Loan Agreement

(Access to Finance for Micro, Small and Medium Enterprises Project)

between

JAMAICA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between JAMAICA ("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 the amount of fifteen million Dollars (US$15,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing the Project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section 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 Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

2.06. The Payment Dates are May 15 and November 15 in each year.

2.07. 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 objective of the Project. To this end, the Borrower shall cause the Project to be implemented by the DBJ in accordance with the provisions of Article V of the General Conditions and, Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

4.01. The Additional Event of Suspension consists of the following, namely that the DBJ Articles shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the Bank, the ability of the DBJ to perform any of its obligations under the Subsidiary Agreement.

4.02. The Additional Events of Acceleration consist of the following, namely that an event specified in Article 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

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

(a) The PIU has been established and staffed by the DBJ in a manner acceptable to the Bank.

(b) The Subsidiary Agreement has been executed on behalf of the Borrower and the DBJ in a manner acceptable to the Bank.

5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

5.03. 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) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. Except as provided in Article 2.02 of this Agreement, the Borrower's Representative is Minister of Finance and the Public Service.
6.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower’s address is:

Ministry of Finance and the Public Service  
30 National Heroes Circle  
Kingston 4  
Jamaica; and

(b) the Borrower’s Electronic Address is:

Facsimile: E-mail:  
876-924-9291 finsec@mof.gov.jm

6.03. 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:

Telex: Facsimile:  
248423(MCI) or 1-202-477-6391  
64145(MCI)
AGREED as of the Signature Date.

JAMAICA

By

[Signature]

Authorized Representative

Name: Audley Shaw
Title: Minister of Finance and

Date: March 2, 2018

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By

[Signature]

Authorized Representative

Name: Gulina Sotirova
Title: Country Manager for Jamaica

Date: March 2, 2018
SCHEDULE 1

Project Description

The objective of the Project is to improve access to finance for MSMEs.

The Project consists of the following parts:

Part 1: Enhancing the Credit Enhancement Facility (CEF) for guarantees to MSME Loans:

(a) capitalization of the CEF for the provision of Credit Guarantees to AFIs; and
(b) provision of support to strengthen the operationalization of the CEF including, inter alia:

(i) provision of technical assistance to develop a business plan, a financial model, and policies and procedures for the CEF, and provision of training of staff;
(ii) strengthening of the DBJ’s capacity to assess and manage risk of AFIs; and
(iii) carrying out of marketing and awareness raising activities for AFIs and MSMEs.

Part 2: Supporting the establishment of an SME Fund for risk capital financing to SMEs

(a) establishment of the SME Fund, including, inter alia, startup and management costs, feasibility assessments and hiring of the SME Fund Management Firm;
(b) capitalization of the SME Fund for the provision of SME Financing to Selected SMEs;

(c) review of the Borrower’s legal, regulatory and taxation framework applicable to private equity and venture capital funds, and based on said review, provide recommendations for an enabling environment for onshore and offshore funds; and

(d) provision of technical assistance to the DBJ, the SME Fund Management Firm, and SMEs to support the SME Fund operations.

Part 3: Improving the enabling environment for access to finance and business development services for MSMEs

Provision of support for improving the enabling environment for access to finance for MSMEs, including, inter alia:
(a) development of financial instruments for MSMEs, including, *inter alia*, carrying out:

(i) assessments of the applicable legal framework of financial instruments; and

(ii) awareness raising and capacity building activities for AFIs, MSMEs and other relevant stakeholders.

(b) provision of support to improve the DBJ’s capacity to provide business development services to MSMEs, including, *inter alia*;

(i) provision of technical assistance to create new and improve existing programs aimed at improving MSMEs’ bankability; and

(ii) the carrying out of awareness campaigns to promote such programs.

Part 4: Project Management

Provision of support for the PIU in connection with: (a) Project management, implementation and evaluation, through, *inter alia*, the provision of technical assistance, training, the acquisition of goods and the financing of Operating Costs; and (b) the carrying out of Project audits.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Project Implementation Unit

The Borrower shall cause the DBJ to operate and maintain, throughout Project implementation, the Project Implementation Unit (PIU), with functions and responsibilities, including the responsibility for the overall management, coordination and implementation of the Project, and adequate staff with qualifications and experience and under terms of reference, all acceptable to the Bank.

2. Project Steering Committee

The Borrower shall no later than three (3) months after the Effective Date, establish and thereafter maintain throughout the implementation of the Project, a Project Steering Committee responsible for the provision of strategic guidance for the Project, with membership and terms of reference acceptable to the Bank.


The Borrower shall cause the DBJ:

(a) to carry out the Project in accordance with the Project Operations Manual; and

(b) except as the Bank shall otherwise agree in writing, not to amend, waive, suspend or abrogate the Project Operations Manual, and in case of any inconsistency between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.

B. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Borrower shall make the proceeds of the Loan (allocated under Categories (1), (2) and (3) referred to in Section III of Schedule 2 to this Agreement), available to the DBJ under a subsidiary agreement between the Borrower and the DBJ, under terms and conditions acceptable to the Bank, (“Subsidiary Agreement”), which shall include, inter alia: (a) the roles and responsibilities of the DBJ with regard to the implementation of the Project; and (b) the obligation of the DBJ to
comply with the technical, fiduciary and safeguards requirements applicable to the Project in accordance with the provisions of this Agreement.

2. The Borrower shall exercise its rights and carry out its obligations under the Subsidiary Agreement in such a manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, terminate, amend, abrogate, waive or fail to enforce the Subsidiary Agreement or any of its provisions.

3. Notwithstanding the foregoing, in the event of a conflict among the provisions of the Subsidiary Agreement and those of this Agreement, the provisions of this Agreement shall prevail.

C. Credit Enhancement Facility

1. For the implementation of Part 1(a) of the Project, the Borrower shall cause the DBJ to:

   (a) make available a portion of the Loan proceeds to the CEF for the purposes of providing Credit Guarantees to selected AFI(s), on terms and conditions acceptable to the Bank and further detailed in the Project Operations Manual.

   (b) ensure that prior to providing a Credit Guarantee, the relevant AFI and the respective Selected MSME have entered into an agreement ("MSME Loan Agreement") on terms and conditions acceptable to the Bank, including, inter alia: (i) the obligation of the AFI to provide the MSME Loan to the Selected MSME to carry out MSME Activities; and (ii) the right of the AFI to terminate the right of the Selected MSME to use the proceeds of the MSME Loan, or obtain a refund of all or any part of the amount of the MSME Loan received, upon the Selected MSME failure to perform any of its obligations under the MSME Loan Agreement, and/or Project Operations Manual, including compliance with the Safeguard Documents.

   (c) ensure that prior to providing a Credit Guarantee, the DBJ enters into an agreement with the relevant AFI ("Guarantee Agreement") on terms and conditions acceptable to the Bank, including, inter alia: (i) the obligation of the AFI to comply with the pertinent provisions of the Project Operations Manual, the CEF Operational Guidelines, the Safeguard Documents, and the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower; and (ii) the right of the DBJ to terminate the right of the AFI to use the proceeds of the Credit Guarantee, or obtain a refund of all or any part of the amount of the Credit Guarantee received, upon the AFI failure to perform any of its obligations under the
Guarantee Agreement, and/or Project Operations Manual, including compliance with the Safeguard Documents.

2. Except as the Bank shall otherwise agree, the Borrower shall ensure that the DBJ does not assign, amend, abrogate, terminate, waive or fail to enforce or permit to be assigned, amended, abrogated, terminated, waived or failed to be enforced, any Guarantee Agreement, or any provisions included or referred therein.

D. SME Fund

1. For the implementation of Part 2(a) and Part 2(b) of the Project, the Borrower shall, and/or shall cause the DBJ when applicable, to:

   (a) procure an SME Fund Management Firm in accordance with the Procurement Regulations, and with terms of reference, experience, and qualifications acceptable to the Bank, to act as manager of the SME Fund;

   (b) cause the SME Fund Management Firm to establish and thereafter maintain a fund vested with legal personality ("SME Fund"), and as part of the establishment adopt bylaws for the SME Fund ("SME Fund Bylaws), all satisfactory to the Bank, setting forth specific rules and procedures for the operation of the SME Fund, including, inter alia: (A) the financial structure of the SME Fund and the SME Fund Management Firm role; (B) the mechanisms to provide SME Financing; (C) the disbursement, auditing and reporting requirements of the SME Fund with respect to the SME Fund operations; (D) the eligible expenditures to be financed under SME Financing (equity, quasi-equity); (E) the criteria of eligibility for SME Financing; and (F) the monitoring and evaluation requirements;

   (c) cause the SME Fund, through the SME Fund Management Firm to, enter into an agreement with the DBJ ("SME Fund Agreement") including, inter alia: (i) the obligation of the DBJ to make available to the SME Fund a portion of the Loan proceeds on terms and conditions acceptable to the Bank, including, inter alia, in compliance with the Safeguard Documents and Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower; and (ii) the obligation of the SME Fund, through the SME Fund Management Firm, to, upon approval of any given investment, provide equity or Quasi-equity financing ("SME Financing"), to the corresponding Selected SME; and

   (d) cause the SME Fund, through the SME Fund Management Firm to enter into agreements with private shareholders ("SME Fund Shareholder Agreements") on terms and conditions acceptable to the Bank.
2. For purposes of the SME Financing described under Section L.D.1(c) of this Schedule, the SME Fund, through the SME Fund Management Firm and the respective Selected SME shall enter into an agreement ("SME Financing Agreement") on terms and conditions acceptable to the Bank, including, *inter alia*, the right of the SME Fund, through the SME Fund Management Firm to terminate the right of the Selected SME to use the proceeds of the SME Financing, or obtain a refund of all or any part of the amount of the SME Financing received, upon the Selected SME failure to perform any of its obligations under the SME Financing Agreement, the Safeguard Documents, the Project Operations Manual and SME Fund Bylaws and Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower.

3. The Borrower shall cause the DBJ to ensure that the SME Fund, through the SME Fund Management Firm, shall exercise the rights and carry out the obligations of the SME Fund under each SME Financing Agreement in such a manner as to protect the interests of the SME Fund, the Borrower, the DBJ and the Bank, and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall ensure that the DBJ shall cause the SME Fund not to assign, amend, terminate, abrogate, waive or fail to enforce any SME Financing Agreement or any of its provisions.

4. The Borrower shall cause the DBJ to provide the funds and other resources as needed, to ensure the sustainability of the SME Fund after the Closing Date of this Project on terms and conditions acceptable to the Bank.

E. Safeguards

1. The Borrower shall ensure that through the implementation of the Project, the Project shall be implemented in accordance with the guidelines, procedures, timetables and other specifications set forth in the ESMF. In particular, the Borrower shall ensure: (a) for any activity under the Project, for which the ESMF provides that one or more other Safeguard Document(s) should be prepared, such Safeguard Document(s) are prepared in form and in substance satisfactory to the Bank, in accordance with the provisions of the ESMF; and (c) no Project activities, shall be eligible if they involve Involuntary Resettlement or are in breach of the foregoing provisions.

2. 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, terminate, waive or fail to enforce any provisions of any of the Safeguard Documents, nor shall it permit the DBJ to do so.

3. Without limitation upon its other reporting obligations under this Agreement, the Borrower shall, and/or shall cause the DBJ to, regularly collect, compile and submit to the Bank, when the Bank may so request with reasonable notice, 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; and (c) remedial measures taken or required to be taken to address such conditions.

4. In the event that any provisions of the Safeguard Documents shall conflict with any provisions under this Agreement, the terms of this Agreement shall prevail.

Section II. Project Monitoring Reporting and Evaluation

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

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: (a) finance Eligible Expenditures; and (c) pay: (i) the Front-end Fee; and (ii) 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 USD)</th>
<th>Percentage of Expenditures to be financed (inclusive Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consulting services, Training and Operating Costs for Part 1(b), Parts 2(a), 2(c), 2(d), Part 3 and Part 4 of the Project</td>
<td>4,962,500</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Capitalization of the CEF under Part 1(a) of the Project</td>
<td>5,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Capitalization of SME Fund under Part 2(b) of the Project</td>
<td>5,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Front-end Fee</td>
<td>37,500</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>Category</td>
<td>Amount of the Loan Allocated (expressed in USD)</td>
<td>Percentage of Expenditures to be financed (inclusive Taxes)</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>-----------------------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>(5) 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>
<tr>
<td>TOTAL AMOUNT</td>
<td>15,000,000</td>
<td></td>
</tr>
</tbody>
</table>

**B. Withdrawal Conditions; Withdrawal Period**

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

   (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed $650,000 may be made for payments made prior to this date but on or after March 1, 2017, for Eligible Expenditures but in no case more than 12 months before the Signature Date;

   (b) under Category (2) unless:

      (i) the CEF Operational Guidelines have been updated and adopted by the DBJ in a manner acceptable to the Bank; and

      (ii) evidence, acceptable to the Bank, shall have been furnished to the Bank concerning improvements to the CEF corporate governance framework, including ratification by the DBJ’s Board of the CEF Board of Trustees’ confirmation of the development of an external and internal audit system for the CEF; and adoption of an amended CEF Trust Deed to ensure an adequate representation of banking and SMEs development expertise amongst the CEF Board of Trustees.

   (c) under Category (3) unless:

      (i) the SME Fund Management Firm shall have been procured in accordance with Section I.D.1(a) of this Schedule;

      (ii) the SME Fund shall have been legally established, including the issuance of the SME Fund Bylaws, and is fully operational in accordance with Section I.D.1 (b) of this Schedule, all in a manner acceptable to the Bank;
(iii) the SME Fund Shareholder Agreements shall, have been executed, pursuant to which private shareholders of the SME Fund have committed an aggregate amount of approximately ten (10) million Dollars, all on terms and conditions acceptable to the Bank; and

(iv) the SME Fund Agreement shall have been executed, in a manner acceptable to the Bank.

2. The Closing Date is January 30, 2023.
SCHEDULE 3

Disbursement-Linked Amortization Repayment Schedule – Level Repayment

1. Subject to the provisions of Section 3.03 of the General Conditions, the Borrower shall repay each Disbursed Amount in semiannual installments payable on each May 15 and November 15, the first installment to be payable on the eleventh (11th) Payment Date following the Maturity Fixing Date for the Disbursed Amount and the last installment to be payable on the sixtieth (60th) Payment Date following the Maturity Fixing Date for the Disbursed Amount. Each installment except for the last one shall be equal to one-fiftieth (1/50th) of the Disbursed Amount. The last installment shall be equal to the remaining outstanding amount of the Disbursed Amount.

2. If any one or more installments of principal of the Disbursed Amount would, pursuant to the provisions of paragraph 1 of this Schedule, be payable after November 15, 2052, the Borrower shall also pay on such date the aggregate amount of all such installments.

3. The Bank shall notify the Loan Parties of the amortization schedule for each Disbursed Amount promptly after the Maturity Fixing Date for the Disbursed Amount.
APPENDIX

Definitions

1. “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.

2. “AFI” or “Approved Financial Institution” means a commercial bank, credit union or other financial institution, established and operating pursuant to the laws of the Borrower which has met the eligibility criteria specified in the Project Operations Manual to receive a Credit Guarantee.

3. “Capitalization” means periodic transfers of Loan proceeds to the CEF and SME Fund for the purposes of the DBJ providing Credit Guarantees to an AFI for MSME Loans of Selected MSMEs, or for providing SME Financing to Selected SMEs, as such transfers shall be made in accordance with the provisions of this Agreement and on the basis of the criteria set forth in the Project Operations Manual, deemed an eligible expenditure for purposes of the General Conditions.

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

5. “CEF” means “Credit Enhancement Facility” the Borrower’s guarantee fund established and operating pursuant to the CEF Trust Deed, or any other legal successor thereto.

6. “CEF Operational Guidelines”, means the guidelines regulating the CEF operations acceptable to the Bank dated October 2015, as amended to the date of this Agreement.

7. “CEF Trust Deed” means the security sharing trust deed which created the CEF, dated September 16, 2009, as amended to the date of this Agreement.

8. “Credit Guarantee” means a partial credit guarantee financed or to be financed out of the proceeds of the Loan to guarantee an MSME Loan made by an AFI, under the terms and conditions of the pertinent Guarantee Agreement.

9. “DBJ” means “Development Bank of Jamaica Limited”, the Project Implementing Entity and one of the Borrower’s governmental financial institutions established and operating pursuant to DBJ Articles, the main objective of which is to provide banking and financial services in the Borrower’s territory, or any other legal successor thereto.
10. “DBJ Articles” means the DBJ’s Articles of Incorporation approved by the Borrower’s Resolution dated July 18, 2008, as amended to the date of this Agreement.

11. “Environmental and Social Management Framework” or “ESMF” means the environmental and social framework, duly published in the Borrower’s territory on September 4, 2017 and in the World Bank’s external website on November 6, 2017, setting forth mitigation, monitoring, and institutional measures to address environmental and social impacts of Project activities, including impacts on natural habitats, physical cultural resources, offset negative impacts, or reduce them to acceptable levels, or enhance positive environmental and social impacts, as said ESMF may be modified from time to time with the prior written agreement of the World Bank, and such term includes any schedules or annexes to such framework.


13. “Guarantee Agreement” means the agreements referred to in Section I.C.1(c) of Schedule 2 to this Agreement.

14. “Involuntary Resettlement” means any direct economic and social impact caused by: (a) the involuntary taking of land resulting in: (i) relocation or loss of shelter, (ii) loss of assets or access to assets; and (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of such person.


16. “MSME Activity” means any investment or activity for productive purposes (including working capital) carried out by a Selected MSME.

17. “MSME Loan” means, a loan made by a AFI to a Selected MSME for the carrying out of MSME Activities.

18. “MSME Loan Agreement” the agreements referred to in Section I.C.1(b) of Schedule 2 to this Agreement.

19. “Operating Costs” means incremental recurrent expenditures incurred on account of Project implementation, based on periodic budgets acceptable to the Bank, including, inter alia: travel expenditures and other travel-related allowances such as per diems and reasonable accommodation costs; equipment rental and maintenance; vehicle operation (excluding fuel), maintenance, insurance and
repair; office rental and maintenance; office materials and supplies; reasonable costs of rental of facilities and hospitality costs for Project-related meetings; consumables; utilities; internet service charges; media information campaigns and communications' expenses; advertising expenses; banking charges; and PIU staff salaries, but excluding the salaries of officials and public servants of the Borrower's civil service.

22. “PIU” means the unit referred to in Section I.A.1 of Schedule 2 to this Agreement.

23. “Procurement Regulations’ means, for purposes of paragraph 85 of the Appendix to the General Conditions, the ‘World Bank Procurement Regulations for IPF Borrowers’, dated July 2016, revised November 2017.”

24. “Project Operations Manual” means the manual including all appendices and schedules thereto, satisfactory to the Bank, dated November 30, 2017 and adopted December 6, 2017 by the DBJ, setting forth the policies and procedures that apply to the carrying out of the Project, which include, inter alia: (a) the roles and responsibilities of each of the agencies or entities involved in Project implementation; (b) the staffing requirements for the Project; (c) the estimated implementation schedule; (d) procedures for accessing, disbursing and accounting for funds under the Project; (e) the indicators to be used in the monitoring and evaluation of the Project; (f) procedures for Project monitoring, supervision and evaluation, including the format and content of the Project Reports; the (g) procurement and financial management procedures; and (h) the criteria and mechanism to select MSMEs, MSME Loans, Selected MSMEs, AFIs, SMEs, and Selected SMEs participating in the Project; as the same may be amended from time to time with the prior written approval of the Bank.

25. “Project Steering Committee” means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement.

26. “Quasi-equity financing” means a type of financing that involves a mix of equity and/or debt whereby investors may receive a rate of return upon business performance.

27. “Safeguard Documents” means, collectively, the ESMF and the related environmental management plan, and any other document or report which the Borrower is required to prepare, as applicable, with respect of the Project, in order to comply with the ESMF, all acceptable to the Bank, and Safeguard Documents means one or more of such documents, as determined by the Bank.

28. “Selected MSME” means an MSME which has: (i) been selected in accordance with the criteria and procedures set forth in the Project Operations Manual and the CEF Operational Guidelines; and (ii) entered into an MSME Loan Agreement.
29. "Selected SME" means an SME which has: (i) been selected in accordance with the criteria and procedures set forth in the Project Operations Manual; and (ii) entered into an SME Financing Agreement.

30. "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.


32. "SME Fund" means the fund referred to in Section I.D.1(b) of Schedule 2 to this Agreement.

33. "SME Fund Agreement" means the agreement referred to in Section I.D.1(c) of Schedule 2 to this Agreement.

34. "SME Fund Bylaws" means a rules and procedures for the operation of the SME Fund referred to in Section I.D.1(b) of Schedule 2 to this Agreement.

35. "SME Fund Management Firm" means a firm or individual procured to manage the SME Fund and referred to in Section I.D.1(a) of Schedule 2 to this Agreement.

36. "SME Fund Shareholder Agreement" means the agreements referred to in Section I.D.1(d) of Schedule 2 to this Agreement.

37. "SME Financing" means a contribution of equity or Quasi-equity financing into a Selected SME.

38. "SME Financing Agreement" the agreements referred to in Section I.D.2 of Schedule 2 to this Agreement.

39. "Subsidiary Agreement" means the agreement referred to in Section I.B of Schedule 2 to this Agreement.

40. "Training" means the training provided under the Project, including seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity: travel and subsistence expenditures and other travel-related allowances for training participants such as per diems and reasonable accommodation costs, 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, all based on periodic budgets acceptable to the Bank.