Loan Agreement

(Integrated Modern Agriculture Development Project)

between

PEOPLE'S REPUBLIC OF CHINA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated February 27, 2014
LOAN AGREEMENT

Agreement dated February 27, 2014, between the PEOPLE'S REPUBLIC OF CHINA ("Borrower") and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank").

The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

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

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of two hundred million Dollars ($200,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.07 of this Agreement] ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.

2.04. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (e) of the General Conditions.

2.05. The Payment Dates are March 15 and September 15 in each year.

2.06. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.
2.07. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

(c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05 (c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section IV of Schedule 2 to this Agreement.

ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out Parts 3(a), (d) and (e) and Part 4 of the Project through SOCAD in accordance with the provisions of Article V of the General Conditions, and cause each Project Implementing Entity to each carry out its Respective Parts of the Project in accordance with the provisions of Article V of the General Conditions and the Project Agreement.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — TERMINATION

4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
ARTICLE V – REPRESENTATIVE; ADDRESSES

5.01. The Borrower’s Representative is its Minister of Finance.

5.02. The Borrower’s Address is:

Ministry of Finance
Sanlihe
Beijing
100820
People’s Republic of China

Facsimile:

(86-10) 6855-1125

5.03. The Bank’s Address is:

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

Cable address: Telex: Facsimile:
INTBAFRAD 248423(MCI) or 1-202-477-6391
Washington, D.C. 64145(MCI)
AGREEED at Beijing, People's Republic of China, as of the day and year first above written.

PEOPLE'S REPUBLIC OF CHINA

By

Authorized Representative

Name: Yang Yingying
Title: Deputy Director-General (International Department), Ministry of Finance

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative

Name: Klaus Rohland
Title: Country Director, China
SCHEDULE 1 - Project Description

The objective of the Project is to develop sustainable and climate resilient agricultural production systems in selected areas of Gansu, Hunan, Jiangxi, and Liaoning Provinces, Xinjiang Uygur Autonomous Region and Chongqing Municipality.

The Project consists of the following parts:

Part 1: Irrigated Agriculture Infrastructure Improvement

(a) Improvement of farmland irrigation and drainage infrastructure.

(b) Development of high-efficiency irrigation systems.

(c) Water monitoring, measurement, and management, including: (i) construction and installation of water measurement structures and facilities; (ii) monitoring of groundwater pumped for irrigation; (iii) preparation and implementation of groundwater management plans for selected counties; and (iv) piloting crop evapo-transpiration monitoring in selected counties.

(d) Rehabilitation of farm access roads and on-farm rural power transmission lines.

Part 2: Enhanced Climate-Smart Agricultural Practices

(a) Carrying out, or promotion, of soil conservation and improved land management practices including, but not limited to: (i) land leveling, improved tillage practices, use of crop residues; (ii) improved soil fertility management through, among other things, soil testing, precise/formula fertilizer application, application of organic fertilizers and soil fertility monitoring; and (iii) development of multi-purpose agro ecological activities such as shelterbelts, greenbelts and windbreaks, and environmental monitoring.

(b) Promotion of climate-adaptation oriented agronomic techniques including: (i) integrated pest management; (ii) green and non-polluting products and production systems; (iii) farm-based demonstrations and extension of improved varieties and technologies, construction of green/plastic houses; and (iv) carrying out applied research on various measures related to adaptation to climate change in agriculture.

Part 3: Institutional Strengthening and Capacity Building

Enhancing the capacity of farmers, farmer organizations, and institutions at various levels for conducting and promoting sustainable and climate resilient agriculture through:

(a) development and transfer of knowledge through training, study trips, and information dissemination and communication on climate smart agriculture to a wide range of stakeholders;
(b) Provision of sub-grants to support the establishment and strengthening of Water Users' Associations and Farmer Associations to enhance their respective roles in improved water management and organized services delivery for climate change resilience;

(c) promotion and support to Farmer Cooperatives to enhance collective action for services delivery, access to markets, and farmers based adaptation to climate change;

(d) Project management capacity building for staff of the Project Management Offices including provision of office equipment, training materials, and vehicles; and

(e) provision of technical assistance through Mobile Expert Teams, and of relevant equipment to farmers, farmer organizations and institutions engaged in Project activities in order to give them specialist and multidisciplinary expertise on various features of climate resilient agriculture.

Part 4: Project Management Support

Provision of support to the Project Implementing Entities in Project management, implementation, and supervision, and in the monitoring and evaluation of Project progress and results through, among other things:

(a) support for Project surveys, design, and construction supervision;

(b) establishment and maintenance of a computerized management information system to monitor physical and financial progress; and

(c) recruitment and supervision of related consultancies.
SCHEDULE 2 - Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Borrower shall maintain, throughout the period of Project implementation, a national Project management office within SOCAD and Project management offices within each Project Implementing Entity, all with terms of reference, powers, functions, and other resources satisfactory to the Bank, including competent staff in adequate numbers, for the purposes of implementation of the Borrower's Respective Parts of the Project and overall Project coordination, management support, monitoring and reporting including:

   (a) reviewing and consolidating annual work plans and budgets;

   (b) ensuring adherence to agreed standards, guidelines, and procedures including ensuring, and reporting to the Bank on, compliance with the Safeguards Instruments;

   (c) providing overall guidance on operational aspects to the various implementing units; and

   (d) facilitating intra-knowledge transfer among the Project Implementing Entities and with external domestic and international agencies.

B. Financing Arrangements

1. For the purposes of carrying out the Project Implementing Entities' Parts of the Project, the Borrower shall make available part of the proceeds of the Loan to each Project Implementing Entity on a grant basis under terms and conditions satisfactory to the Bank.

2. The Borrower shall cause each Project Implementing Entity to: (a) manage, operate, monitor, transfer and reconcile the proceeds of the Loan made available to it pursuant to paragraph 1 above in accordance with arrangements and procedures satisfactory to the Bank; (b) take all required actions, including provision of timely consents and approvals as may be necessary, to facilitate the utilization of said Loan proceeds and the implementation of its Respective Parts of the Project; and (c) maintain all relevant records and documents related to the Loan and its Respective Parts of the Project and provide promptly such documents and records, including all other information, as may be requested by the Borrower or the Bank from time to time.

C. Implementation Arrangements

1. The Borrower, through SOCAD, shall:

   (a) carry out, and ensure that the Project Implementing Entities carry out, the Project in accordance with the Project Implementation Plan and in a manner satisfactory to the Bank; and
(b) not amend, suspend, or waive the said plan or any part thereof without the prior written agreement of the Bank. In the event of any inconsistency between the Project Implementation Plan and this Agreement, the provisions of this Agreement shall prevail.

2. The Borrower, through SOCAD, shall:

(a) promptly review the annual work plans furnished to it by the Project Implementing Entities each year pursuant to Section I, Part B.2 of the Schedule to the Project Agreement, and on the basis of said review, prepare, in accordance with guidelines acceptable to the Bank, and furnish to the Bank not later than November 30 in each calendar year, beginning on November 30, 2014 for the following year: (i) a consolidated draft work plan, including a work program, procurement plan and budget, including adequate counterpart funding allocation, for each activity to be financed under the Project; and (ii) a consolidated plan for Project supervision;

(b) afford the Bank a reasonable opportunity to exchange views with the Borrower and the Project Implementing Entities on said work plans and any proposed revisions by the Borrower; and

(c) thereafter, taking into account the Bank’s comments, finalize and provide to the Bank said annual work plan for the following calendar year satisfactory to the Bank.

D. Anti-Corruption

The Borrower shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

E. Safeguards

1. The Borrower shall carry out its Respective Part of the Project in accordance with the Safeguards Instruments and shall take, and cause the Project Implementing Entities to take, all measures necessary to comply with, or all measures necessary to enable the Project Implementing Entities to comply with, the provisions of Section I.E of the Schedule to the Project Agreement.

2. Without limitation upon its other reporting obligations under Section II, of this Schedule, the Borrower shall take all measures necessary on its part to regularly collect, compile, and submit to the Bank as part of the annual reports referred to in this Schedule 2, Section II, Paragraph A.2 (b), a report on the status of compliance with the Safeguard Instruments and giving details of:

(a) the measures taken in furtherance of the Safeguards Instruments;

(b) conditions, if any, which interfered or threaten to interfere with the implementation of the Safeguards Instruments; and
Section II.  **Project Monitoring Reporting and Evaluation**

A.  **Project Reports**

1.  The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of the indicators agreed with the Bank and set forth in the Project Implementation Plan.

2.  For the purposes of the preceding paragraph and Section 5.08 (b) of the General Conditions, the Borrower shall prepare the following reports:

   (a) semi-annual reports, to be furnished to the Bank not later than March 15 and September 15 in each calendar year, beginning on September 15, 2014, summarizing the progress of its Respective Parts of the Project and consolidating the semi-annual reports furnished to it by the Project Implementing Entities pursuant to Section II, Paragraph A.2 (a) of the Schedule to the Project Agreement;

   (b) annual reports, to be furnished to the Bank not later than March 31 in each calendar year, commencing March 31, 2015, presenting the results of the monitoring and evaluation activities carried out by it in respect of the preceding calendar year, based on the agreed monitoring indicators; and the results of social and environmental safeguards monitoring, soil fertility monitoring, and groundwater monitoring by the Project Implementing Entities, and setting out the measures recommended to ensure the efficient carrying out of the Project and to further the objectives thereof during the then current calendar year; and

   (c) a mid-term report, to be furnished to the Bank not later than December 31, 2016 or such other date as the Bank and the Borrower shall agree: (i) summarizing the results of the monitoring and evaluation activities (including the Project progress and lessons learned) carried out since the inception of the Project; (ii) consolidating the mid-term reports furnished to it by each Project Implementing Entity pursuant to Section II. Paragraph A.2 (b) of the Schedule to the Project Agreement; and (iii) setting out the measures recommended to ensure efficient Project implementation so as to achieve the objectives of the Project during the period following the date of such report.

3.  After furnishing each said report, review, and cause the Project Implementing Entities to review, the same with the Bank, and thereafter, promptly take, and cause the Project Implementing Entities to take, all measures in relation thereto as shall have been agreed between the Borrower and the Bank.
B. Financial Management, Financial Reports and Audits

1. The Borrower shall maintain, or cause to be maintained, and ensure that each Project Implementing Entity shall maintain or cause to be maintained, a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Borrower shall prepare and furnish to the Bank as part of the Project Report, not later than sixty (60) days after the end of each calendar semester, consolidated interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the Bank.

3. The Borrower shall have the Financial Statements audited and cause each Project Implementing Entity to have its Financial Statements audited, in accordance with the provisions of Section 5.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period. The Borrower shall make, and cause each Project Implementing Entity to make, the audited Financial Statements publicly available in a timely fashion and in a manner acceptable to the Bank.

Section III. Procurement

All goods, works and services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the provisions of Section III of the Schedule to the Project Agreement.

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan ("Category"), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Works:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Chongqing</td>
<td>22,860,000</td>
<td>70%</td>
</tr>
<tr>
<td>(b) Gansu</td>
<td>24,610,000</td>
<td>86%</td>
</tr>
<tr>
<td>(c) Hunan</td>
<td>24,390,000</td>
<td>81%</td>
</tr>
<tr>
<td>(d) Jiangxi</td>
<td>27,780,000</td>
<td>81%</td>
</tr>
<tr>
<td>(e) Liaoning</td>
<td>19,340,000</td>
<td>95%</td>
</tr>
<tr>
<td>(f) Xinjiang</td>
<td>27,930,000</td>
<td>85%</td>
</tr>
<tr>
<td>(2) Goods, non consulting services, consultants’ services and Training for PMOs</td>
<td>32,230,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Other consultants’ services and Training</td>
<td>18,540,000</td>
<td>70%</td>
</tr>
<tr>
<td>(4) Sub-grants</td>
<td>1,820,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Front-end Fee</td>
<td>500,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(6) Interest Rate Cap or Interest Rate Collar premium</td>
<td>0</td>
<td>Amount due pursuant to Section 2.07(c) of this Agreement</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>200,000,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed $12,860,000 equivalent may be made for payments made prior to this date but on or after May 30, 2013 for Eligible Expenditures.

2. The Closing Date is December 31, 2019.
SCHEDULE 3 - Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share"). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each March 15 and September 15</td>
<td>2.5%</td>
</tr>
<tr>
<td>Beginning March 15, 2019 Through September 15, 2038</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

(a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.

(b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date ("Original Installment Share") and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.
(b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.
APPENDIX

Section I. Definitions


2. “Beneficiary” means: (a) a Water Users’ Association; or (b) a Farmer Association which meets the criteria set out in the Project Implementation Plan for financing under Part 3 (b) of the Project and which has received or will receive a Sub-grant for Establishment Costs.

3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

4. “Chongqing” means the Borrower’s Chongqing Municipality, or any successor thereto.


6. “County Project Management Office” and “CPMO” mean the Project Management Office to be established and maintained by each Project Implementing Entity at the county level.

7. “Completion Report” means the report to be furnished by the Borrower to the Bank as provided for in Section 5.08 (c) of the General Conditions.

8. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons; and a “Displaced Person” means any of such Displaced Persons.

9. “Environmental Management Plan” means the Borrower’s plan, satisfactory to the Bank and publically disclosed in the Borrower’s territory on September 6, 2012, setting out an assessment of environmental impacts of the Project and the environmental protection measures to be taken to mitigate any adverse effects, as well as the institutional, administrative and monitoring arrangements to ensure the implementation of said plan, as the same may be revised from time to time with the prior agreement of the Bank.

10. “Establishment Costs” means the reasonable costs incurred by a Beneficiary for its establishment and operation, including registration fees, and office furniture, supplies,
and equipment and financed or to be financed by a Sub-grant under Part 3 (b) of the Project.

11. "Ethnic Minorities Development Plan" means the Borrower’s plan, satisfactory to the Bank and publically disclosed in the Borrower’s territory on August 27, 2012 setting out the procedures, rules, and guidelines for: (i) the informed involvement of ethnic minorities, through a process of informed consultation, in the design and implementation of the Respective Parts of the Project of Xinjiang and Liaoning in locations in which such people reside or which they use for their livelihood; and (ii) designing and implementing measures or actions to provide benefits which are socially and culturally acceptable to ethnic minorities, and reduce, mitigate and offset adverse impacts of said implementation, as such framework may be amended from time to time with the prior agreement of the Bank.

12. “Farmer Association” means each of the farmer associations established, or to be established, and operated in the Project Counties by farmer households as non-profitable organizations based upon democratic consultations in accordance with the Borrower’s laws for the purpose of carrying out activities under the Project.

13. “Farmer Cooperative” means a cooperative established by farmers in accordance with the relevant laws of the Borrower.

14. “Gansu” means the Borrower’s Gansu Province, or any successor thereto.


16. “Jiangxi” means the Borrower’s Jiangxi Province, or any successor thereto.

17. “Liaoning” means the Borrower’s Liaoning Province, or any successor thereto.

18. “Mid-Term Report” means the report to be furnished by the Borrower to the Bank as provided for in Schedule 2, Section II, Paragraph A.2 (c) of this Agreement.

19. “MIS” means the computerized management of information system to be established in the National Project Management Office under Part 4 (b) of the Project for purposes of the Project.

20. “Mobile Expert Team” means each team established or to be established by a Project Implementing Entity within the Project Management Offices, as applicable, as provided for in Section I, Paragraphs A.2 of the Schedule to the Project Agreement, to, among other things, provide expert advisory services on technical and institutional matters to such Project Management Offices, Project Beneficiaries and other Project stakeholders in order to facilitate Project implementation.

21. “National Project Management Office” and “NPMO” mean the office to be maintained by the Borrower within SOCAD in accordance with Schedule 2, Section I, Paragraphs A. 1 to this Agreement for the purposes of: (a) overall Project monitoring, evaluation and
reporting, including reviewing and consolidating annual work plans and budgets and ensuring, and reporting to the Bank on, compliance with the Safeguards Instruments; and (b) implementation of the Borrower’s Respective Part of the Project.

22. “Pest Management Plans” means, collectively, the pest management plans prepared by each of the Project Implementing Entities, acceptable to the Bank and publically disclosed in the respective territories of the Project Implementing Entities on September 5, 2012 which set out measures and procedures to manage pests in an integrated manner, including selection and application of pesticides whenever necessary, so as to minimize adverse effects on beneficial organisms, humans and the environment, as said plans may be amended from time to time with the prior agreement of the Bank.

23. “Provincial Project Management Office” and “PPMO” means the Project Management Office to be established and maintained by each Project Implementing Entity at the provincial level or, in the case of Chongqing at municipal level and, in the case of Xinjiang, at the autonomous region level.


25. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated May 30, 2013 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

26. “Project Counties” means the counties within the jurisdiction of the Project Implementing Entities selected to participate in Project activities, and “Project County” means any of the Project Counties.

27. “Project Dams” means the dams specified in the Project Implementation Plan which supply or will supply water to the irrigation systems financed or to be financed under the Project, or whose failure would cause extensive damage to, or failure of, such irrigation systems.

28. “Project Implementation Plan” means the consolidated implementation plans of the Borrower and the Project Implementing Entities, dated November 4, 2013 setting out, among other things: (a) the institutional, implementation, supervision, monitoring and evaluation and reporting arrangements for the Project; (b) implementation guidelines for various Project activities, including financial management and procurement, and the Procurement Plan for the first 18 months of the Project; (c) the operational manuals for the functioning of Farmer Associations and WUAs; (d) guidelines for agricultural support activities; (e) technical assessment reports for water resources balance and dam safety including provisions to be followed with regard to dam safety standards and dam management under the Project, as the same may be revised from time to time with the prior written agreement of the Bank; and (f) the Safeguards Instruments; as such plans shall be reviewed annually as provided for in Schedule 2, Section I, Paragraph C.2 of this
29. "Project Implementing Entities" means, collectively, Gansu, Hunan, Jiangxi, Liaoning, Xinjiang and Chongqing, and "Project Implementing Entity" means any one of the said Project Implementing Entities.

30. "Project Leading Group" means each of the groups to be maintained by each Project Implementing Entity in accordance with Section I, Paragraph A.1 (a) of the Schedule to the Project Agreement, for purposes of providing leadership, policy guidance, and interagency coordination for the implementation of the Project.

31. "Project Management Offices" and "PMOs" mean, collectively, the NPMOs, PPMOs and CPMOs (as herein defined).

32. "Resettlement Policy Framework" means the Borrower’s policy framework, satisfactory to the Bank and publically disclosed in the Borrower’s territory on September 27, 2012 which sets out the policies and procedures for land acquisition, resettlement, compensation and rehabilitation of Displaced Persons, and for the preparation of resettlement action plans during the implementation of the Project, as said policy framework may be revised from time to time with the prior written agreement of the Bank; and such term includes all attachments and annexes supplemental to said Resettlement Policy Framework.

33. "Respective Parts of the Project" means, in respect of the Borrower, Parts 3 (a), and (e) and Part 4 of the Project and, in respect of each Project Implementing Entity, the activities under Parts 1, 2 and 3 of the Project to be carried out within its respective territorial jurisdiction.

34. "Safeguards Instruments" means the Environmental Management Plan, the Pest Management Plans, the Resettlement Policy Framework, and the Ethnic Minorities Development Plan (all as herein defined).

35. "SOCAD" means the State Office for Comprehensive Agricultural Development within the Borrower’s Ministry of Finance and any successor thereto.

36. "Sub-grants" means sub-grants made under Part 3 (b) of the Project to Beneficiaries that meet the criteria specified in the Project Implementation Plan to partially finance the Establishment Costs of such Beneficiaries.

37. "Training" means for purposes of Schedule 2, Section IV to this Agreement, the reasonable cost of travel, lodging and per diem of trainees attending training, study trips, workshops and seminars, the cost of organizing workshops, training and seminars, and the cost of delivering training (excluding consultants fees) such as rental of training space and training equipment and other logistical costs, all as yearly budgeted and approved by the Borrower and the Bank.
38. "WUA Operation Manual" means the manual, attached to the Project Implementation Plan, prepared and adopted by the Borrower and the Project Implementing Entities to guide the activities of Water Users' Associations under the Project covering, among other things: (a) definition and functions of WUAs; (b) general conditions for WUAs; (c) the benefits WUA could bring to farmers; (d) step by step procedures for WUA formation, in particular the procedures for electing the WUA executive committee; (e) structure, formulation and operation of WUAs; (f) rules and regulations of WUAs; (g) rights and obligations of WUA members; (h) water management, utilization, pricing and water fee collection; (i) members' participation in and inspection on WUA work; (j) indicative procedures for implementing participatory irrigation management and in particular the WUA's involvement in irrigation planning, design, construction, operation and management; (k) the assistance to be expected from the Project for WUA activities; and (l) appendices, including samples of a WUA charter, regulations, water supply service contract, document for handing-over irrigation facilities, and table for transparent water fee management.

39. "WUA" and "Water Users' Association" mean an association established or to be established and operated in a Project County by farmer households as a non-profit social organization based upon consultations in accordance with the WUA Operations Manual (as herein defined) for the purpose of carrying out activities under the Project, including the operation and maintenance of the infrastructure constructed or improved under the Project, as provided for in the Project Implementation Plan.

40. "Xinjiang" means the Xinjiang Uygur Autonomous Region, or any successor thereto.