Financing Agreement

(Coffee Sector Competitiveness Project)

between

REPUBLIC OF BURUNDI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated August 05, 2016
FINANCING AGREEMENT

AGREEMENT dated August 25, 2016, entered into between the Republic of Burundi ("Recipient") and International Development Association ("Association"). The Recipient and the Association 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 — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equivalent to thirty-nine million one hundred thousand Special Drawing Rights (SDR 39,100,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

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

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

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

2.05. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through MINAGRIE in accordance with the provisions of Article IV of the General Conditions.

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

ARTICLE IV — EFFECTIVENESS; TERMINATION

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

(a) The Recipient has adopted the Project Implementation Manual in accordance with Section LB of Schedule 2 to this Agreement, in form and substance satisfactory to the Association.

(b) The Recipient has established the Project Steering Committee, in accordance with the provisions of Section IA of Schedule 2 to this Agreement.

(c) The Recipient has issued an authorization letter, in form and substance satisfactory to the Association, extending the mandate of the PRODEMA PCU to include the coordination and implementation of the Project, in accordance with the provisions of Section IA.3 of Schedule 2 to this Agreement.

4.02. The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.

4.03. For purposes of Section 8.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its minister at the time responsible for finance.

5.02. The Recipient’s Address is:

Ministry of Finance, Budget and Privatization
P.O. Box 1830
Bujumbura
Burundi

Facsimile: +257-22-22-38-27
5.03. The Association's Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: INDEVAS
Telex: 248423 (MCI)
Facsimile: 1-202-477-6391
Washington, D.C.
AGREED at Bujumbura, Burundi, as of the day and year first above written.

REPUBLIC OF BURUNDI

By

__________________________
Authorized Representative

Name: NABUKURA
Title: MINISTER DE LA PLANNING ET DE L'INDUSTRIALISATION

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

__________________________
Authorized Representative

Name: NESTOR COFFI
Title: COUNTRY MANAGER
SCHEDULE I

Project Description

The objective of the Project is to increase coffee productivity and improve its quality among small-scale coffee growers in the Recipient's territory.

The Project consists of the following parts:

Part I: Institutional Strengthening and Value Chain Governance

(a) Streamlining of the institutional framework. Provision of support for the design and implementation of solutions addressing constraints to the growth of the coffee sector, including through: (i) carrying out an assessment of the coffee sector institutional framework and providing technical assistance for the preparation of competitive and growth-inducing coffee sector regulations; (ii) carrying out of studies and development of recommendations to assess and address constraints to access to finance in the coffee sector; and (iii) undertaking a review of the current coffee pricing mechanism.

(b) Enhancing value chain coordination and public private dialogue. (i) Carrying out of a stakeholder mapping exercise; (ii) provision of support for the establishment of a public-private dialogue mechanism, including training of stakeholders on its use; and (iii) provision of support for consultations among value chain stakeholders through, inter alia, the hosting of forums to: discuss coffee sector constraints, review and update the government's strategy, develop a shared vision and harmonized approach for the coffee sector, devise mechanisms for coordinating donor assistance, and create an enabling environment for public and private investments.

(c) Strengthening the capacity of the key organizations overseeing the sector.

(i) Strengthening the capacity of the InterCafé, including through: (A) provision of training in, inter alia, group dynamics, good governance, strategic planning, business management, enterprise development, monitoring and evaluation, and marketing intelligence; (B) development of an outreach communication strategy; (C) provision of support for the organization of coffee sector forums and exchange visits; and (D) provision of technical assistance, including with respect to marketing, procurement and monitoring and evaluation, and of mobile, office, information technology, and audio equipment.

(ii) Strengthening the capacity of ARFIC, including through: (A) provision of training in, inter alia, good governance, public and private sector roles, strategic planning, and monitoring and evaluation; (B) strengthening of
ARFIC’s statistics department, including rehabilitation of existing buildings; (C) development of a one-stop window and streamlining procedures for obtaining coffee export certificates; (D) upgrading of public laboratories for coffee quality, inspection and certification services; (E) provision of support for the enforcement of coffee quality norms, grades and standards; (F) provision of support for coffee sector strategy implementation, monitoring and updating; (G) provision of technical assistance relating to laboratory certification and human resource development in quality control; and (H) provision of mobile, office, information technology, and audio equipment.

(iii) Strengthening the capacity of CNAC, including through: (A) provision of training in group dynamics, good governance, group management, business development, monitoring and evaluation, and functional literacy; (B) carrying out of advocacy and information dissemination events on coffee quality norms and standards; (C) provision of support for the establishment and registration of coffee cooperatives and unions; (D) development of an outreach communication strategy; (E) provision of technical assistance relating to organization of farmers’ groups and cooperatives, and carrying out of studies related to, inter alia, agronomic practices, and research and extension for coffee production; (F) strengthening the procurement and financial management capacity of CNAC; and (G) provision of mobile, office, information technology, and audio equipment.

(d) Women and youth empowerment. (i) Development of a strategy to enhance the role of women and youth in the coffee value chain; and (ii) provision of Women and Youth Matching Grants to Eligible Beneficiaries to support entrepreneurial activities and subprojects related to coffee production, including with respect to land and resource preservation, and the promotion of climate-smart infrastructure and energy-saving technologies (“Women and Youth Subprojects”).

(e) Geo-referenced information system for the coffee sector. Development of a geo-referenced information system to provide, inter alia, information on numbers of coffee producers and trees, coffee production volume, coffee quality, CWS performance, and other socio-economic and ecological information.

Part 2: Coffee Growers’ Productive Capacity Enhancement

(a) Rejuvenation of existing plantations. (i) Rejuvenation of unproductive coffee trees through the replacement of old trees with new trees and full stumping; and (ii) development and implementation of a program of rejuvenation support to farmers consisting of the provision of planting materials, tools, fertilizer, extension services, training, and support for multi-cropping to farmers.
(b) Improving access to fertilizer and agrochemicals. Improvement of access to inputs including through: (i) the provision of Fertilizer Subsidies to Eligible Farmers; and (ii) development and implementation of a program for the treatment of selected diseases affecting coffee productivity, including through the provision of sprayers, insecticides and other equipment, as well as extension services, to affected farmers.

(c) Dissemination of sustainable agricultural practices, including climate change adaptation and mitigation. Promotion of the adoption of good agricultural practices for coffee production, including through: (i) development of a curricula adapted to the Recipient's coffee growing zones; (ii) provision of training public and private agricultural extension and research services staff in good agricultural practices; (iii) establishment of demonstration plots in coordination with CNAC and ISABU and farmer-to-farmer schools; and (iv) conducting farmer-to-farmer visits, including south-south knowledge and best practice exchanges.

(d) Applied coffee research. (i) Development of a coffee research program in collaboration with public and private sector stakeholders; (ii) establishment of coffee plantations of excellence to promote best coffee growing practices, including coffee under shade; (iii) rehabilitation of the seed treatment station and construction of a biotechnology laboratory within ISABU; (iv) strengthening research capacity through the provision of specialized training, including in biotechnology and entomology; and (v) production of foundation seeds and preservation of the germoplasm produced.

Part 3: Coffee Quality Improvement and Market Access

(a) Coffee quality improvement.

(i) Development of cupping capacity, including through: (A) the establishment of a training program for cuppers; (B) the establishment of cupping laboratories; and (C) supporting the certification of cuppers by internationally recognized coffee certification institutions.

(ii) Improving the technical operational and managerial capacities of CWSs, including through: (A) support for the development and implementation of quality improvement plans by CWSs; and (B) provision of training for CWS staff with a focus on financial, administrative, and management topics, organization of cooperatives and strategic business planning.

(iii) Provision of CWS Matching Grants to Eligible CWSs to support development activities and subprojects related to: (A) the use of eco-friendly technologies (“Eco-friendly Technology Subprojects”); and (B) the use of traceability systems to facilitate the tracking of coffee batches from plantations to destination markets (“Traceability Subprojects”, and together with Eco-friendly Technology Subprojects, “CWS Subprojects”).
(iv) Improvement of coffee growers’ access to CWSs and marketing facilities, including through: (A) rehabilitation of selected rural access roads; (B) carrying out of a review of existing rural roads in the vicinity of CWSs and an assessment of the financing needs to rehabilitate those roads; and (C) carrying out of related fundraising consultations with potential public and private funders.

(b) Marketing and promoting the Recipient’s coffee brand.

(i) Development of a recognizable brand for the Recipient’s coffee, including through the development of marketing materials, and enhancements to the InterCafé internet platform to maximize the availability of information on the coffee sector.

(ii) Development of a reliable coffee industry intelligence and forecasting system.

(iii) Implementation of promotional activities, including buyer tours, coffee competitions, and participation in trade and marketing events.

Part 4: Coordination, Monitoring, and Knowledge Management

Provision of support for: (a) administrative, technical, environmental and social safeguards, and fiduciary management for the Project; (b) coordination among institutional partners for Project implementation; (c) information dissemination and support for value chain actors, including small coffee growers; (d) monitoring and evaluation of Project performance; and (e) the development of communication activities and materials for the dissemination of Project results and best practices.
SCHEDULE 2

Project Execution

Section I.  Implementation Arrangements

A. Institutional Arrangements

Project Steering Committee

1. The Recipient shall maintain, at all times during the implementation of the Project, the Project Steering Committee, chaired by a representative of MINAGRIE, with a mandate, terms of reference, composition, and resources satisfactory to the Association.

2. The Project Steering Committee shall be responsible for Project oversight, including, inter alia: (a) advising on strategic direction for the Project; (b) endorsing proposed Annual Work Plans; (c) ensuring effective collaboration and cooperation among key stakeholders; and (d) reviewing Project Reports and advising on the effectiveness of Project activities, including any adjustments to be made to Annual Work Plans.

Project Coordination Unit

3. The Recipient shall maintain the PRODEMA PCU, with a mandate, terms of reference, composition, and resources satisfactory to the Association, to be responsible for Project coordination and implementation (including, inter alia: (a) planning and budgeting for Project implementation, including the preparation of Annual Work Plans; (b) procurement and financial management for the Project; and (c) technical supervision, quality control, gender and social inclusion, environmental and social safeguards performance, and monitoring and evaluation for the Project), until the Project Coordination Unit (PCU) has been established by the Recipient and assumed responsibility for such coordination and implementation in accordance with the provisions of paragraph 4 immediately below.

4. No later than twelve (12) months after the Effective Date, the Recipient shall: (a) establish and thereafter maintain at all times during the implementation of the Project, a PCU within MINAGRIE with a mandate, terms of reference, resources, and composition satisfactory to the Association, including a Project coordinator, financial management specialist, procurement specialist, monitoring and evaluation specialist, technical officer, internal auditor, gender and social inclusion specialist, environmental specialist, and accountant, in each case with qualifications, experience and terms of reference satisfactory to the Association; and (b) thereafter take all measures necessary to cause the PCU to assume...
responsibility for Project coordination and implementation from the PRODEMA PCU including, inter alia: (i) planning and budgeting for Project implementation, including the preparation of Annual Work Plans; (ii) procurement and financial management for the Project; and (iii) technical supervision, quality control, gender and social inclusion, environmental and social safeguards performance, and monitoring and evaluation for the Project, in a manner satisfactory to the Association.

B. Project Implementation Manual

1. The Recipient shall prepare, in accordance with terms of reference acceptable to the Association, a Project implementation manual, containing detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) monitoring, evaluation, reporting and communication; (e) social and environmental safeguards including gender and social inclusion; (f) detailed procedures and arrangements for Women and Youth Matching Grants, including the eligibility criteria and selection procedures for Women and Youth Subprojects and Eligible Beneficiaries, and a model Women and Youth Matching Grant Agreement; (g) detailed procedures and arrangements for CWS Matching Grants, including the eligibility criteria and selection procedures for CWS Subprojects and Eligible CWSs, and a model CWS Matching Grant Agreement; (h) the eligibility criteria, procedures, terms and conditions for the provision and administration of Fertilizer Subsidies; and (i) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall afford the Association a reasonable opportunity to review such manual, and shall thereafter adopt such manual as shall have been approved by the Association ("Project Implementation Manual" or "PIM").

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

4. In the event of any conflict between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.

C. Other Implementation Arrangements

The Recipient shall:

1. no later than three (3) months after the Effective Date, establish a management information system with specifications satisfactory to the Association, and shall
The Recipient shall enter into a PIA Memorandum of Understanding, in each case in form and substance satisfactory to the Association, with:

(a) InterCafé, for the implementation of activities under Parts 1(b)(iii); 1(c)(i)(B) and (C); 1(e); 3(a)(i)(B); 3(a)(iii); 3(b)(i), and 3(b)(iii) of the Project;

(b) ARFIC, for the implementation of activities under Parts 1(c)(ii)(B), (C), (D), (E), and (F) of the Project; and

(c) CNAC, for the implementation of activities under Parts 1(c)(iii)(B) and (C); 1(d)(ii); 2(a)(ii); 2(b)(ii); and 2(c) of the Project.

Without limitation on the provisions of paragraph 1 immediately above, each such PIA MoU shall set forth the arrangements and procedures, in accordance with the PIM, for the implementation of the activities to be implemented by the relevant Project Implementing Agency including, inter alia, arrangements and procedures with respect to costs and cost sharing, expected outputs, reporting, fiduciary management, and monitoring and evaluation.

The Recipient shall not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the PIA MoUs, or any provision thereof, without the prior written agreement of the Association.

In the event of any conflict between the provisions of any of the PIA MoUs and those of this Agreement, the provisions of this Agreement shall prevail.

Without limitation on the foregoing, the Recipient shall ensure that each PIA shall establish and maintain fiduciary capacity adequate for the effective and efficient
implementation of its responsibilities under its respective PIA MoU, including through, inter alia: (a) the recruitment of a financial management specialist and a procurement officer, in each case with qualifications, experience and terms of reference satisfactory to the Association; (b) the preparation and adoption of a fiduciary management manual of procedures, in form and substance to the satisfactory to the Association; and (c) the establishment of an information system with specifications satisfactory to the Association.

E. Women and Youth Subprojects and Women and Youth Matching Grants

Eligibility Criteria and Procedures for Provision of Women and Youth Matching Grants

1. The Recipient shall, through CNAC, provide Women and Youth Matching Grants to Eligible Beneficiaries for purposes of undertaking Women and Youth Subprojects, in accordance with eligibility criteria and procedures acceptable to the Association and further elaborated in the PIM, which shall include the following:

(a) No proposed Eligible Beneficiary shall be eligible to receive a Women and Youth Matching Grant unless the proposed Eligible Beneficiary is:

(i) a women’s association or youth group (including Batwa people);

(ii) already involved, or willing to become involved, in coffee production or a related industry, and has agreed to undertake training on entrepreneurship development and accounting;

(iii) has prepared a satisfactory business plan, including a financing plan and budget, and a satisfactory implementation plan for the proposed Women and Youth Subproject; and

(iv) has provided satisfactory evidence of the ability to provide the required Eligible Beneficiary’s financial contribution to the financing of its Women and Youth Subproject, as stated in the PIM, out of resources other than the Women and Youth Matching Grant.

(b) No proposed Women and Youth Subproject shall be eligible for financing under a Women and Youth Matching Grant unless the Recipient shall have determined, on the basis of an appraisal carried out in accordance with guidelines acceptable to the Association and elaborated in the PIM, that the proposed Women and Youth Subproject:

(i) is technically feasible and economically and financially viable;
(ii) has demonstrable broader community and environmental benefits;

(iii) is designed to engage women and youth in activities linked to coffee production; and

(iv) has fulfilled the requirements of any applicable Safeguards Instrument.

(c) Without limitation on the provisions of sub-paragraph (b)(iv) immediately above, if, pursuant to the ESMF and/or RPF, one or more Safeguards Instruments for the Women and Youth Subproject are required, such proposed Women and Youth Subproject shall not be eligible for financing under a Women and Youth Matching Grant until such Safeguards Instruments have been prepared and approved by the Association in accordance with the provisions of paragraph (d) of this Section I.E., and all measures required to be carried out in accordance with Section I.I of this Schedule prior to commencement of the activities covered by the Safeguards Instruments have been carried out.

(d) Each Women and Youth Matching Grant for a Women and Youth Subproject requiring a Safeguards Instrument shall be subject to the Association’s prior written approval and shall only be eligible for financing under the Financing if and to the extent approved by Association.

Terms and Conditions for Women and Youth Subproject Grants

2. The Recipient shall provide each Women and Youth Matching Grant to an Eligible Beneficiary under a Women and Youth Matching Grant Agreement with the respective Eligible Beneficiary on terms and conditions approved by the Association, which shall include, inter alia, the following:

(a) The Women and Youth Matching Grant shall be made on a non-reimbursable grant basis, subject to the provisions of paragraph (c)(i) below.

(b) The Women and Youth Matching Grant shall not exceed the total estimated cost of the Women and Youth Subproject minus the amount of the Eligible Beneficiary’s required contribution as stated in the PIM.

(c) The Recipient shall obtain rights adequate to protect its interests and those of the Recipient and the Association, including the right to:

(i) suspend or terminate the right of the Eligible Beneficiary to use the proceeds of the Women and Youth Matching Grant or obtain
a refund of all or any part of the amount of the Women and Youth Matching Subproject Grant then withdrawn, upon the Eligible Beneficiary’s failure to perform any of its obligations under the Women and Youth Matching Grant Agreement; and

(ii) require each Eligible Beneficiary to:

(A) carry out its Women and Youth Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with: (1) the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient, and (2) the Safeguards Instruments;

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

(C) procure the goods, works and services to be financed out of the Women and Youth Matching Grant 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 Association, the progress of the Women and Youth Subproject and the achievement of its objectives;

(E) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Women and Youth Subproject; and (2) at the Association’s or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;

(F) enable the Recipient and the Association to inspect the Women and Youth Subproject, its operation and any relevant records and documents; and
(G) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

3. The Recipient shall exercise its rights under each Women and Youth Matching Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate or waive any Women and Youth Matching Grant Agreement or any of its provisions.

F. CWS Subprojects and CWS Matching Grants

Eligibility Criteria and Procedures for Provision of CWS Matching Grants

1. The Recipient shall, through InterCafé, provide CWS Matching Grants to Eligible CWSs for purposes of undertaking CWS Subprojects, in accordance with eligibility criteria and procedures acceptable to the Association and further elaborated in the PIM, which shall include the following:

(a) No proposed Eligible CWS shall be eligible to receive a CWS Matching Grant unless the proposed Eligible CWS is:

(i) registered with ARFiC;

(ii) a natural person, cooperative, or legal entity established and operating under the laws of the Recipient with the organization, management, technical capacity and financial resources necessary to carry out the proposed CWS Subproject;

(iii) has prepared a satisfactory business plan, including financing plan and budget, and a satisfactory implementation plan for the proposed CWS Subproject;

(iv) in the case of an Eco-Friendly Technology Subproject, has prepared a satisfactory modernization plan, including engineering drawings or a technology proposal, related to the introduction or use of ecofriendly technologies;

(v) in the case of a Traceability System Subproject, has prepared a satisfactory proposal related to the scope of the proposed traceability system;

(vi) has not previously benefited from a similar sub-grant program; and
(vii) has provided satisfactory evidence of the ability to provide the required Eligible CWS's financial contribution to the financing of its CWS Subproject, as stated in the PIM, out of resources other than the CWS Matching Grant.

(b) No proposed CWS Subproject shall be eligible for financing under a CWS Matching Grant unless the Recipient shall have determined, on the basis of an appraisal carried out in accordance with guidelines acceptable to the Association and elaborated in the PIM, that the proposed CWS Subproject:

(i) is technically feasible and economically and financially viable; and

(ii) has fulfilled the requirements of any applicable Safeguards Instrument.

(c) Without limitation on the provisions of sub-paragraph (b)(iv) immediately above, if, pursuant to the ESMF and/or RPF, one or more Safeguards Instruments for the CWS Subproject are required, such proposed CWS Subproject shall not be eligible for financing under a CWS Matching Grant until such Safeguards Instruments have been prepared and approved by the Association in accordance with the provisions of paragraph (d) of this Section I.F.1, and all measures required to be carried out in accordance with Section I.I. of this Schedule prior to commencement of the activities covered by the Safeguards Instruments have been carried out.

(d) Each CWS Matching Grant for a CWS Subproject requiring a Safeguards Instrument shall be subject to the Association’s prior written approval and shall only be eligible for financing under the Financing if and to the extent approved by Association.

Terms and Conditions for CWS Matching Grants

2. The Recipient shall make each CWS Matching Grant to an Eligible Beneficiary under a CWS Matching Grant Agreement with the respective Eligible CWS on terms and conditions approved by the Association, which shall include, *inter alia*, the following:

(a) The CWS Matching Grant shall be made on a non-reimbursable grant basis, subject to the provisions of paragraph (c)(i) below.

(b) The CWS Matching Grant shall not exceed the total estimated cost of the CWS Subproject minus the amount of the Eligible CWS’s required contribution as stated in the PIM.
(c) The Recipient shall obtain rights adequate to protect its interests and those of the Recipient and the Association, including the right to:

(i) suspend or terminate the right of the Eligible CWS to use the proceeds of the CWS Matching Grant or obtain a refund of all or any part of the amount of the CWS Matching Grant then withdrawn, upon the Eligible CWS's failure to perform any of its obligations under the CWS Matching Grant Agreement; and

(ii) require each Eligible CWS to:

(A) carry out its CWS Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with: (1) the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient, and (2) the Safeguards Instruments;

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

(C) procure the goods, works and services to be financed out of the CWS Matching Grant 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 Association, the progress of the CWS Subproject and the achievement of its objectives;

(E) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the CWS Subproject; and (2) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;
(F) enable the Recipient and the Association to inspect the CWS Subproject, its operation and any relevant records and documents; and

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

3. The Recipient shall exercise its rights under each CWS Matching Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate or waive any CWS Matching Grant Agreement or any of its provisions.

G. Fertilizer Subsidies

1. The Recipient shall take all measures necessary to ensure that the FCFA Lettre d'Entente and the FCFA Manual of Procedures are amended, in form and substance satisfactory to the Association, to allow for the financing through the FCFA of fertilizer subsidies for coffee under the PNSEB (the “Amended FCFA Lettre d'Entente” and the “Amended FCFA Manual of Procedures,” respectively); all in a manner satisfactory to the Association.

2. The Recipient shall exercise its rights under the Amended FCFA Lettre d'Entente and the Amended FCFA Manual of Procedures in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree in writing, the Recipient shall not assign, amend, abrogate or waive the Amended FCFA Lettre d'Entente or the Amended FCFA Manual of Procedures, or any of their provisions. In the event of any conflict between the provisions of the Amended FCFA Lettre d'Entente and/or the Amended FCFA Manual of Procedures, and those of this Agreement, the provisions of this Agreement shall prevail.

3. The Recipient shall, through the PNSEB, provide Fertilizer Subsidies to Eligible Farmers to finance a portion of the costs paid by such Eligible Farmers to purchase fertilizer for coffee production, in a manner acceptable to the Association, and in accordance with the eligibility criteria, and procedures, and on terms and conditions set forth in the PIM and the Amended FCFA Manual of Procedures, and in accordance with the Amended FCFA Lettre d'Entente.

4. Without limitation on the foregoing, the Recipient shall ensure the Fertilizer Subsidies are provided and administered with due diligence and efficiency and in accordance with sound technical, financial, and managerial standards and practices acceptable to the Association, including in accordance with the provisions of the
Anti-Corruption Guidelines applicable to the recipients of Financing proceeds other than the Recipient.

H. Annual Work Plans

1. No later than one (1) month prior to the end of the fiscal year of the Recipient (or one (1) month after the Effective Date for the first year of Project implementation), the Recipient shall prepare a draft annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of Project implementation, of such scope and detail as the Association shall have reasonably requested.

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

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

4. Annual Work Plans may be revised as needed during Project implementation subject to the Association's prior written agreement.

I. Safeguards

1. The Recipient shall carry out the Project in accordance with the Safeguards Instruments.

2. To this end, the Recipient shall take the following measures:

   (a) If any Project activity would, pursuant to the ESMF, require the carrying out of an ESIA, no such activities shall be implemented unless:

      (i) an ESIA for such activity has been: (A) prepared and adequately consulted upon, in accordance with the ESMF and furnished to the Association for review and approval; (B) disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed; and
(ii) if said ESIA would require the preparation of an ESMP, such ESMP has been: (A) prepared and adequately consulted upon, in accordance with such ESIA and furnished to the Association; (B) disclosed locally as required by the ESMF; and (C) approved by the Association and publicly disclosed.

(b) If any Project activity would, pursuant to the RPF, require the preparation of a RAP, no such activities shall be implemented unless:

(i) a RAP for such activities has been: (A) prepared and adequately consulted upon, in accordance with the requirements of the RPF and furnished to the Association for review and approval; (B) disclosed as required by the RPF; and (C) approved by the Association and publicly disclosed; and

(ii) (A) all measures required to be taken under said RAP prior to the initiation of said activities have been taken, including, without limitation to the above, providing funds for resettlement compensation when and if required under a RAP; (B) a report, in form and substance satisfactory to the Association, on the status of compliance with the requirements of said RAP has been prepared and furnished to the Association; and (C) the Association has confirmed that said activities may be commenced.

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the Association as part of the Project Reports, in form and substance satisfactory to the Association, reports on the status of compliance with the Safeguards Instruments, giving details of: (a) measures taken in furtherance of such Safeguards Instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguards Instruments; and (c) remedial measures taken or required to be taken to address such conditions.

4. The Recipient shall afford the Association a reasonable opportunity to review and exchange views with the Recipient on the reports prepared under paragraph 3 immediately above, and thereafter, shall carry out, or cause to be carried out, with due diligence, all remedial measures agreed with the Association so as to ensure the proper implementation of the Project in accordance with the Safeguards Instruments.

5. The Recipient shall not amend, suspend, abrogate or waive, or permit to be amended, suspended, abrogated or waived, any Safeguards Instrument, or any provision thereof without the prior written agreement of the Association.
6. In the event of a conflict between the provisions of any of the Safeguards Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

7. The Recipient shall ensure that all terms of reference for any technical assistance and studies to be carried out under the Project are prepared in form and substance satisfactory to the Association and consistent with the Association’s environmental and social safeguards policies.

J. Anti-Corruption

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of one (1) calendar semester and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

2. The Recipient shall, not later than three (3) months prior to the mid-term review referred to in paragraph 3 immediately below, furnish to the Association for its review and comments, a report prepared under terms of reference satisfactory to the Association, integrating the results of the monitoring and evaluation activities performed pursuant to paragraph 1 immediately above, on the progress achieved in the carrying out of the Project during the period preceding the date of said report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date.

3. The Recipient shall, not later than thirty six (36) months after the Effective Date or such later date as may be agreed to in writing by the Association, undertake a mid-term review, in conjunction with the Recipient and the Association, of the report referred to in paragraph 2 immediately above, during which the Recipient and the Association shall exchange views on all matters relating to the progress of the Project, and the performance by the Recipient of its obligations under this Agreement.

4. Following the mid-term review referred to in paragraph 3 immediately above, the Recipient shall act promptly and diligently in order to take all measures required
to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Association's views on the matter.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. The Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. Consultants' Services. All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.
B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding, subject to the additional provisions set forth in paragraph 3 below; (c) Shopping; (d) Direct Contracting; (e) Procurement from UN Agencies; (f) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association and set forth in the PIM; and (g) Community Participation Procedures which have been found acceptable to the Association consisting of, inter alia: (i) shopping; (ii) local bidding; (iii) community force account; and (iv) direct contracting.

3. Additional Provisions for National Competitive Bidding

The following additional provisions shall apply to the procurement of goods, works, and services under National Competitive Bidding:

(a) in accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (i) the bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Association, at its request, to inspect all accounts, records and other documents relating to the submission of bids and contract performance, and to have said accounts and records audited by auditors appointed by the Association; and (ii) the deliberate and material violation of such provision may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

(b) invitations to bid shall be advertised in national newspapers with wide circulation;

(c) the bid evaluation, qualification of bidders and contract award criteria shall be clearly indicated in the bidding documents;

(d) bidders shall be given adequate response time (at least four weeks) to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later;
(e) eligible bidders, including foreign bidders, shall be allowed to participate;

(f) no domestic preference shall be given to domestic contractors and to domestically manufactured goods;

(g) bids are awarded to the lowest evaluated bidder proven this bidder is qualified; and

(h) fees charged for the bidding documents shall be reasonable and reflect only the cost of their printing and delivery to prospective bidders, and shall not be so high as to discourage qualified bidders.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

Section IV. **Withdrawal of the Proceeds of the Financing**

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association 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.
The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing 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 Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, and consultants' services,</td>
<td>26,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs, and Training for Parts 1(a); 1(b)(i) and (ii); 1(c)(i)(A) and (D); 1(c)(ii)(A), (G) and (H); 1(c)(iii)(A), (D), (E), (F), and (G); 1(d)(i); 2(a)(i); 2(d); 3(a)(i)(A) and (C); 3(a)(ii); 3(a)(iv); 3(b)(ii); and 4 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, and consultants’ services,</td>
<td>2,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs, and Training for Parts 1(b)(iii); 1(c)(i)(B) and (C); 1(c); 3(a)(i)(B); 3(b)(i), and 3(b)(iii) of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Goods, works, non-consulting services, and consultants’ services,</td>
<td>900,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs, and Training for Parts 1(c)(ii)(B), (C), (D), (E), and (F) of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Goods, works, non-consulting services, and consultants’ services,</td>
<td>2,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs, and Training for Parts</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Distribution Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>(5) Women and Youth Matching Grants under Part 1(d)(ii) of the Project</td>
<td>250,000</td>
<td>100% of amounts disbursed, payable under the respective Women and Youth Matching Grant Agreements</td>
</tr>
<tr>
<td>(6) CWS Matching Grants under Part 3(a)(iii) of the Project</td>
<td>450,000</td>
<td>100% of amounts disbursed, payable under the respective CWS Matching Grant Agreements</td>
</tr>
<tr>
<td>(7) Fertilizer Subsidies under Part 2(b)(i) of the Project</td>
<td>4,600,000</td>
<td>100%</td>
</tr>
<tr>
<td>(8) Refund of Preparation Advance</td>
<td>400,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>39,100,000</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:

   (a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed three million nine hundred thousand Special Drawing Rights (SDR 3,900,000) may be made for payments made prior to this date but on or after April 1, 2015, for Eligible Expenditures;

   (b) under Categories (2) and (6) until: (i) the PIA MoU, referred to in Section 1.D.1(a) of this Schedule, has been executed on behalf of the Recipient and InterCafé, and has entered into effect in accordance with its terms; (ii) InterCafé has established the fiduciary capacity referred to in Section 1.D.5 of this Schedule, all in a manner satisfactory to the Association; and (iii) the Association has provided its no-objection to such withdrawal.
(c) under Category (3) until: (i) the PIA MoU, referred to in Section I.D.1(b) of this Schedule, has been executed on behalf of the Recipient and ARFIC, and has entered into effect in accordance with its terms; (ii) ARFIC has established the fiduciary capacity referred to in Section I.D.5 of this Schedule, all in a manner satisfactory to the Association; and (iii) the Association has provided its no-objection to such withdrawal.

(d) under Categories (4) and (5) until: (i) the PIA MoU, referred to in Section I.D.1(c) of this Schedule, has been executed on behalf of the Recipient and CNAC, and has entered into effect in accordance with its terms; (ii) CNAC has established the fiduciary capacity referred to in Section I.D.5 of this Schedule, all in a manner satisfactory to the Association; and (iii) the Association has provided its no-objection to such withdrawal; and

(e) under Category (7) until the Amended FCFA Lettre d’Entente and the Amended FCFA Manual of Procedures referred to in Section I.G.1 have been executed on behalf of the Recipient and the FCFA Donors, and has entered into effect in accordance with their terms, all in a manner satisfactory to the Association.

2. The Closing Date is June 30, 2023.
APPENDIX

Section I. Definitions

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

2. "Amended FCFA Lettre d’Entente" means the amended FCFA Lettre d’Entente referred to in Section I.G.1 of Schedule 2 to this Agreement.


4. "Annual Work Plan" means the annual work plan and budget as prepared by Recipient and approved by the Association in accordance with the provisions of Section I.H of Schedule 2 to this Agreement.


6. "ARFIC" means Autorité de Régulation de la Filière Café (Burundi Coffee Regulatory Agency), established and operating pursuant to the Recipient’s Décret No. 100/99 de 1 juin 2009, as such instrument may be amended from time to time; and any successor thereto.

7. "Batwa" means the indigenous people who are the oldest recorded inhabitants of the Great Lakes region of Central Africa and recognized as being the smallest minority group of the Recipient’s population.

8. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

9. "CNAC" means Confédération Nationale des Associations de Caficulteurs (National Consortium of Coffee Growers Association), established and operating pursuant to Le Statut de la Confédération Nationale des Associations de Caficulteurs du Burundi – CNAC-Murimaw’isangi, dated February 2, 2005, as such instrument may be amended from time to time; and any successor thereto.

11. "CWS" means coffee washing station; and "CWSs" means more than one such station.

12. "CWS Matching Grant" means a grant provided, or to be provided, by the Recipient to an Eligible CWS under Part 3(a)(iii) of the Project and in accordance with the provisions of Section I.F of Schedule 2 to this Agreement, for purposes of carrying out a CWS Subproject; and "CWS Matching Grant" means more than one such grant.

13. "CWS Matching Grant Agreement" means an agreement entered, or to be entered, into between the Recipient and an Eligible CWS, in accordance with the provisions of Section I.F of Schedule 2 to this Agreement, providing for a CWS Matching Grant; and "CWS Matching Grant Agreements" means more than one such agreement.

14. "CWS Subproject" means an Eco-friendly Technology Subproject or a Traceability System Subproject; and "CWS Subprojects" means more than one such subproject.

15. "Eco-friendly Technology Subproject" means a subproject to be undertaken by an Eligible CWS under Part 3(a)(iii)(A) of the Project; and "Eco-friendly Technology Subproject" means more than one such subproject.

16. "Eligible Beneficiary" means a beneficiary meeting the eligibility requirements referred to in Section I.E of Schedule 2 to this Agreement and set forth in the PIM for recipients of Women and Youth Matching Grants; and "Eligible Beneficiaries" means more than one such Eligible Beneficiary.

17. "Eligible CWS" means an entity that meets the eligibility requirements referred to in Section I.F of Schedule 2 to this Agreement and set forth in the PIM for recipients of CWS Matching Grants; and "Eligible CWSs" means more than one such Eligible CWS.

18. "Eligible Farmer" mean a coffee farmer meeting the eligibility requirements referred to in Section I.G.3 of Schedule 2 to this Agreement, and set forth in the PIM and the Amended FCFA Manual of Procedures for recipients of Fertilizer Subsidies; and "Eligible Farmers" means more than one such Eligible Farmer.

19. "Environmental and Social Impact Assessment" and "ESIA" mean each site specific environmental and social assessment to be prepared by the Recipient pursuant to the ESMF, in each case identifying and assessing the potential...
environmental and social impacts of a proposed Project activity, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules to such document; and "Environmental and Social Impact Assessments" and "ESIAs" mean more than one such assessment.

20. "Environmental and Social Management Framework" and "ESMF" mean the document titled *Cadre de Gestion Environnementale et Sociale*, and disclosed on March 20, 2015, in the Recipient’s territory, and on March 20, 2015, in the Association’s InfoShop, adopted by the Recipient and acceptable to the Association, setting forth the modalities for environmental and social screening, and outlining environmental and social implementation, mitigation and monitoring measures and procedures, including procedures for the management of chance finds of physical cultural resources, and the preparation and implementation of ESIAs and ESMPs, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules to such document.

21. "Environmental and Social Management Plan" and "ESMP" mean each site specific environmental and social management plan to be prepared by the Recipient pursuant to the ESMF, in each case setting forth appropriate mitigation, monitoring and institutional measures designed to mitigate the potential adverse environmental and social impacts of a proposed Project activity, offset them, reduce them to acceptable levels, or enhance positive impacts, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules to such document; and "Environmental and Social Management Plans" and "ESMPs" mean more than one such plan.


24. "FCFA Lettre d'Entente" means the agreement, dated December 10, 2012, between the Recipient and the FCFA Donors, providing for the management of the FCFA.

25. "FCFA Manual of Procedures" means the manual of procedures, dated November 2012, and prepared pursuant to pursuant to the FCFA *Lettre d’Entente*, setting forth the detailed arrangements and procedures for the management of the FCFA.
26. "Fertilizer Subsidy" means a fertilizer subsidy provided under Part 2(b)(i) of the Project to Eligible Farmers through the PNSEB, in accordance with the provisions of Section I.G of Schedule 2 to this Agreement; and "Fertilizer Subsidies" means more than one such subsidy.


28. "Indigenous People Development Plan" and "IPDP" mean the document titled *Plan d’Action de Développement des Caficulteurs Batwa*, and disclosed on March 20, 2015, in the Recipient’s territory, and on March 20, 2015, in the Association’s InfoShop, adopted by the Recipient and acceptable to the Association, defining specific measures to be implemented for indigenous minorities in order to protect them and to ensure that members of said minorities shall be granted equal legal, financial and organizational opportunities under the Project, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such document.

29. "InterCafe" means *Association Interprofessionnelle du Café du Burundi*, the organization representing coffee growers, wet miller, dry millers, coffee exporters and roasters in the Recipient’s territory, established and operating pursuant to *Le Statuts de l'Association Interprofessionnelle du Café du Burundi*, dated October 3, 2012, such instrument may be amended from time to time; and any successor thereto.

30. "ISABU" means *Institut des Sciences Agronomiques du Burundi* (Burundi Institute of Agronomiques Sciences), the Recipient’s institute established and operating pursuant to the Recipient’s *Ordonnance Legislatice No. B7/11 du 22 juin 1962*, as such instrument may be amended from time to time; and any successor thereto.

31. "MINAGRIE" means *Ministère de l'Agriculture et de l'Élevage*, the Recipient’s ministry responsible for agriculture; and any successor thereto.

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

33. "Pest Management Plan" and "PMP" mean the document titled *Plan de Lutte Intégrée Antiparasitaire* and disclosed on March 20, 2015, in the Recipient’s territory, and on March 20, 2015, in the Association’s InfoShop, adopted by the Recipient and acceptable to the Association, setting forth mitigation, enhancement,
monitoring, and institutional measures for integrated pest management and the safe handling of pesticides under activities to be implemented under the Project, and for minimizing any potential related adverse impacts, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such document.

34. "PIA Memorandum of Understanding" and "PIA MoU" mean a memorandum of understanding to be entered into between the Recipient and a PIA, in accordance with the provisions of Section I.D. of Schedule 2 to this Agreement; and "PIA MoUs" means more than one such memorandum of understanding.

35. "PNSEB" means the Recipient's Plan National de Subvention des Engrais du Burundi (National Fertilizer Subsidy Program), established by the Recipient on August 9, 2012.

36. "Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association and the Recipient on December 9, 2014.


38. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 30, 2015, 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.

39. "PRODEMA" means the Recipient's Agro-Pastoral Productivity and Market Development Project, financed by the International Development Association, in accordance with the financing agreement between the Recipient and the Association, dated September 22, 2010 (Grant Number H562-BI).

40. "PRODEMA PCU" means the project coordination unit maintained for the PRODEMA Project, in accordance with financing agreement between the Recipient and the Association, dated September 22, 2010 (Grant Number H562-BI).

41. "Project Coordination Unit" and "PCU" mean the Recipient's unit referred to in Section 1.A.4 of Schedule 2 to this Agreement.

42. "Project Implementing Agencies" and "PIAs" mean, collectively, InterCafé, ARFIC, and CNAC; and "Projecting Implementing Agency" and "PIA" mean any one such agency.
43. "Project Implementation Manual" and "PIM" mean the manual referred to in Sections I.B of Schedule 2 to this Agreement.

44. "Project Steering Committee" means the Recipient's committee referred to in Section I.A of Schedule 2 to this Agreement.

45. "Resettlement Action Plan" and "RAP" means, for a given Project activity, the resettlement action plan for said activity, to be prepared by the Recipient in accordance with the RPF, and describing the compensation and other resettlement assistance to be provided, consultation to be conducted with Affected Persons about acceptable alternatives, institutional responsibilities for the implementation and procedures for grievance redress, and arrangements for monitoring and evaluation, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any schedules to such document; and "Resettlement Action Plans" and "RAPs" mean more than one such plan.

46. "Resettlement Policy Framework" or "RPF" mean the document entitled Cadre de Politique de Réinstallation Involontaire des Populations and disclosed on March 20, 2015, in the Recipient's territory, and on March 20, 2015, in the Association's InfoShop, adopted by the Recipient and acceptable to Association, containing guidelines, procedures, timetables and other specifications for the provision of compensation, rehabilitation and resettlement assistance to Affected Persons, and for the preparation and implementation of RAPs, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes all schedules to such document.

47. "Safeguards Instruments" means, collectively, the ESMF, ESIAs, ESMPs, IPDP, PMP, RPF or RAPs; and "Safeguards Instrument" means any one of such instruments.

48. "Traceability System Subproject" means a subproject to be undertaken by an Eligible CWS under Part 3(a)(iii)(B) of the Project; and "Traceability System Subproject" means more than one such subproject.

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

50. "Women and Youth Matching Grant" means a grant to be provided, or to be provided, by the Recipient to an Eligible Beneficiary under Part I(d)(ii) of the Project and in accordance with the provisions of Section I.E of Schedule 2 to this
Agreement, for purposes of carrying out a Women and Youth Subproject; and "Women and Youth Matching Grants" means more than one such grant.

51. "Women and Youth Matching Grant Agreement" means an agreement entered, or to be entered, into between the Recipient and an Eligible Beneficiary, in accordance with the provisions of Section 1.E of Schedule 2 to this Agreement, providing for a Women and Youth Matching Grant; and "Women and Youth Matching Grant Agreements" means more than one such agreement.

52. "Women and Youth Subproject" means a subproject to be undertaken by an Eligible Beneficiary under Part 1(d)(ii) of the Project; "Women and Youth Subprojects" and means more than one such subproject.