Loan Agreement

(Cashew Value-Chain Competitiveness Project)

between

CONSEIL DU COTON ET DE L’ANACARDE

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between CONSEIL DU COTON ET DE L’ANACARDE ("Borrower") and 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) apply to and form part of this Agreement.

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

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower an amount equivalent to one hundred sixty-three million seven hundred thousand Euros (163,700,000 €) ("Loan"), to assist in financing the project described in Schedule I to this Agreement ("Project").

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

2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.

2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest rate is the Reference Rate plus the Fixed Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

2.06. Without limitation upon the provisions of Article IV of the General Conditions and unless otherwise notified by the Borrower to the Bank in accordance with the provisions of the Conversion Guidelines, the interest rate basis applicable to the aggregate principal amount of the Loan withdrawn during each Interest Period shall be converted from the initial Variable Rate to a Fixed Rate for the full maturity of such amount in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
2.07 The Payment Dates are February 1st and August 1st in each year.

2.08 The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.
ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedules 2 and 4 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Conditions of Effectiveness consist of the following:

(a) The Borrower has signed a fiduciary management agreement with FIRCA to entrust FIRCA with the financial management and procurement of the Project.

(b) The Borrower has adopted the PIM with the specifications described in Section 1.C of Schedule 2 of this Agreement and as approved by the Bank.

(c) The Guarantee Agreement acceptable to the Bank has been executed on behalf of the Guarantor.

(d) The Borrower shall cause the Guarantor to issue for the purpose of the Project a waiver of the provisions of Decree No 2015-475 dated July 1, 2015, governing the modalities of donor-financed projects that requires the appointment of a public accountant and a financial controller from the Ministry of Budget.

(e) The Bank has received evidence that the Borrower has established a Guarantee Account with the Guarantee Account Bank and deposited in the Guarantee Account an amount equal to eighteen (18) months’ peak anticipated debt service payments on the Loan, as calculated by the Bank, it being understood that for the purposes of such initial calculation, the debt service payments shall only include the principal and interest repayments for Loan amounts that are anticipated in bona fide to be requested by the Borrower for its first disbursement on or around the Effective Date.

(f) A Guarantee Account Security Agreement, acceptable to the Bank, has been duly executed on behalf of the Borrower, the Guarantee Account Bank, and the Bank, setting forth each party’s rights and obligations thereunder; and the Bank has received legal opinions of counsel acceptable to the Bank or other assurances satisfactory to the Bank, evidencing the validity and enforceability of the Bank’s rights set forth in the Guarantee Account Security Agreement under the laws of the jurisdiction in which
the Guarantee Account Security Agreement is located, including the Bank's security interest in the amounts on deposit in the Guarantee Account under the Guarantee Account Security Agreement; and showing that the Guarantee Account Security Agreement has been duly authorized, executed and delivered on behalf the Borrower and is legally binding upon the Borrower in accordance with its terms.

(g) The Bank has received evidence that the Borrower has established a Repayment Account with the Repayment Account Bank, with the purpose of depositing the FCFA 20 kg portion of the Levy in accordance with the terms of Schedule 4.

(h) A Repayment Account Agreement, acceptable to the Bank, has been duly executed on behalf of the Borrower, the Repayment Account Bank, the Guarantor, and the Bank, setting forth each party's respective rights and obligations thereunder; and the Bank has received legal opinions satisfactory to the Bank of counsel acceptable to the Bank or other assurances satisfactory to the Bank, evidencing the validity and enforceability of the Bank's rights, and showing that the Repayment Account Agreement has been duly authorized, executed and delivered on behalf the Borrower and is legally binding upon the Borrower in accordance with its terms.

(i) The Bank has received a letter or other satisfactory assurance from the BCEAO (which may be addressed to the Borrower or the Guarantor, but upon which the Bank can rely) confirming that the BCEAO has no objections to the opening of the Guarantee Account in EUR with the Guarantee Account Bank in accordance with the applicable rules and regulations of the BCEAO.

4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the Signature Date.

4.03. For purposes of Section 9.05 (b) of the General Conditions, the date on which the obligations of the Borrower under this Agreement (other than those providing for payment obligations and the obligations of the Borrower set forth in Schedule 4) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower's Representative is its director general.

5.02. For purposes of Section 10.01 of the General Conditions:
(a) the Borrower’s address is:
Conseil du Coton et de l’Anacarde
Plateau Immeuble CAISTAB 15th étage –
BP 604
Abidjan, Côte d’Ivoire and

(b) the Borrower’s Electronic Address is:

Facsimile: E-mail:
225 22 52 75 85 support@conseilcotonanacarde.ci

5.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank’s address is:
International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank’s Electronic Address is:

Facsimile: E-mail:
1-202-477-6391 bureaududirecteur@worldbank.org
AGREED as of the Signature Date.

CONSEIL DU COTON ET DE L’ANACARDE

By

[Signature]

Authorized Representative

Name: Dr. Adama Coulibaly
Title: Director General
Date: April 21, 2018

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

[Signature]

Authorized Representative

Name: Makhtar Diop
Title: Vice President
Date: April 21, 2018
SCHEDULE 1

Project Description

The objective of the Project is to increase cashew productivity, quality and value-added, benefiting smallholder farmers and the cashew processing industry in the Republic of Côte d'Ivoire.

The Project consists of the following parts:

Part 1: Institutional strengthening and value chain governance

1. Building capacity of the key organizations overseeing the cashew value chain
   
   (a) Supporting the Borrower for its organizational development to manage stakeholder processes and training in quality control and marketing, by providing it with specialized technical assistance, transport, office and information technology equipment, a geo-referenced management information system, technical advisory services and equipment and goods in bulk.

   (b) Supporting the establishment of a national cashew inter-professional body through organizational development measures, including capacity building in administration specific long-term technical assistance as well as short term specialized expertise, provision of transport, office and information technology equipment and funding to cover the initial operating costs of the inter-professional body.

   (c) Supporting the cashew cooperatives with their legal registration by providing technical and managerial for their officials in areas such as good governance, operational management, financial assistance and auditing techniques, business development, marketing and creditworthiness.

   (d) Supporting DOPA to oversee the process of organizing the value chain actors into professional entities by establishing the cashew industry inter-professional body and supervising the cashew producer organizations’ accounts. The Project will also provide transport and office and information technology equipment to DOPA.

2. Improving the cashew business environment
   
   (a) Assessing the regulations and licenses required to sell, buy and trade cashew products to reduce marketing costs by financing studies and
diagnostics of current procedures in relation to competing markets and countries.

(b) Supporting MIM to implement and monitor measures that are designed to improve the business environment such as fiscal incentives, specific subsidies and a fast track mechanism for processing incentives.

(c) Supporting ANDE to ensure that all cashew processing companies meet environmental and social standards, and to simplify the procedures and reduce the cost of obtaining environmental permits by financing; (i) an environmental awareness campaign targeting small and medium cashew-processing enterprises; and (ii) capacity building for ANDE to implement an electronic platform to facilitate environmental impact assessment.

Part 2: Productivity enhancement and improved access to raw cashew nuts market

1. National cashew research and seedling development

Promoting a national cashew research and seedling development program in partnership with CNRA, FIRCA, and academia by supporting the implementation of the PNRA through: (a) continued research on high-performing tree varieties; (b) a feasibility study, the construction, and equipping of a specialized laboratory to produce improved planting material in vitro; (c) strengthening human resources in cashew research by funding specialized training, notably in plant genetics, variety development, and plant protection, technology testing, transfer, and dissemination of research results, including exchange seminars, workshops and demonstration trials; and (d) providing logistics and information technology equipment.

2. Support for cashew extension services and technology transfer

Supporting ANADER's cashew extension program through: (a) the establishment of cashew development centers; (b) training of staff in good agricultural practices; (c) development and dissemination of extension materials; (d) provision of facilities to multiply seedlings, as well as equipment to facilitate extension outreach to farmers; and (e) equipping and financially supporting additional training and advisory service providers, including non-governmental organizations and youth enterprises.

3. Rehabilitation and maintenance of feeder roads

Implementing a feeder road rehabilitation and maintenance program jointly with AGEROUTE, by (a) rehabilitating feeder roads and maintenance and light reprofiling of these roads over the duration of the Project, including by carrying out technical studies, environmental and social impact assessments, mitigation
measures; and (b) developing a community-based road maintenance strategy and strengthening road maintenance associations and providing them with low-cost hand tools and equipment to undertake routine maintenance.

Part 3: Support to private investment in post-harvest and processing infrastructure

1. Cashew post-harvest and processing infrastructure development

(a) Improving returns throughout the value chain (farm, processing, storage and export) by (i) investing in warehouse facilities and organizing a series of regional workshops to train warehouse managers in best practices for warehouse management; and (ii) providing financial support on a cost sharing basis (fifty percent (50%)) for additional storage capacity of raw cashew nuts.

(b) Supporting the establishment of cashew processing platforms in the major producing areas by (i) conducting site identification and assessment; (ii) supporting detailed technical and economic feasibility studies for developing the platform, master planning and development, business development plan, and environmental and social safeguards; (iii) financing the construction of the platform’s critical infrastructure and common services; (iv) developing an investment promotion campaign for the site, including the development and implementation of an aftercare program for the retention and expansion for the cashew processing investors; and (v) supporting the establishment of its management structure.

(c) Supporting a network of cashew service hubs that will serve as outreach buying points for the processing platforms as well as distribution points providing farm inputs. Each hub will be equipped with a warehouse for raw materials, a drying yard, a small storage facility for inputs and will be staffed by trained, knowledgeable personnel.

2. Access to investment capital and risk management instruments

Improving access to finance for the domestic cashew industry participants by: (a) providing technical support to Partner Financial Institutions (PFIs); (b) establishing a dedicated financing facility (“Dedicated Financing Facility” or “DFF”) for both long term investment funding and support for micro-investments to modernize or establish processing and storage facilities; and (c) contributing to the Borrower’s security deposit scheme (“Security Deposit Scheme” or “SDS”) for short-term credit facilities to processors to acquire raw cashew nuts.
3. Support market development and trade

Supporting the effective development of domestic, regional, and international markets for cashew products by (a) conducting a study of opportunities for marketing cashew products and byproducts and a branding and marketing campaign; (b) promoting principles of quality control and food safety in processing and marketing raw cashew nuts, as well as food safety management standards; and (c) setting up a market information system on prices for raw cashew nuts and processed kernels to all stakeholders.

Part 4: Project coordination, monitoring and knowledge management

Supporting the administrative, technical, and financial management of the Project, the coordination among all institutional partners, the effective contractual arrangements with key state implementing partners and the monitoring and evaluation of the Project’s performance and financial, environmental and social impact.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Steering Committee

   (a) The Borrower's board will serve as the Project’s steering committee ("Steering Committee") and shall be chaired by the president of the board.

   (b) The Steering Committee shall be in charge of the oversight, orientation, overall coordination of Project activities and partners and responsible for: (i) advising the Borrower on strategic directions and supporting activities; (ii) approving the Annual Work Plan and Budget; (iii) ensuring effective collaboration and cooperation between all key stakeholders; and (iv) reviewing the PCU's implementation progress reports.

2. Project Coordination Unit

   (a) The Borrower shall establish a project coordination unit ("Project Coordination Unit" or “PCU") that will oversee the planning and budgeting of Project activities and execute the approved Annual Work Plans and Budget. The PCU shall also oversee the technical supervision and quality control, gender and social inclusion, environmental and social safeguards, and monitoring and evaluation of the Project.

   (b) The PCU shall be chaired by the director general of the CCA who will act as overall Project coordinator.

   (c) The PCU shall, at all times during Project implementation, retain the following staff, inter alia, each with terms of reference, qualifications and experience satisfactory to the Bank: (i) a project coordinator, (ii) a technical and operations officer for cashew production, (iii) a technical and operations officer for cashew processing, (iv) an internal auditor, (v) a gender and social inclusion specialist/social safeguard specialist, (vi) an environmental safeguards specialist, and (vii) a monitoring and evaluation specialist.

   (d) As transitional measures, the implementation unit for the West Africa Agriculture Productivity Program, established within FIRCA, shall initially be responsible for managing and coordinating Project activities, including procurement and financial management and the daily
management of the Designated Account. No later than three (3) months after the Effective Date the PCU will take over all functions, apart from the fiduciary function, which will remain entrusted to FIRCA.

3. Project Implementation Agencies

(a) For the purpose of carrying out Project activities the Borrower shall no later than three (3) months after the Effective Date, enter into Subproject Agreements with project implementation agencies ("Project Implementation Agencies" or "PIAs"), each under their respective mandates: (i) FIRCA and CNRA for agriculture research activities and production of seedlings, (ii) ANADER for extension of cashew good agricultural practices, (iii) DOPA for support to professional organizations, (iv) AGEDI for promotion of the processing platforms dedicated to cashew, (v) BNETD for preparation of technical studies, and (vi) AGEROUTE for the rehabilitation of feeder roads.

(b) The Borrower shall, through the PCU and FIRCA, require each PIA to:

(i) carry out its Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Bank;

(ii) provide, promptly as needed, the resources required for the purpose;

(iii) procure the goods and services in accordance with the provisions of the relevant Subproject Agreement and the Bank’s Procurement Regulations;

(iv) maintain policies and procedures adequate to enable it to monitor and evaluate, in accordance with indicators acceptable to the Bank, the progress of the Subproject and the achievement of its objectives;

(v) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Subproject; and (B) at the Bank’s or the Guarantor’s request, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Borrower and the Bank;
(vi) enable the Guarantor and the Bank to inspect the Subproject, its operation and any relevant records and documents; and

(vii) prepare and furnish to the Borrower and the Bank all such information as the Borrower or the Bank shall reasonably request relating to the foregoing.

(c) The Borrower shall, through the PCU, exercise its rights under each Subproject Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan.

(d) Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive any Subproject Agreement or any of its provisions.

4. **Fiduciary Arrangements**

(a) Pursuant to Article 4.01 of this Agreement, the Borrower shall enter into an agreement with FIRCA to entrust it with the fiduciary responsibility of the Project. FIRCA’s finance and administrative director shall act as the Project’s fiduciary director.

(b) The Borrower shall ensure that FIRCA:

   (i) appoints: (A) a financial management specialist, (B) a procurement specialist, (C) a principal accountant, and (D) an external auditor, all with qualifications and experience satisfactory to the Bank and no later than three (3) months after the Effective Date;

   (ii) updates the accounting software and its fiduciary procedures manual no later than two (2) months after the Effective Date;

   (iii) no later than two (2) months after the Effective Date, signs a protocol with IGF and MEF which will allow IGF to include the Project in the scope of its work; and

   (iv) creates an audit committee to strengthen its capacity and performance regarding its oversight function for the Project, no later than six (6) months after the Effective Date.
B. Dedicated Financing Facility and Security Deposit Scheme

1. For the purposes of carrying out Part 3.2 of the Project, the Borrower shall:
   (a) establish a Dedicated Financing Facility to incentivize PFIs to increase their
       lending to the cashew industry by providing funding for Eligible Expenditures, in
       the form of (i) Collateral Enhancement Grants for cashew post-harvest investments
       including for upgrading or modernizing existing storage and processing facilities
       and (ii) Matching Grants for small storage facilities and investment initiatives for
       youth aged between eighteen (18) and thirty-five (35) and women; and (b)
       contribute to the Security Deposit Scheme to guarantee loans issued by eligible
       PFIs for Beneficiaries to fund their raw cashew nuts stocks.

2. Beneficiaries will be selected by a project grant committee ("PGC") to be
   established by the PCU which will also oversee the management of the Collateral
   Enhancement Grants, the Matching Grants and the Security Deposits.

3. The Borrower shall ensure that each Collateral Enhancement Grant, Matching
   Grant and Security Deposit shall be eligible for financing only upon the
   Borrower's determination, on the basis of an appraisal conducted in accordance
   with the criteria, guidelines and detailed procedures set forth in the Project
   Implementation Manual, that the Collateral Enhancement Grant, the Matching
   Grant or the Security Deposit satisfies the eligibility criteria specified in the Project
   Implementation Manual, and has been, inter alia:

   (a) appraised on the basis of an environmental and social assessment and other
       guidelines acceptable to the Bank (and be accompanied by appropriate
       Safeguard Documents, if required);

   (b) designed to avoid any involuntary resettlement of persons or loss of their
       income or productive capacity;

   (c) designed to ensure that, in compliance with the national legislation enacted
       pursuant its obligations under the C138 – Minimum Age Convention and
       the C182 – Worst Forms of Child Labour Convention, there is no use of
       child labour;

   (d) designed to prohibit and prevent any gender based violence or sexual
       exploitation and violence;

   (e) approved by the Borrower and the Bank, unless with respect to the Bank’s
       approval, the Bank has notified the Borrower in writing that its prior
       approval is not required; and

   (f) included in the Annual Work Plan and Budget approved by the Bank in
       accordance with Section F of this Schedule.
4. The Borrower, through the PCU, shall make each Collateral Enhancement Grant, Matching Grant or Security Deposit available to the Beneficiary, under a Collateral Enhancement Grant Agreement, Matching Grant Agreement or Security Deposit Agreement as applicable, with the respective Beneficiary on terms and conditions approved by the Bank, which shall, inter alia, include the following:

(a) The Borrower shall obtain rights adequate to protect its interests and those of the Bank, including the right to:

(i) suspend or terminate the right of the Beneficiary to use the proceeds of the Collateral Enhancement Grant, the Matching Grant, or the Security Deposit or obtain a refund of all or any part of the amount of the Collateral Enhancement Grant, the Matching Grant or the Security Deposit then withdrawn, upon the Beneficiary’s failure to perform any of its obligations under the Collateral Enhancement Grant Agreement, the Matching Grant Agreement or the Security Deposit Agreement, as applicable; and

(ii) require each Beneficiary to:

(A) carry out the activities financed or guaranteed by the Collateral Enhancement Grant, the Matching Grant or the Security Deposit with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental, social, labour and health standards and practices satisfactory to the Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower;

(B) provide, promptly as needed, the resources required for the purpose;

(C) procure the goods, works and services to be financed out of or guaranteed by the Collateral Enhancement Grant, the Matching Grant or the Security Deposit in accordance with the provisions of this Agreement;

(D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Bank, the progress of the Collateral Enhancement Grant, the Matching Grant or the Security Deposit and the achievement of its respective objectives;
(E) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Collateral Enhancement Grant, the Matching Grant or the Security Deposit; and

(2) at the Bank’s or the Borrower’s request, have such financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Borrower and the Bank;

(F) enable the Borrower and the Bank to inspect the activities financed by or guaranteed by the Collateral Enhancement Grant, the Matching Grant or the Security Deposit and any relevant records and documents; and

(G) prepare and furnish to the Borrower and the Bank all such information as the Borrower or the Bank shall reasonably request relating to the foregoing.

5. The Borrower shall exercise its rights under each Collateral Enhancement Grant Agreement, Matching Grant Agreement and Security Deposit Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan.

6. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive any Collateral Enhancement Grant Agreement, Matching Grant Agreement or Security Deposit Agreement or any of their provisions.

C. PIM

Pursuant to Article 4.01 of this Agreement, the Borrower shall prepare or cause to be prepared, in accordance with terms of reference acceptable to the Bank, a Project implementation manual, containing detailed arrangements and procedures for: (i) institutional coordination and Project implementation; (ii) the roles and responsibilities of all involved stakeholders; (iii) Project budgeting, accounting, disbursement and financial management; (iv) procurement; (v) environmental, social, labour and health and safety safeguards (including an environmental and social exclusion list and measures designed to prohibit, prevent and address gender
based violence and sexual exploitation and abuse); (vi) monitoring, evaluation, reporting and communication; (vii) model Subproject Agreements to be entered into with the PIAs; (viii) the composition and operation of the Project Grant Committee, the criteria for eligibility and selection of the Partner Finance Institutions and the Beneficiaries of the Dedicated Financing Facility and the Security Deposit Scheme, the financial management, procurement and disbursement procedures of the Collateral Enhancement Grants, the Matching Grants and the Security Deposits; and (ix) other such administrative, financial, technical and organizational arrangements and procedures as shall be required for purposes of implementing the Project ("Project Implementation Manual" or "PIM").

D. Safeguards

1. The Borrower shall ensure that all activities carried out under the Project are consistent with the Bank's social and environmental safeguard policy requirements, as well as the Guarantor's own environmental and social laws and regulations (including, but not limited to, national legislation enacted pursuant its obligations under the C138 – Minimum Age Convention and the C182 – Worst Forms of Child Labour Convention).

2. The Borrower shall ensure that the Project is implemented in accordance with the provisions, guidelines, procedures, timetables and other specifications set forth in the ESMF, the IPMP and the RPF and any Safeguards Document to be prepared under the Project.

3. If any Project activity would, pursuant to the RPF, require the preparation of a RAP, no such activity shall be implemented, unless: (a) a RAP for such activity has been: (i) prepared in accordance with the requirements of the RPF and furnished to the Bank; (ii) approved by the Bank; and (iii) publicly disclosed as required by the RPF; and (b) (i) all measures required to be taken under said RAP prior to the initiation of said activity have been taken, including, without limitation to the above, providing funds for resettlement compensation when and if required under a RAP; (ii) a report, in form and substance satisfactory to the Bank, on the status of compliance with the requirements of said RAP has been prepared and furnished to the Bank; and (iii) the Bank has confirmed that the implementation of said activity may be commenced.

4. Except as the Bank shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the Bank, the Borrower shall not abrogate, amend, repeal, suspend or waive any provisions of any of the Safeguard Documents, nor shall it permit any other entity participating in the implementation of the Project to do so.
5. Without limitation upon its other reporting obligations under this Agreement, the Borrower shall regularly collect, compile and submit to the Bank, on a quarterly basis, reports on the status of compliance with the Safeguard Documents, giving details of: (a) measures taken in furtherance of the Safeguard Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Documents, such as, for example, accidents, fatalities or instances of gender based violence or sexual abuse and exploitation; and (c) remedial measures taken or required to be taken to address such conditions.

6. In the event that any provision of either the Safeguard Documents shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.

7. Without limitation to the excluded expenditures provision set forth in the PIM and/or the ESMF, the following activities shall not be eligible to be included in or funded under the Project ("Negative List"): 

(a) any activities that would lead to conversion or degradation of critical natural habitats or their supporting areas;

(b) any activities that would lead to conversion or degradation of critical forest areas, related critical natural habitats, clearing of forests or forest ecosystems; and,

(c) activities that use child labour, as per the national legislation enacted pursuant to the C138 – Minimum Age Convention and the C182 – Worst Forms of Child Labour Convention.

8. The Borrower shall ensure that employees, agents, service providers, contractors and subcontractors carry out the Project in conformity with acceptable environmental and social standards, practices and codes of conduct (which shall, inter alia, contain measures that prohibit, prevent and address gender based violence and sexual exploitation and abuse), the provisions of the Borrower’s environmental and social laws (including, but not limited to, national legislation enacted pursuant its obligations under the C138 – Minimum Age Convention and the C182 – Worst Forms of Child Labour Convention), and the Safeguards Documents.

9. The Borrower shall maintain, or shall cause to maintain, throughout Project implementation, and publicize or cause to publicize the availability of, a grievance redress mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.
10. The Borrower shall ensure that all terms of reference for any technical assistance, studies and analytical work under the Project shall be fully consistent with the Borrower’s environmental and social safeguard policies, as well as the Borrower’s own environmental and social laws (including, but not limited to, national legislation enacted pursuant its obligations under the C138 – Minimum Age Convention and the C182 – Worst Forms of Child Labour Convention).

E. Anti-Corruption

Without limitation on the provisions of Part A of this Section, the Borrower shall carry out the Project in accordance with the provisions of the Anti-Corruption Guidelines.

F. Annual Work Plans and Budget

1. Each year, the Borrower shall prepare a draft annual work plan and budget for the Project (including Training and Operating Costs, and Collateral Enhancement Grants and Matching Grants) for each subsequent year of Project implementation, of such scope and detail as the Bank shall have reasonably requested.

2. The Borrower shall furnish to the Bank, not later than December 15 of each year, the annual work plans and budgets approved by the Steering Committee for the Bank’s review and approval; except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished no later than one (1) month after the Effective Date. Only the activities included in an annual work plan and budget expressly approved by the Bank (each an “Annual Work Plan and Budget”) are eligible to be financed from the proceeds of the Financing.

3. Training shall be carried out on the basis of Annual Work Plans and Budgets, which shall, inter alia, identify: (a) particulars of the training envisaged; (b) the personnel to be trained; (c) the selection methods and criteria 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. The Borrower shall ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets.

5. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Bank’s prior approval.
Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Bank not later than one (1) month after the end of the period covered by such report.

B. Project Financial Audits

The Borrower shall have the 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, commencing with the fiscal year in which the first withdrawal is made. 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.

Section III. Withdrawal of Loan Proceeds

A. General.

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (i) finance Eligible Expenditures; (ii) repay the Preparation Advance; and (iii) pay: (a) the Front-end Fee; and (b) each Interest Rate Cap or Interest Rate Collar premium; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in Euros)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, and consulting services for the Project</td>
<td>142,684,750</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Refund of the Preparation Advance</td>
<td>1,606,000</td>
<td>Amount payable pursuant to Section 2.07 (a) of the General Conditions</td>
</tr>
<tr>
<td>(3) Collateral Enhancement Grants and Matching Grants under the DFF</td>
<td>8,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Security Deposits under the SDS</td>
<td>11,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Front-end Fee</td>
<td>409,250</td>
<td>Amount payable pursuant to Article 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 4.05 (c) of the General Conditions</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT** 163,700,000

**B. Withdrawal Conditions; Withdrawal Period.**

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

   (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed thirty-two million seven hundred thousand Euros (€32,700,000) may be made for payments made prior to this date but on or after April 30, 2017 for Eligible Expenditures under Category 1; or

   (b) under Categories 3 and 4 unless the Bank is satisfied that the Collateral Enhancement Grants, the Matching Grants and the Security Deposits comply with the provisions of paragraph 3 of Section 1.B of this Schedule 2.
2. The Closing Date is July 31, 2023.
SCHEDULE 3

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").

**Commitment Principal Repayments**

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 Aug 2021</td>
<td>1.05%</td>
</tr>
<tr>
<td>01 Feb 2022</td>
<td>1.06%</td>
</tr>
<tr>
<td>01 Aug 2022</td>
<td>1.09%</td>
</tr>
<tr>
<td>01 Feb 2023</td>
<td>1.11%</td>
</tr>
<tr>
<td>01 Aug 2023</td>
<td>1.14%</td>
</tr>
<tr>
<td>01 Feb 2024</td>
<td>1.16%</td>
</tr>
<tr>
<td>01 Aug 2024</td>
<td>1.18%</td>
</tr>
<tr>
<td>01 Feb 2025</td>
<td>1.21%</td>
</tr>
<tr>
<td>01 Aug 2025</td>
<td>1.23%</td>
</tr>
<tr>
<td>01 Feb 2026</td>
<td>1.25%</td>
</tr>
<tr>
<td>01 Aug 2026</td>
<td>1.28%</td>
</tr>
<tr>
<td>01 Feb 2027</td>
<td>1.31%</td>
</tr>
<tr>
<td>01 Aug 2027</td>
<td>1.33%</td>
</tr>
<tr>
<td>01 Feb 2028</td>
<td>1.36%</td>
</tr>
<tr>
<td>01 Aug 2028</td>
<td>1.39%</td>
</tr>
<tr>
<td>01 Feb 2029</td>
<td>1.41%</td>
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<tr>
<td>01 Aug 2029</td>
<td>1.44%</td>
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<tr>
<td>01 Feb 2030</td>
<td>1.47%</td>
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<tr>
<td>01 Aug 2030</td>
<td>1.50%</td>
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<tr>
<td>01 Feb 2031</td>
<td>1.53%</td>
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<tr>
<td>01 Aug 2031</td>
<td>1.56%</td>
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<tr>
<td>01 Feb 2032</td>
<td>1.59%</td>
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<tr>
<td>01 Aug 2032</td>
<td>1.62%</td>
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<tr>
<td>01 Feb 2033</td>
<td>1.66%</td>
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<tr>
<td>01 Aug 2033</td>
<td>1.69%</td>
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<tr>
<td>01 Feb 2034</td>
<td>1.72%</td>
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<tr>
<td>01 Aug 2034</td>
<td>1.76%</td>
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<tr>
<td>01 Feb 2035</td>
<td>1.79%</td>
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<tr>
<td>01 Aug 2035</td>
<td>1.83%</td>
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<tr>
<td>01 Feb 2036</td>
<td>1.86%</td>
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<tr>
<td>01 Aug 2036</td>
<td>1.90%</td>
</tr>
<tr>
<td>01 Feb 2037</td>
<td>1.94%</td>
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<tr>
<td>01 Aug 2037</td>
<td>1.98%</td>
</tr>
<tr>
<td>01 Feb 2038</td>
<td>2.02%</td>
</tr>
<tr>
<td>Date</td>
<td>Interest Rate</td>
</tr>
<tr>
<td>------------</td>
<td>---------------</td>
</tr>
<tr>
<td>01Aug2038</td>
<td>2.06%</td>
</tr>
<tr>
<td>01Feb2039</td>
<td>2.10%</td>
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<tr>
<td>01Aug2039</td>
<td>2.14%</td>
</tr>
<tr>
<td>01Feb2040</td>
<td>2.18%</td>
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<tr>
<td>01Aug2040</td>
<td>2.23%</td>
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<tr>
<td>01Feb2041</td>
<td>2.27%</td>
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<tr>
<td>01Aug2041</td>
<td>2.32%</td>
</tr>
<tr>
<td>01Feb2042</td>
<td>2.36%</td>
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<td>01Aug2042</td>
<td>2.41%</td>
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<tr>
<td>01Feb2043</td>
<td>2.46%</td>
</tr>
<tr>
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<td>2.56%</td>
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<td>2.72%</td>
</tr>
<tr>
<td>01Feb2046</td>
<td>2.77%</td>
</tr>
<tr>
<td>01Aug2046</td>
<td>2.83%</td>
</tr>
<tr>
<td>01Feb2047</td>
<td>2.88%</td>
</tr>
<tr>
<td>01Aug2047</td>
<td>2.94%</td>
</tr>
<tr>
<td>01Feb2048</td>
<td>2.56%</td>
</tr>
</tbody>
</table>
SCHEDULE 4

Undertakings to Satisfy the Bank Enclave Loan Requirements

Section I. Guarantee Account

1. Establishment. At all times from and after the Effective Date, the Borrower shall maintain an amount in the Guarantee Account equal to eighteen (18) months’ peak anticipated debt service payments under the Loan, as calculated by the Bank, it being understood that the debt service payments shall not include principal or interest repayments for Loan amounts that are not disbursed or requested by the Borrower to be disbursed at such time; provided that for the last eighteen (18) months of the term of the Loan, the amount required to be on deposit in the Guarantee Account shall be no greater than the anticipated remaining debt service payments due under the Loan at the time of each readjustment calculated as described in Section 1.2 below. For the avoidance of doubt, the Guarantee Account is to be opened with the Guarantee Account Bank under the Borrower’s name and the amounts on deposit in the Guarantee Account, including interest paid by such Guarantee Account Bank, if any, are the property of the Borrower.

2. Adjustment of Required Amounts. After the Effective Date, the amount required to be on deposit in the Guarantee Account may increase or decrease during the term of the Loan, based upon the Bank’s calculation. Every six (6) months, concurrently with the semi-annual repayment invoices provided by the Bank to the Borrower, the Bank shall send a written calculation notifying the Borrower of such required amount. In the event that the amount on deposit in the Guarantee Account is less than the required amount at any six (6) month notification, then the Borrower shall transfer the difference into the Guarantee Account within thirty (30) days after the receipt thereof. In the event that the amount on deposit in the Guarantee Account is greater than the required amount at any six (6) month notification, then the Borrower may request the Bank to instruct the Guarantee Account Bank to transfer the surplus to the Repayment Account; and the Bank will provide such instruction to the Guarantee Account Bank as soon as reasonably practicable (which shall in no event be later than thirty (30) days after the receipt of such instruction by the Bank) so long as, at the time of any such transfer, the amount deposited in the Guarantee Account, after giving effect to such transfer, shall not be less than the required amount indicated in the Bank’s latest six (6) month notification.

3. Replenishment. If the Guarantee Account is ever drawn upon or otherwise insufficient, then the Borrower or the Guarantor shall replenish the Guarantee Account as soon as practicable possible and, in any event, no later than thirty (30) days following the earliest of (i) the day on which the Bank instructs the Guarantee Account Bank to immediately transfer funds from the Guarantee Account to an account specified by the Bank to satisfy outstanding debt service amounts, as set
forth under Section II.2 hereunder, or (ii) the day on which the Borrower or the Guarantor becomes aware that the amount on deposit on the Guarantee Account is insufficient by notification of the Bank in accordance with Section I.2 above or otherwise.

4. **Guarantee Account Security Agreement.** The Guarantee Account Security Agreement will set forth the rights and interests of the Bank and the Borrower, as well as the responsibilities of the Guarantee Account Bank with respect to the Guarantee Account. Among other things, the Guarantee Account Security Agreement will provide that (a) the Bank may unilaterally instruct the Guarantee Account Bank to transfer funds from the Guarantee Account to pay overdue debt service amounts under the Loan if the Borrower fails to pay, (b) the Guarantee Account Bank shall deliver annual account statements for the Guarantee Account to the Bank and the Borrower, and (c) the Bank and the Borrower may, at any time, access the Guarantee Account Bank’s records for the Guarantee Account, including a complete history of transactions and related documents. At all times from and after the Effective Date, the Borrower shall comply with its obligations under the Guarantee Account Security Agreement and not take any action that would limit or hinder any of the Bank’s rights under such agreement.

5. **Final Drawdowns.** The Borrower may request the Bank to instruct the Guarantee Account Bank to draw on the Guarantee Account to make the final debt service payment(s) prior to final maturity of the Loan, to the extent that there is an outstanding balance in the Guarantee Account to cover these final debt service payment(s). The Bank will provide such instruction to the Guarantee Account Bank as soon as reasonably practicable (which shall in no event be later than thirty (30) days after the receipt of such instruction by the Bank), so long as, at the time of any such transfer, the amount deposited in the Guarantee Account, after giving effect to such transfer, shall not be less than the required amount indicated in the Bank’s latest six (6) month notification. At the Borrower’s request, at any time after the Loan has been repaid in full, the Bank will notify the Guarantee Account Bank that the Bank has no further interest in the Guarantee Account and will instruct the Guarantee Account Bank to pay the balance of the Guarantee Account into any account specified by the Borrower.

**Section II. Notices and Consultations in the Event of Payment Failures**

1. **Initial Payment Failure.** If the Borrower, or the Guarantor on behalf of the Borrower, fails to make any payments under the Loan when due, then the Bank shall first send a written reminder to the Borrower (with a copy to the Guarantor) within five (5) calendar days after the applicable due date of the original debt service payment. The Borrower will have an additional ten (10) additional calendar days (the expiration of such period, which in any case shall be no less than fifteen (15) days after the original due date, the “Consultation Deadline”) to consult the Bank, remedy the elements which prevented prompt payment, and make the
payment in full of the outstanding amount. In its reminder notice to the Borrower, the Bank shall clearly identify the Consultation Deadline as well as the final deadline date described in Section II.3 below. The Bank will also send a second written reminder to the Borrower (with copy to the Guarantor) if the payment in full of the outstanding amount has not been made by the ninth (9th) calendar day following the original due date.

2. **Failure to Pay by the Consultation Deadline.** If the Borrower, or the Guarantor on behalf of the Borrower, fails to make payment in full of any outstanding debt service amounts by the Consultation Deadline, then the Bank may (a) notify the Borrower and the Guarantor of the occurrence of the Borrower’s breach of a payment obligation, as described in Section 7.02(a) of the General Conditions (“Failure to Comply with a Payment Obligation”), and (b) instruct the Guarantee Account Bank to immediately transfer funds from the Guarantee Account to an account specified by the Bank to satisfy such outstanding debt service amounts. No further action or consent of the Borrower, the Guarantor or any other party shall be required in order for the Bank to provide the foregoing instruction or for the Guarantee Account Bank to comply with any such instruction. Once the transfer of funds to the Bank has been completed, the Bank, the Borrower and the Guarantor will enter into discussions at the highest level to avoid any subsequent failures to meet a payment obligation under the Loan.

3. **Default.** If the Bank shall have delivered the written instruction described in Section II.2 above and nevertheless not received payment in full of all outstanding debt service amounts under the Loan by the date that is fifteen (15) calendar days after the Consultation Deadline for any reason (“Final Deadline”), then the Bank may declare a default under Section 7.02(a) of the General Conditions. If such payment is not received by the fourth (4th) calendar day following the Consultation Deadline, the Borrower, the Bank, and the Guarantor shall immediately hold high-level discussions in close coordination with the Guarantee Account Bank with a view to resolving any outstanding issues and making sure that full payment of all outstanding debt service amounts be received by the Bank at the latest by the Final Deadline. In the event an amount at least equivalent to the outstanding debt service amounts shows on the balance of the Guarantee Account, the Bank undertakes to use its best efforts when deciding whether to declare a default under Section 7.02(a) of the General Conditions to take into account possible difficulties from a technical nature which are not attributable to the Borrower or the Guarantor, and have affected the execution by the Guarantee Account Bank of the written instruction described in Section II.2 above thereby preventing the payment in full of all outstanding debt service amounts from taking place by the Final Deadline. Notwithstanding anything contained herein, no provision in this Schedule 4 shall be deemed to waive or limit the Bank’s rights or remedies with respect to the Loan in accordance with the General Conditions.
Section III. Repayment Account

1. Establishment and Funding. At all times from and after the Effective Date, the Borrower shall maintain the Repayment Account with the Repayment Account Bank, with the sole purpose of depositing certain revenue from the Levy enacted by the Guarantor and collected by the Borrower that will be used to pay debt service for the Loan. The Borrower shall cause to be deposited in the Repayment Account, on the fifteenth (15th) day of each calendar month, the FCFA 20 / kg portion of the Levy collected by the Borrower during the previous month. For the avoidance of doubt, the Borrower shall open the Repayment Account with the Repayment Account Bank under the Borrower’s name and the amounts on deposit in the Repayment Account are the property of the Borrower.

2. Records. The Borrower shall maintain a written record showing how the monthly amounts transferred to the Repayment Account are calculated and that, for this purpose, will record, as a minimum, the monthly quantities exported and the corresponding amounts collected. The Borrower shall provide a copy of this record to the Bank semi-annually and at any other time promptly upon the Bank’s request. The Borrower will cause the Repayment Account Bank to provide the Bank with periodic statements of account for the Repayment Account, on a monthly basis as well as at any time upon the Bank’s request, indicating the amount deposited in the Repayment Account and a description of the transfers to and from the Repayment Account during the applicable period. In addition, the Bank shall have the right, at any time, to consult the specific section of the Repayment Account Bank accounting records relating to the Repayment Account, including a complete history of the previous transactions and related documents.

3. Conversion and Payment. Upon receipt of each semi-annual Bank invoice for the payment of debt service, the Borrower or the Guarantor shall instruct the Repayment Account Bank to convert the necessary FCFA amounts on deposit in the Repayment Account into EUR and make payments directly in EUR to the account specified by the Bank.

4. Replenishment of Guarantee Account. The Bank shall have the right, upon expiry of the thirty (30) days delay set forth in Section 1.3 above, to unilaterally instruct the Repayment Account Bank to use the funds on deposit in the Repayment Account to replenish the Guarantee Account up to the required amount under Section I above.

5. Other Transfers from Repayment Account. Upon request of the Borrower, the Guarantor may request the Bank to instruct the Repayment Account Bank to make transfers from the Repayment Account at any time, and the Bank will provide such instruction to the Repayment Account Bank as soon as reasonably practicable (which shall in no event be later than thirty (30) days after the receipt by the Bank of the certification discussed hereafter); provided, however, that the Guarantor
shall certify in writing to the Bank that, after giving effect to any such transfer: (a) the Borrower is in compliance with the Minimum Ratio and all other obligations under this Agreement; (b) the amount deposited in the Repayment Account shall not be less than the amount required to meet the expected repayment obligations of the Loan for the succeeding six (6) month period, and (c) the Guarantee Account is funded to the amount required under Section I above.

6. **Repayment Account Agreement.** The Repayment Account Agreement will set forth the rights and interests of the Bank and the responsibilities of the Repayment Account Bank with respect to the Repayment Account, including the rights and responsibilities described in Sections III.2 to III.5 above. At all times from and after the Effective Date, the Borrower shall comply with its obligations under the Repayment Account Agreement and not take any action that would limit or hinder any of the Bank’s rights under such agreement.

**Section IV. Additional Enclave Undertakings**

1. **Levy Review.** Prior to any modification of the Levy that may adversely affect the ability of the Borrower to meet its periodic Loan repayment obligations from funds held in the Repayment Account, including, but not limited to, any change in the collection procedure or any reduction in the Levy to less than 20 FCFA/kg at any time during the Loan, the Borrower and the Guarantor shall consult with the Bank and implement alternative credit enhancement measures for the Project satisfactory to the Bank.

2. **Minimum Ratio.**

   a. At all times during the life of the Loan, except as the Bank shall otherwise agree, the Borrower shall not permit the ratio of (i) the total amount that has transited into the Repayment Account during the period of the calendar year immediately preceding the date of any calculation to (ii) the projected maximum debt service requirements under the Loan for the immediately succeeding calendar year, to be less than one and one-half (1.5) (the “Minimum Ratio”).

   b. The Bank, on the basis of the statements of account of the Repayment Account provided monthly by the Repayment Account Bank as described in Section III.2 above, shall calculate the Minimum Ratio annually and shall promptly notify the Borrower in the event that the Minimum Ratio is less than one and one-half (1.5) at any time. Along with the semi-annual Bank invoice for the payment of debt service, the Bank shall also make its best efforts to communicate to the Borrower an intermediate projection of the Minimum Ratio.
3. **Alternative Revenue Source.** In the event that (a) the Minimum Ratio falls below one and one-half (1.5) at any time it is calculated by the Bank, or (b) any other event occurs that could reasonably be expected to result in the amounts in the Repayment Account to be insufficient to meet the expected repayment obligations for the Loan, then the Borrower, the Guarantor and the Bank shall undertake high-level discussions in order for the Borrower to identify to the satisfaction of the Bank an alternative source of revenue that may be redirected to the Repayment Account in order to satisfy the repayment obligations under the Loan.

4. **Withdrawals by Mutual Consent.** In addition to the transfers contemplated above, withdrawals may also be made from the Guarantee Account or Repayment Account at any time by the Bank and the Borrower acting jointly.

5. **Copies to Guarantor.** The Bank shall concurrently send to the Guarantor all invoices, notices, and other communications to be sent by the Bank to the Borrower under this Agreement; provided that any failure to send such concurrent copies shall not relieve the Borrower of any obligation under this Agreement.
APPENDIX

Section I. Definitions

1. "ANADER" means Agence Nationale de l'Appui au Développement Rural, the Guarantor's national rural support agency.

2. "AGEDI" means Agence de Gestion des Zones Industrielles, the Guarantor's road management agency.

3. "AGEROUTE" means Agence de Gestion des Routes, the Guarantor's road management agency.

4. "ANDE" means Agence Nationale de l'Environnement, the Guarantor's national environmental development agency.

5. "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.


7. "BNETD" means Bureau National d'Etudes Techniques et de Développement, the Guarantor national office of technical studies and development.

8. "Beneficiary" means a farmer or its producer organization, a small or medium enterprise, or a cashew processor who will be supported by or who will benefit from the Dedicated Financing Facility or the Security Deposit Scheme as applicable, and "Beneficiaries" means more than one such Beneficiary.


11. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.

12. "CNRA" means Centre National de Recherche Agricole, the Guarantor's national agricultural research center.
13. "Collateral Enhancement Grant" means funds provided to Beneficiaries to be (i) used as collateral to obtain a commercial funding and/or (ii) to carry out a series of activities under Part 3.2 of the Project.

14. "Collateral Enhancement Grant Agreement" means an agreement to be entered into between the Borrower and each Beneficiary of a Collateral Enhancement Grant and referred to in Section I.B of Schedule 2 to this Agreement.

15. "Displaced Persons" 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.

16. "DOPA" means Direction des Organisations Professionnelles de l'Agriculture the Guarantor’s directorate for agricultural professional organizations.

17. "ESMF" or "Environmental and Social Management Framework" means the framework disclosed in the Borrower’s territory and on the Bank’s website on April 4, 2017, in form and substance satisfactory to the Bank, setting out modalities to be followed in assessing the potential adverse environmental impact, including impact on natural habitats, physical cultural resources, associated with activities to be implemented under the Project, and the measures to be taken to offset, reduce, or mitigate such adverse impact.

18. "FCFA" means the West African CFA franc currency.

19. "FIRCA" means Fonds Interprofessionnel pour la Recherche et le Conseil Agricoles, the Guarantor’s inter-professional fund for agricultural research and advisory services.

20. "Guarantee Account" means the EUR-denominated dedicated reserve account to be established by the Borrower with the Guarantee Account Bank, into which the Borrower will cause to be deposited certain amounts as a debt service reserve for the benefit of the Bank, as described in Section I of Schedule 4 to this Agreement.

21. "Guarantee Account Bank" means a creditworthy commercial bank of good repute located in a major international financial center, which shall be satisfactory to the Bank to act as the deposit account bank for the Guarantee Account.

22. "Guarantee Account Security Agreement" means the agreement to be entered into among the Borrower, the Guarantee Account Bank and the Bank, as described in Article 4.01(e) of this Agreement.
23. "Guarantee Agreement" means the agreement entered into between the Guarantor and the Bank to unconditionally guarantee, as primary obligor the due and punctual payment of all Loan Payments and the punctual performance of all the other obligations of the Borrower set forth or referred to in this Agreement.


26. "IGF" means Inspection Générale des Finances, the Guarantor’s institution of internal control under MEF.

27. “IPMP” or “Integrated Pest Management Plan” means the plan disclosed in the Borrower’s territory and on the Bank’s website on April 4, 2017, in form and substance satisfactory to the Bank, providing guidance on safe usage of pesticides and other chemical products in the areas where the Project will be implemented.

28. "Levy" means the levy on the export of raw cashew nuts enacted by the Guarantor and collected by the Borrower that will be used to pay debt service for the Loan.

29. “Matching Grant” means a grant provided to a Beneficiary under Part 3.2 of the Project to be matched by a PFI to allow said Beneficiary to carry out a series of activities.

30. "Matching Grant Agreement" means the agreement to be entered into between the Borrower and the Beneficiary for the financing of Matching Grants and referred to in Section LB of Schedule 2 to this Agreement.

31. "MEF" means Ministère de l’Economie et des Finances, the Guarantor’s ministry in charge of economy and finance.

32. "MIM" means Ministère de l’Industrie et des Mines, the Guarantor’s ministry in charge of industry and mines.

33. “Ministry of Budget” means the Guarantor’s ministry in charge of budget.

34. “Operating Costs” means costs included in the Annual Work Program and budget acceptable to the Bank which includes incremental costs of Project implementation such as vehicle operation and maintenance including for fuel, community, insurance, banking charges, rental, office supplies, consumables and maintenance, utilities, document production, travel costs and per diem for Project related travel and accommodation and subsistence allowances for authorized travel, but excluding salaries of the Guarantor’s civil servants.
35. "Partner Financial Institutions" or "PFI" means financial institutions that will match the grants funded through the Dedicated Financing Facility.

36. "PNRA" means Programme National de Recherche sur l'Anacardier, the Guarantor's national cashew research program.

37. "Preparation Advance" means the advance referred to in Section 2.07 (a) of the General Conditions, granted by the Bank to the Borrower pursuant to the letter agreement signed on behalf of the Bank on August 30, 2016 and on behalf of the Borrower on September 7, 2016.


39. "Repayment Account" means the designated FCFA-denominated account into which the Borrower will deposit certain revenue from the Levy that will be used to pay debt service under the Loan, as described in Section III of Schedule 4 to this Agreement.

40. "Repayment Account Bank" means a designated financial institution located in Côte d'Ivoire, which shall be satisfactory to the Bank to act as the deposit account bank for the Repayment Account.

41. "Repayment Account Agreement" means the agreement to be entered into among the Borrower, the Repayment Account Bank and the Bank, as described in Article 4.01(g) of this Agreement, or any other satisfactory assurances to the Bank with respect to its rights in connection with the Repayment Account provided by the Repayment Account Bank, in place of such agreement.

42. "RAP" or "Resettlement Action Plan" or "RAP" means a resettlement action plan to be prepared by the Borrower in accordance with the procedures and requirements under the RPF, setting out, for a particular activity, actions and measures for compensation and resettlement of Displaced Persons, including the magnitude of displacement, proposed compensation and resettlement arrangements, budget and cost estimates, and sources of funding, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, the RAP, as such plan may be revised from time to time with prior written approval of the Bank; and "RAPs" means, collectively, all such RAP.

43. "RPF" means Resettlement Policy Framework or the document prepared by the Borrower in form and substance satisfactory to the Bank and disclosed in the Borrower's territory and on the Bank's website on April 4, 2017, 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 including their involuntary resettlement, as the said framework may be amended and/or supplemented from time to time with the prior written consent of the Bank, and such term includes any schedules to such document.

44. "Safeguard Documents" means the ESMF, the IPMP and the RPF as well as any other environmental and social safeguard instrument that may be required under the Project Implementation Manual for the implementation of the Project.

45. "Security Deposit" means proceeds of the Security Deposit Scheme made available to Beneficiaries under a Security Deposit Agreement to guarantee loans issued by eligible PFIs.

46. "Security Deposit Agreement" means an agreement to be entered into between the Borrower and each Beneficiary of a Security Deposit and referred to in Section 1.B of Schedule 2 to this Agreement.

47. "Training" means learning programs or courses in institutes/schools in the territory of the Guarantor and abroad, workshops, lectures, seminars, courses, and coursework and study tours costs associated with training, as well as travels costs and per diem incurred by trainers and trainees, rental of training facilities, training materials and costs related to course preparation and implementation.

48. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.

49. "Subproject" means a small-scale project to be implemented within the framework by the Project by a PIA in accordance with the terms described in the PIM.

50. "Subproject Agreement" means an agreement to be entered into between the Borrower and the relevant Project Implementation Agency.