allocated to, the entity to be responsible for coordinating and implementing said Part of the Project ("Coordinating Authority"); (ii) specific activities which may be included in said Part of the Project, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for said Part of the Project; (iv) procurement methods and procedures for Emergency Expenditures to be financed under said Part of the Project; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social management frameworks for said Part of the Project, consistent with the Association’s policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of said Part of the Project;

   (b) afford the Association a reasonable opportunity to review said proposed operations manual;

   (c) promptly adopt such operations manual for said Part 5 of the Project acceptable to the Association ("IRM Operations Manual");

   (d) ensure that said Part 5 of the Project is carried out in accordance with the IRM Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the IRM Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and

   (e) not amend, suspend, abrogate, repeal or waive any provision of the IRM Operations Manual without prior approval by the Association.

2. The Recipient shall maintain, throughout the implementation of Part 5 of the Project, the Coordinating Authority, with adequate staff and resources satisfactory to the Association.

3. The Recipient shall undertake no activities under Part 5 of the Project (and no activities shall be included in the said Part 5) unless and until the following conditions have been met in respect of said activities:
(a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in Part 5 in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and

(b) the Recipient has prepared and disclosed all Safeguard Instruments required for said activities, in accordance with the IRM Operations Manual, acceptable to the Association, and the Recipient has implemented any actions which are required to be taken under said Safeguard Instruments.

Section II. Project Monitoring, Reporting and Evaluation

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

Section III. Withdrawal of the Proceeds of the Financing

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, and consultants' services, Training and Operating Costs for the Project</td>
<td>21,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Emergency Expenditures under Part 5 of the Project</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>21,600,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

   (a) for payments made prior to the Signature Date; or

   (b) under Category (2), unless and until the Association is satisfied and so indicates by written notification to the Recipient, that all of the
following conditions have been met with respect to activities under Part 5 of the Project:

(i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities under Part 5 of the Project in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

(ii) the Recipient has prepared and disclosed all Safeguard Instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said Safeguard Instruments, all in accordance with the provisions of Section I.E.1 of this Schedule 2;

(iii) the Recipient's Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.F.1(a) of this Schedule 2, for the purposes of said activities; and

(iv) the Recipient has adopted an IRM Operations Manual in form, substance and manner acceptable to the Association and the provisions of the IRM Operations Manual remain or have been updated in accordance with the provisions of Section I.F.1(c) of this Schedule 2 so as to be appropriate for the inclusion and implementation of said activities under Part 5 of the Project.

2. The Closing Date is December 1, 2020.

Section IV. Other Undertakings

1. The Recipient shall maintain, within the PCU, a Project record-keeping system satisfactory to the Association and shall successfully train relevant staff in the use thereof.

2. The Recipient shall ensure that the Financing shall be used exclusively for the financing of activities detailed in Schedule 1 of this Agreement and no portion of the Financing shall be used for any applicable expenditure under the Project if such expenditure was reimbursed under similar Recipient or donor-financed programs.
APPENDIX

Section I. Definitions

1. “Affected Person” means a person who as a result of: (i) the involuntary taking of land under the Project is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood; and “Affected Person” means any of the Affected Persons.

2. “Annual Work Plan and Budget” means the annual work plan and budget as prepared by the Recipient for and approved by the Association in accordance with the provisions of Section I.D of Schedule 2 to this Agreement.

3. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.

4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

5. “Delegated Contract Management Agency” means an entity to carry out contract management, specifically procurement, quality control, and implementation of applicable safeguard instruments under the Project in accordance with the selection and performance criteria set forth in the PIM.

6. “Delegated Contract Management Agreement” means the agreement to be entered into between the Recipient and each Delegated Contract Management Agency for the purpose of implementing the Project, as referred to in Section I.B of Schedule 2 to this Agreement.

7. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

8. “Emergency Expenditures” means any of the Eligible Expenditures set forth in the IRM Operations Manual in accordance with the provisions of Section I.F of Schedule 2 to this Agreement and required for the activities included in Part 5 of the Project.

9. “Environmental and Social Management Framework” or “ESMF” means the plan prepared and adopted by the Recipient, dated August 13, 2018, disclosed in-country, and on the Bank’s website on August 15, 2018, setting out the modalities to be followed in assessing the potential adverse environmental and social impacts of Project activities including impacts on natural habitat, forests, and physical cultural resources, pest management,
and risks of gender-based violence and sexual exploitation and abuse and the measures to be taken to offset, reduce or mitigate such adverse impacts, including measures that endeavor to prevent and respond to gender-based violence and sexual exploitation and abuse; as well as for the preparation of environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.

10. “Environmental and Social Management Plan” or “ESMP” means a plan, satisfactory to the Association for the Project, to be prepared by the Recipient, proposing appropriate mitigation, monitoring and institutional measures designed to mitigate: (i) potential adverse environmental and resettlement impacts; (ii) impacts on natural habitat, fauna, flora or biodiversity; and (iii) direct or indirect significant impacts on forest conservation, offset them, reduce them to acceptable levels or enhance positive impacts, as the same may be amended from time to time with the agreement of the Association.

11. “Environmental and Social Impact Assessment” or “ESIA” means an assessment, satisfactory to the Association for the project, to be carried out by the Recipient to evaluate the Project’s potential environmental and social risks and impacts in its area of influence, examine alternatives and identify ways of mitigating and managing adverse environmental and social impact throughout Project implementation, as the same may be amended from time to time with the agreement of the Association.


14. “Immediate Response Mechanism Operations Manual” and “IRM Operations Manual” each means the operations manual referred to in Section I.F.1 of this Agreement, to be adopted by the Recipient for Part 5 of the Project in accordance with the provisions of said Section.

15. “MEF” means the Recipient’s ministry in charge of economy and finance and any successor thereto.

16. “Operating Costs” means incremental recurrent expenditures incurred on account of Project implementation, including: local contractual support staff salaries; travel expenditures and other travel-related allowances; equipment rental and maintenance; vehicle operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications’ expenses, but excluding the salaries of officials and public servants of the Recipient’s civil service.

18. “Original Project” means the Project described in Schedule 1 to the Original Financing Agreement.

19. “Pest Management Plan” or “PMP” means a plan, satisfactory to the Association and prepared by the Recipient to minimize and manage the environmental and health risks associated with pesticide use and promote and support safe, effective and environmental sound pest management, as the same may be amended from time to time with the agreement of the Association, disclosed in country on August 13, 2018 and the Association’s website on August 15, 2018.

20. “PLG” means the participating local governments within the Target Area as listed in the Project Implementation Manual.


22. “Project Coordination Unit” and “PCU” means the implementation unit of the Project to be established within the MEF (hereinafter defined) and maintained by the Recipient in accordance with the provisions of Section I.A.2 of Schedule 2 to this Agreement, in charge of the day-to-day management and implementation of the Project, including the coordination of the RPIUs (herein defined).

23. “Project Implementation Manual” and “PIM” means the manual referred to in Section I.C.1 of Schedule 2 to this Agreement, as the same may be revised from time to time with the prior written consent of the Association.

24. “Project Steering Committee” means the steering committee of the Project to be established and maintained in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.

25. “Resettlement Action Plan” or “RAP” means a plan prepared by the Recipient satisfactory to the Association for the Project, to outline the mitigation measures for addressing resettlement risks associated with the Project, as the said document may be amended and/or supplemented from time to time with the prior written concurrence of the Association and subject to the initial consultation and disclosure requirements carried out on the RAP.

26. “Resettlement Policy Framework” or “RPF” means the framework of the Recipient prepared in form and substance satisfactory to the Association, outlining the policies and procedures to be implemented in the event that specific activities implemented under the Project have potentially negative impacts on the livelihoods, assets and land of the affected population as the same may be amended from time to time with the agreement of the Association, disclosed in country on August 13, 2018 and the Association’s website on August 15, 2018.
27. “RPIU” means the regional project implementing units or regional antennas to be established and maintained in accordance with the provisions of Section I.A.3 of Schedule 2 to this Agreement.

28. “Safeguards Instruments” means collectively or individually the Environmental and Social Management Framework, the Resettlement Policy Framework, and the Pest Management Plan, prepared in connection with the Project.

29. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.

30. “Social, Economic and Cultural Development Plans” means local community plans prepared pursuant to criteria set forth in the PIM and acceptable to the Association.

31. “Target Areas” means areas identified in the Project Implementation Manual located in both the northern and central regions of the Recipient’s territory.

32. “Training” means the training of persons under the Project, including through seminars, workshops, knowledge-sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.