Global Environment Facility
Trust Fund Grant Agreement
(Sustainable Agriculture and Climate Change Mitigation Project)

between

REPUBLIC OF UZBEKISTAN

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

acting as an Implementing Agency of the Global Environment Facility

Dated February 7, 2014
GEF TRUST FUND GRANT NUMBER TF014400

GLOBAL ENVIRONMENT FACILITY TRUST FUND GRANT AGREEMENT

AGREEMENT dated February 7, 2014, entered into between the REPUBLIC OF UZBEKISTAN ("Recipient"); and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF").

The Recipient and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions


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

Article II
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient, through RRA, shall: (a) carry out Parts 1.1, 2 and 3 of the Project; and (b) cause the PFile to carry out Part 1.2 of the Project, all in accordance with the provisions of Article II of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank 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 III
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to twelve million six hundred ninety nine thousand United States Dollars ($12,699,000) ("Grant") to assist in financing the Project.
3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donor to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donor under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Additional Remedies

4.01. The Additional Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following, namely that the Rural Enterprise Investment Guidelines shall have been amended, suspended, repealed or waived without the World Bank’s prior approval.

Article V
Effectiveness; Termination

5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied.

(a) The execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental action.

(b) The PIP has been updated by the Recipient in a manner acceptable to the World Bank.

5.02. As part of the evidence to be furnished pursuant to Section 5.01 (a), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank or, if the World Bank so requests, a certificate satisfactory to the World Bank of a competent official of the Member Country, showing the following matters, namely that, on behalf of the Recipient, this Agreement has been duly authorized or ratified by, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.

5.03. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required
pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

5.04. Termination for Failure to Become Effective. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement, unless the World Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The World Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient’s Representative; Addresses

6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is the Minister of Finance of the Recipient.

6.02. The Recipient’s Address referred to in Section 7.01 of the Standard Conditions is:

Ministry of Finance
Mustakilik Square 5
Tashkent 100008
Republic of Uzbekistan

Telex: 11 6360 IK BOL
Facsimile: (998-71) 244-5643
(998-71) 239-1259

6.03. The World Bank’s Address referred to in Section 7.01 of the Standard Conditions is:

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

Cable: INTBAF RAD
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
AGREED at Tashkent, Republic of Uzbekistan, as of the day and year first above written.

REPUBLIC OF UZBEKISTAN

By

Authorized Representative

Name: Mr. Rostam Azimov
Title: Minister of Finance

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
acting as an Implementing Agency of the Global Environment Facility

By

Authorized Representative

Name: Mr. Saroj Kumar Jha
Title: Regional Director, Central Asia
SCHEDULE 1
Project Description

The objectives of the Project are to: (i) promote the introduction of selected renewable energy and energy efficiency technologies of relevance to agri-businesses and farms; and (ii) strengthen the capacity for improving degraded irrigated land and water conservation in the Project Area.

The Project consists of the following parts:

Part 1: Promoting Renewable Energy Technologies

1. Support the dissemination of knowledge and information on renewable energy technologies (including, *inter alia*, bio-gas digesters, solar water heaters and solar photovoltaics) by provision of goods, works and training for demonstration purposes in Selected Districts.

2. Provision of support to Beneficiaries for the carrying out of Renewable Energy Subprojects.

Part 2: Promoting Technologies and Practices to Mitigate Irrigated Land Degradation

1. Support the dissemination of knowledge and information on technologies and management practices for controlling and reversing the degradation of irrigated lands (including, *inter alia*, improved land-leveling techniques, micro-irrigation methods, salinity coping measures, deep ripping and cropping diversification) by provision of goods, works and training for demonstration purposes in Selected Districts.

2. Provision of training to eligible farmers and WCAs in Selected Districts on, *inter alia*, methods for efficiently using and scaling up the technologies and/or management practices under Part 2.1 of the Project.

Part 3: Advisory Services and Project Management

1. Provision of advisory services to, *inter alia*: (i) analyze and develop a regulatory framework aimed at supporting the adoption of renewable energy technologies; (ii) develop an improved system for monitoring carbon emissions produced by Renewable Energy Subprojects; (iii) update the wind and solar maps of the Recipient’s territory; and (iv) carry out financial feasibility studies on the adoption of renewable energy technologies.
2. Provision of training and workshops to eligible farmers and students in Selected Districts on, *inter alia*: (i) the technical issues and financial and management aspects related to the adoption of renewable energy technologies; and (ii) the legislation and regulations (including regulations on health and safety issues) governing said technologies.

3. Support to RRA to design training and workshops (including developing methodologies, curricula, tests, feedback forms and assessments of training and workshops) on, *inter alia*, the impact of climate change on agribusinesses and the Recipient’s legislation and regulations governing renewable energy technologies.

4. Provision of support for the technical and administrative management of the Project.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall, and shall cause the respective PFI through the pertinent Subproject Agreement to, carry out the Project in accordance with the Project Implementation Plan, satisfactory to the Bank, which shall include the rules, methods, guidelines, standard documents and procedures for the carrying out of the relevant parts of the Project, including, inter alia, the following: (i) the detailed description of Project implementation activities and the detailed institutional arrangements of the Project; (ii) social, economic, financial, technical and environmental criteria for screening and selecting Renewable Energy Subprojects, including a negative list of environmentally sensitive investments ineligible for financing under a Renewable Energy Subproject; (iii) a model form of a Subproject Agreement; (iv) the Project administrative, accounting, auditing, reporting, financial (including cash flow aspects in relation thereto), procurement and disbursement procedures (including customized statements of expenditures and all pertinent standard documents and model contracts in relation thereto); (v) the monitoring indicators for the Project; (vi) the procedures and criteria to select the Selected Districts within the Project Area; (vii) the eligibility criteria for farmers, students and WCAs to receive training under Parts 2.2 and 3.2, respectively, of the Project; and (viii) the EMF. In the event that any provision of the PIP shall conflict with this Agreement, the terms of this Agreement shall prevail.

2. The Recipient shall maintain the RRA until completion of the Project, with staff, resources and terms of reference satisfactory to the World Bank and assign to it responsibility for overall Project management and coordination including:

   (a) preparation and submission to the World Bank, by February 1 of each year, for its review and concurrence, of an annual work program for the Project for the following calendar year, including procurement and financing plans;

   (b) maintenance of Project financial records and accounts;

   (c) preparation of applications for withdrawal of the proceeds of the Grant;
(d) preparation of bidding and contract documents and management of procurement procedures under the Project, including coordination of the recruitment of foreign and national consultants required for the Project implementation;

(e) supervision of implementation of work programs under the Project; and

(f) preparation and submission to the Recipient and the World Bank of semi-annual reports on the progress of Project implementation.

3. Not later than 90 days from the Effective Date, the Recipient shall update and approve, in a manner satisfactory to the World Bank, the Rural Enterprise Investment Guidelines to include detailed guidelines on carrying out of the Renewable Energy Subprojects under Part 1.2 of the Project.

4. The Recipient shall, and shall cause the respective PFI through the pertinent Subproject Agreement to, implement Part 1.2 of the Project in accordance with the Rural Enterprise Investment Guidelines which shall cover, inter alia, the following matters: (i) the eligibility criteria and selection procedures for PFIs; (ii) the amount, terms and conditions of Matching Grants; (iii) the eligibility criteria and selection procedures for Beneficiaries; and (iv) the procurement procedures to be followed by Beneficiaries and reporting requirements under the respective Subproject Agreement.

B. Anti-Corruption

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

C. Subsidiary Grant Agreement

1. To facilitate the carrying out of the Part 1.2 of the Project, the Recipient shall make a part of the proceeds of the Grant available under subsidiary agreements between the Recipient, RRA and each PFI under terms and conditions approved by the World Bank, including those set forth in Section I.C.4 below ("Subsidiary Grant Agreements").

2. The Recipient shall exercise its rights under the Subsidiary Grant Agreements in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Grant Agreements or any of its provisions.
3. The Recipient shall, in close cooperation with the World Bank, select PFIs for Part 1.2 of the Project in accordance with the eligibility criteria set forth in the Rural Enterprise Investment Guidelines.

4. The Recipient shall ensure that each Subsidiary Grant Agreement with PFIs for carrying out Renewable Energy Subprojects shall comply with, but not be limited to, the following terms and conditions:

(a) the amount of the Subsidiary Grant to each PFI shall be made available in Dollars or Soum;

(b) the Matching Grant shall be made to each Beneficiary in Dollars or Soum; and

(c) each PFI shall carry out the activities under Part 1.2 of the Project in accordance with the Anti-Corruption Guidelines.

D. Renewable Energy Subprojects

1. For the purposes of carrying out Renewable Energy Subprojects under Part 1.2 of the Project, the Recipient, through RRA, shall:

(a) after having selected a Renewable Energy Subproject in accordance with the guidelines and procedures set forth in the PIP, cause the PFI to enter into an agreement with the eligible Beneficiary ("Subproject Agreement"), under terms and conditions approved by the World Bank and included in the Rural Enterprise Investment Guidelines, for the provision of Matching Grants for the implementation of said Renewable Energy Subproject.

(b) ensure that each Subproject Agreement is prepared based on the model form approved by the Bank and included in the PIP, in which the Recipient shall obtain rights adequate to protect its interests and those of the World Bank, including the right to: (1) suspend or terminate the right of any Beneficiary to use the proceeds of the Matching Grant, or obtain a refund of all or any part of the amount of the Matching Grant then withdrawn, upon the Beneficiary’s failure to perform any of its obligations under the Subproject Agreement; and (2) require each Beneficiary to: (i) carry out its pertinent Renewable Energy Subproject with due diligence and efficiency, in compliance with any applicable national legislation on child labor and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines and the EMF; (ii) provide, promptly as needed, the resources required for the
carrying out of the Renewable Energy Subproject; (iii) procure the goods, works and Consultants’ Services to be financed out of the Matching Grant in accordance with the provisions of this Agreement; (iv) maintain procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the pertinent Renewable Energy Subproject and the achievement of its objectives; (v) maintain a simplified financial management system and records in accordance with consistently applied accounting standards acceptable to the World Bank for community driven initiatives, both in a manner adequate to reflect the operations, resources and expenditures related to the Renewable Energy Subproject; (vi) at the World Bank’s or the Recipient’s request, have the resulting financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient and the World Bank; (vii) enable the Recipient and the World Bank to inspect the Renewable Energy Subproject, its operation and any relevant records and documents; and (viii) prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World Bank shall reasonably request relating to the foregoing.

(c) exercise its rights and carry out its obligations under the Subproject Agreements in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive, terminate or fail to enforce any Subproject Agreement or any provisions thereof.

(d) furnish to the World Bank for its prior review and approval the first three Subproject Agreements.

E. Safeguards

1. The Recipient, through RRA, shall implement the Project pursuant to the Environmental Management Framework in a manner satisfactory to the World Bank and shall provide the World Bank with a summary status of the implementation, including results from environmental monitoring, as part of Project Reports or when specifically requested by the World Bank.

2. The Recipient, through RRA, shall ensure that the Project activities under the Project will not include any land acquisition, displacement of people, and construction of new or rehabilitation of existing dams.
Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.

2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank as part of the Project Report, not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.

3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.

Section III. Procurement

A. General

1. Procurement and Consultant Guidelines. All goods, works, non-consulting services and consultants’ services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

(a) Section I of the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (“Procurement Guidelines”)
in the case of goods, works and non-consulting services, and Sections I and IV of the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 ("Consultant Guidelines") in the case of consultants' services; and

(b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines ("Procurement Plan").

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank 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 following provisions set forth in the Annex to this Schedule 2 required to comply with the provisions of the Procurement Guidelines; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the World Bank; (e) Direct Contracting; (f) Force Account; (g) Procurement from UN Agencies; (h) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (i) Procurement under Public Private Partnership Arrangements in accordance with procedures which have been found acceptable to the World Bank; and (j) Community Participation procedures which have been found acceptable to the World Bank.
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 assignments 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) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the World Bank; (g) Selection of UN Agencies; (h) Selection of consultants under Indefinite Delivery Contract or Price Agreement; and (i) Selection of Individual Consultants.

D. **Review by the World Bank of Procurement Decisions**

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

**Section IV. Withdrawal of Grant Proceeds**

A. **General**

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may 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 World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant 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 Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants’ services and Training</td>
<td>3,001,500</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Matching Grants</td>
<td>8,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Incremental Operating Costs</td>
<td>592,438</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Unallocated</td>
<td>1,105,062</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>12,699,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

For the purposes of this paragraph:

(a) the term “Incremental Operating Costs” means the incremental expenses incurred by RRA on account of Project implementation, management, monitoring and supervision, including office supplies, office equipment maintenance, communication, local travel, vehicles operation and maintenance and salaries of the support staff of RRA, but excluding salaries of civil servants of the Recipient, as such expenditures are set forth in the RRA annual budget, acceptable to the World Bank; and

(b) the term “Training” means reasonable expenditures (other than those for Goods and Consultants’ services), as approved by the World Bank, incurred for the carrying out of training activities under the Project, including, inter alia, reasonable costs of travel and per diem of trainers and trainees, cost of workshops, rental of training facilities and equipment and training materials.
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; and

   (b) under Category 2, unless the Recipient has: (i) updated and approved the Rural Enterprise Investment Guidelines in a manner satisfactory to the World Bank; and (ii) entered into the respective Subsidiary Grant Agreements with RRA and each PFI under terms and conditions approved by the World Bank pursuant to Section 1.C of this Schedule.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2016.
ANNEX TO
SCHEDULE 2

The National Competitive bidding procedures of the Recipient may be used for procurement under the Project provided that the following provisions are complied with:

1. (a) Bidding shall not be restricted to pre-registered firms.

(b) Where registration is required, bidders: (i) shall be allowed a reasonable time to complete the registration process; and (ii) shall not be denied registration for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.

(c) Foreign bidders shall not be precluded from bidding. If a registration process is required, a foreign bidder declared the lowest evaluated bidder shall be given a reasonable opportunity to register.

2. Invitations to bid shall be advertised in at least one widely circulated national daily newspaper allowing a minimum of thirty (30) days for the preparation and submission of bids.

3. When pre-qualification shall be required for large or complex works, invitations to pre-qualify for bidding shall be advertised in at least one widely circulated national daily newspaper a minimum of thirty (30) days prior to the deadline for the submission of pre-qualification applications. Minimum experience, technical and financial requirements shall be explicitly stated in the pre-qualification documents.

4. Government-owned enterprises in the Republic of Uzbekistan shall be eligible to participate in bidding only if they can establish that they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the contracting authority. Furthermore, they will be subject to the same bid performance security requirements as other bidders.

5. Purchasers shall use the appropriate standard bidding documents for the procurement of goods, works or services, acceptable to the World Bank.

6. (a) Bids shall be opened in public, immediately after the deadline for submission of bids.

(b) Evaluation of bids shall be made in strict adherence to the monetarily quantifiable criteria declared in the bidding documents.
(c) Contracts shall be awarded to the qualified bidder having submitted the lowest evaluated substantially responsive bid and no negotiation shall take place.

(d) Price verification should not be applied to World Bank-financed contracts.

7. Civil works contracts of long duration (e.g. more than eighteen (18) months) shall contain an appropriate price adjustment clause.

8. (a) All bids shall not be rejected and new bids solicited without the World Bank’s prior concurrence.

(b) When the number of bids received is less than three (3), re-bidding shall not be carried out without the World Bank’s prior concurrence.
APPENDIX

Definitions


2. “Beneficiary” means any rural entrepreneur (including small- to medium-sized agribusinesses) and/or farmer located in the Project Area who, upon meeting the criteria set forth in the Rural Enterprise Investment Guidelines, is eligible to receive a Matching Grant for the carrying out of a Renewable Energy Subproject.


4. “Environmental Management Framework” or “EMF” means the Recipient’s Environmental Management Framework dated December 7, 2011, as published in InfoShop on December 7, 2011, satisfactory to the World Bank, which contains, inter alia, the environmental management, monitoring and protection measures in respect of the Project, including: (i) measures for identification of existing environmental conditions and potential direct and indirect environmental impacts resulting from the carrying out of the Project (including Renewable Energy Subprojects); (ii) recommendation of mitigation measures for each negative impact identified; (iii) procedures for screening Renewable Energy Subprojects (based on their expected impacts on the natural and social environment) and for evaluating their risks; (iv) methods to assess the need for environmental assessment as part of procedure for preparing EMP(s); and (v) management procedures related to the selection and implementation of Renewable Energy Subprojects under the Project.

5. “EMP(s)” means the Recipient’s site-specific environmental management plan(s), acceptable to the World Bank prepared or to be prepared during the Project implementation in accordance with the EMF and approved by the World Bank, describing environmental mitigation, monitoring and institutional measures for any Renewable Energy Subproject under the Project.

6. “Matching Grant” means a grant made by a PFI to a selected Beneficiary out of the proceeds of the Grant for the partial financing of an eligible Renewable Energy Subproject, subject to the specific terms and conditions set forth in the PIP, the Rural Enterprise Investment Guidelines and the relevant Subproject Agreement.
7. "RESP-2" means the project described in Schedule 1 to the Financing Agreement entered into between the Recipient and the International Development Association, dated October 8, 2008 (Credit No 4433-UZ), as amended to the date of this Agreement.

8. "PFI" means a commercial bank of the Recipient selected to participate in Part 1.2 of the Project pursuant to the eligibility criteria set forth in the Rural Enterprise Investment Guidelines for the purposes of Part 1.2 of the Project.

9. "Procurement Plan" means the Recipient's procurement plan for the Project dated July 25, 2012, 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.

10. "Project Implementation Plan" or "PIP" means the Project implementation plan for the carrying out of RESP-2, approved on December 30, 2008, to be updated and adopted by the Recipient pursuant to Section 5.01(b) of this Agreement, as the same may be amended from time to time with the Agreement of the World Bank.


12. "Project Area" means the following oblasts of the Recipient: Andijan, Bukhara, Jizzak, Kashkadarya, Samarkand, Syrdarya, Tashkent and Fergana.

13. "Renewable Energy Subprojects" means any eligible productive and financially viable investment aimed at adopting renewable energy technologies, screened and selected by the Recipient, through RRA, in accordance with relevant provisions of the PIP and referred to in Part 1.2 of the Project, to be partly financed with a Matching Grant under the pertinent Subproject Agreement and to be carried out by a Beneficiary.


15. "Rural Enterprise Investment Guidelines" means the guidelines prepared in connection with the implementation of RESP-2 and dated June 2009, as the same may be amended from time to time with the Agreement of the World Bank.

16. "Selected District" means a rural district, located in the Project area, to be selected in accordance with the criteria set forth in the Project Implementation Plan.
17. "Soum" means the lawful currency of the Recipient.

18. "Subproject Agreement" means each agreement to be entered into between a PFI and an eligible Beneficiary, as specified in Section I.D.1 (a) of Schedule 2 to this Agreement.

19. "Subsidiary Grant" means any grant made by the Recipient to a PFI under Section I.C of Schedule 2 to this Agreement for the purposes of providing a Matching Grant to a Beneficiary.

20. "Subsidiary Grant Agreement" means the agreement referred to in Section I.C of Schedule 2 to this Agreement, pursuant to which the Recipient shall make part of the proceeds of the Grant available to a PFI, as the same may be amended from time to time with the Agreement of the World Bank.

21. "WCA" means the Water Consumers Associations of the Recipient.