Financing Agreement

(Livestock Development Project)

between

REPUBLIC OF CAMEROON

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 07 JUIN, 2017
FINANCING AGREEMENT

AGREEMENT dated 7 JUIN, 2017, entered into between REPUBLIC OF CAMEROON ("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 credit in an amount equivalent to seventy-one million eight hundred thousand Special Drawing Rights (SDR 71,800,000) (variously, "Credit" and "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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are February 1 and August 1 in each year.

2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. The Payment Currency is Euro.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through MINEPIA 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 recruited to: (i) the National Project Coordination Unit, a project coordinator, a procurement specialist, and financial management specialist, in accordance with the provisions of Section I.A.4(a)(i)(A) of Schedule 2 to this Agreement; and (ii) each Regional Coordination Unit, a regional coordinator and an accountant, in accordance with the provisions of Section I.A.4(b)(i)(A) of Schedule 2 to this Agreement.

(b) The Recipient has established the Tender Board in accordance with the provisions of Section I.A.6 of Schedule 2 to this Agreement.

(c) The Recipient has adopted the Project Implementation Manual in accordance with the provisions of Section I.C 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 economy, planning and regional development.

5.02. The Recipient’s Address is:

Ministry of Economy, Planning and Regional Development
B.P. 660
Yaoundé
Republic of Cameroon

Facsimile:

(237) 222 22 15 09

5.03. The Association’s Address is:

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

Telex: Facsimile:

248423 (MCI) 1-202-477-6391
AGREED at Yaoundé, Republic of Cameroon, as of the day and year first above written.

REPUBLIC OF CAMEROON

By

Authorized Representative

Name: Louis Paul MOTAZE

Title: ____________________

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: [Legible name]

Title: Country Director
SCHEDULE 1

Project Description

The objectives of the Project are to improve productivity of selected livestock production systems and the commercialization of their products for the targeted beneficiaries, and to provide immediate and effective response in the event of an Eligible Crisis or Emergency.

The Project consists of the following parts:

Part A: Improvement of Livestock Services Access and Delivery

Improvement of access to and delivery of livestock services through, *inter alia*:

1. Improving access to animal health services, including: (a) design and development of an animal health information system at the Directorate of Veterinary Services; (b) development and operationalization of the Recipient’s regulatory framework for the animal health system; (c) strengthening of the National Order of Veterinarians to improve the quality of veterinary service delivery; (d) provision of animal health services training and awareness building for Producer Organizations; (e) support for animal surveillance and disease control activities; (f) the implementation of a vaccination campaign for pest for small ruminants; and (g) updating and field-testing of animal health emergency plans.

2. Improving access to high quality livestock inputs, including: (a) development of a strategy for improving the supply of enhanced animal genetic resources and an associated investment plan; (b) support towards the implementation of said investment plan referred to in Part A.2(a); (c) promotion of good practices in animal feed production; (d) development of a quality control system with clear norms and quality standards for animal feed for selected value chains; and (e) support to MINEPIA’s monitoring of the quality of breeds, feed, and pasture seeds.

3. Reinforcing institutional capacity including: (a) strengthening of relevant staff capacity within MINEPIA; (b) improving MINEPIA’s livestock statistical information system; (c) development of a livestock management communication strategy and implementation plan; (d) support towards the development and implementation of food safety norms for livestock products and quality standards; (e) support to selected regional livestock service centers towards improved information delivery and promotion of livestock products; and (f) the development of a contingency emergency response plan for crises affecting the livestock sector.

4. Contingent emergency response through the provision of immediate response to an Eligible Crisis or Emergency, as needed.
Part B: Improvement of Pastoral Productivity, Access to Markets, and Resilience of Pastoral Communities

Improvement of pastoral productivity, access to livestock markets, and resilience of pastoral communities through *inter alia*:

1. Support to animal production practices and the community based management of pastoral areas including: (a) (i) support towards the collaborative development of community management plans for pastoral resources (MPPR); and (ii) provision of MPPR Sub-project Grants to Participating Communes to finance MPPR community development projects (“MPPR Sub-projects”), including *inter alia*, construction or rehabilitation of access roads, water points and animal health infrastructure, delimitation of pastoral areas, improvement or regeneration of grasslands, and tsetse and weed eradication activities; (b) support towards the establishment and/or strengthening of local conflict resolution mechanisms; and (c) capacity building for producer organizations, including through the participatory development and implementation of adapted technical itineraries for herd management;

2. Support to commercialization and marketing of pastoral livestock products including: (a) support towards the establishment of dialogue platforms for stakeholders involved in the management of municipal markets and marketing of animals; (b) strengthening the marketing capacity of pastoralists and pastoralists associations; and (c) improving access for pastoralists to market information; and

3. Improving the resilience of poor and conflict-affected communities in the Recipient’s North and Far North regions, including: (a) the provision of productive safety nets linked to livestock value chains; (b) support for nutrition-sensitive agricultural interventions and behavioral change communications strategies for women on issues related to access to new technologies, maternal care, and child feeding practice; (c) provision of labor saving devices; (d) promotion of diversified food production; (e) support for income generation schemes; and (f) promotion of improved complementary foods for young children.

Part C: Support to Livestock Value Chains Development

Implementation of a program of activities to establish and promote a mechanism of productive partnerships between Producer Organizations and Agribusiness Entities for the purpose of enhancing the harmonization of livestock demand and supply, including, *inter alia*:

1. Facilitating the establishment of productive partnerships detailing such specifications as product quality and characteristics, delivery modalities, payment modalities and price determination criteria for the purpose of promoting and enhancing direct and sustainable partnerships between Producer Organizations and
Agribusiness Entities through the carrying out of market studies and implementation of information workshops and sensitization campaigns, provision of Training and technical assistance to Producer Organizations; mobilizing of financial institutions, including facilitating the negotiations of co-financing of PO Subprojects by said financial institutions; development of training materials to strengthen the preparation of PO Sub-projects by Producer Organizations; and provision of training to local service providers to support Producer Organizations in the preparation of PO Sub-project proposals and implementation of approved PO Sub-projects; and

2. Provision of PO Sub-project Grants to Producer Organizations for support specific development projects ("PO Sub-projects") aimed at, inter alia, increasing production and productivity of select livestock produce, rehabilitation and/or construction of post-harvest storage and processing facilities, and enhancing product quality.

Part D: Project coordination, management, communication and monitoring

Project coordination, management and monitoring, preparation of financial audits periodic evaluations through, inter alia, advisory services, purchase of equipment, provision of Training, Operating Costs and monitoring and evaluation activities.
Section I. Implementation Arrangements

A. Institutional Arrangements

1. MINEPIA

MINEPIA shall be responsible for overall Project implementation and management.

2. Project Steering Committee

(a) The Recipient shall maintain, at all times during the implementation of the Project, the Project Steering Committee with a mandate, composition and resources satisfactory to the Association.

(b) Without limitation upon the provisions of paragraph (a) of Section I.A.2 of this Schedule 2, the Project Steering Committee shall be chaired by the minister of MINEPIA and shall be comprised of, *inter alia*: (i) senior representatives of the Recipient’s ministries at the time responsible for livestock, economy, finance, agriculture, trade, forest and wildlife, environment, scientific research, women and social welfare, small and medium enterprises and professional training; (ii) representatives of select apex Producer Organizations; (iii) representatives of Agribusiness Entities; (iv) representatives of Participating Communes; and (v) a representative of the Recipient’s national accounts management fund.

(c) The Project Steering Committee shall meet at least once every calendar semester and shall be responsible for Project oversight, including *inter alia*: providing overall Project policy guidance, facilitating coordination of Project activities; reviewing Project progress and performance; reviewing each Annual Work Plan and Budget; and approving, as needed, any necessary adjustments to the Project deriving from monitoring and evaluation reports.

3. Technical Monitoring Committee

(a) The Recipient shall maintain, at all times during the implementation of the Project, the Technical Monitoring Committee with a mandate, composition and resources satisfactory to the Association.
(b) Without limitation upon the provisions of paragraph (a) of Section IA.3 of this Schedule 2, the Technical Monitoring Committee shall be chaired by the director of DEPCS and shall be comprised of, inter alia, senior representatives of MINEPIA and MINEPAT, and representatives of select national producer organizations and private sector organizations.

(c) The Technical Monitoring Committee shall meet with the National Project Coordination Unit at least once every calendar quarter and shall be subordinate to the Project Steering Committee being responsible for just-in-time Project oversight and guidance, including inter alia: reviewing all documents and reports produced for submission to the Project Steering Committee through the National Project Coordination Unit, as applicable; ensuring implementation of the recommendations of the Project Steering Committee; and monitoring annual work plans.

4. Project Coordination Team

The Recipient shall maintain, at all times during Project implementation, the Project Coordination Team anchored within MINEPIA with composition, terms of reference and resources satisfactory to the Association which shall be comprised of:

(a) a national project coordination unit ("National Project Coordination Unit" or "NPCU"), which shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers, and to this end, inter alia, recruit: (A) a national project coordinator a financial management specialist and a procurement specialist; and (B) not later than three (3) months after the Effective Date, a junior procurement officer, an accountant, an internal auditor, an animal health specialist, a livestock production development and quality management specialist, a value chain and economic partnership specialist, a socio-environmental specialist and a monitoring and evaluations specialist; all with qualifications and terms of reference acceptable to the Association and in accordance with Section III of this Schedule 2; and (ii) be responsible for overall day-to-day Project coordination and implementation, including, inter alia: (A) consolidating and preparing proposed annual work plans of activities for inclusion in the Project, and updating the procurement plan and related budgets and consolidating Project Reports for the Project Steering Committee’s review; (B) carrying out Project financial management and procurement activities; and (C) monitoring and evaluating the Project; and

(b) a regional coordination unit in each Project Area ("Regional Coordination Unit" or "RCU") which shall be subordinate to the National Project Coordination Unit and shall at all times: (i) be comprised of qualified and experienced personnel in adequate numbers, and to this end, inter alia,
recruit: (A) a regional coordinator and an accountant; and (B) not later than three (3) months after the Effective Date, a procurement assistant, a financial management assistant, and a monitoring and evaluations specialist; all with qualifications and terms of reference acceptable to the Association and in accordance with Section III of this Schedule 2; and (ii) be responsible for day-to-day Project coordination and implementation in the relevant Project Area, including, *inter alia*: (A) preparing proposed annual work plans of activities for inclusion in the Project and preparing relevant Project Reports for overall consolidation by the National Project Coordination Unit; (B) carrying out Project financial management and procurement activities as approved by the National Project Coordination Unit; and (C) Project monitoring and evaluation as directed by the National Project Coordination Unit.

5. Regional Pre-selection Committee

(a) The Recipient shall maintain, at all times during the implementation of the Project, the Regional Pre-selection Committee in each Project Area with a mandate, composition and resources satisfactory to the Association.

(b) Without limitation upon the provisions of paragraph (a) of Section I.A.5 of this Schedule 2, each Regional Pre-selection Committee shall be chaired by a regional delegate of MINEPIA and shall be comprised of, *inter alia*, representatives of select Producer Organizations, Agribusiness Entities and financial institutions and a representative of the relevant RCU acting as the secretary.

(c) Each Regional Selection Committee shall meet once every calendar semester, being responsible for specified Project activities in the Project Area in which it is located, including *inter alia*, initial review of PO Sub-project proposals submitted by Producer Organizations.

6. Tender Board

To facilitate the carrying out of all Project procurement activities, the Recipient shall establish and maintain, at all times during the implementation of the Project, a special procurement tender board for the Project, with a mandate, composition, terms of reference and resources satisfactory to the Association, which shall be responsible for providing technical procurement support to the Project Coordination Team ("Tender Board").

7. MINMAP

Notwithstanding the provisions of Sections I.A.4 of this Schedule 2, pursuant to the Recipient’s procurement regulations, MINMAP shall be responsible for the:
(a) procurement oversight for all contracts; and (b) procurement processing and contract execution of procurement activities of the Project which fall above the established threshold within the mandate of the Project Coordination Team.

B. **Anti-Corruption**

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

C. **Project Implementation Manual**

1. The Recipient shall prepare or cause to be prepared, 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 and evaluation, reporting and communication; (e) environmental and safeguard management; and (f) 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 and approve such manual, and shall thereafter adopt or cause to be adopted such manual as shall have been approved by the Association ("Project Implementation Manual").

3. The Recipient shall ensure that the Project is carried out in accordance with the Project Implementation Manual and shall not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written consent of the Association.

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

D. **MPPR Sub-projects**

1. The Recipient shall provide MPPR Sub-project Grants to Participating Communes in accordance with the provisions of this Agreement and as further detailed in the MPPR Sub-projects Manual, which shall, *inter alia*, include the following:

(a) By October 30 of each year, MINEPIA shall: (i) confirm, based on objective criteria laid down in the MPPR Sub-projects Manual, the final annual allocation of funds to be made available to each Participating Commune as MPPR Sub-project Grants; and (ii) inform each Participating Commune of its final annual allocation.
Based on these allocations and on the MPPR priorities laid down in its Communal Development Plan, each Participating Commune shall confirm a selected number of MPPR Sub-projects to be financed under the annual investment plan by MPPR Sub-project Grants. The final annual investment plan shall be reviewed and approved by the Municipal Council and then validated by the Divisional Officer and included in the relevant MPPR Sub-project Grant proposal.

2. Without limitation upon the criteria specified in the MPPR Sub-projects Manual, no MPPR Sub-project shall be eligible to be financed by a MPPR Sub-project Grant unless the relevant RCU shall have determined, on the basis of an initial assessment of the Participating Commune and guidelines and criteria specified in the MPPR Sub-projects Manual that such MPPR Sub-project satisfies the eligibility criteria, which shall include, inter alia, the following:

(a) the MPPR Sub-project has been included as part of the Communal Development Plan and the Participating Commune's annual investment plan approved under Section I.D.1(b) of Schedule 2 of this Agreement;

(b) the MPPR Sub-project shall be implemented by a Participating Commune;

(c) the MPPR Sub-project does not fall within any of the negative list of ineligible activities set forth in the MPPR Sub-projects Manual;

(d) the Participating Commune shall contribute, in kind or cash, an agreed percentage of the investment cost as specified in the MPPR Sub-projects Manual based on the nature of the MPPR Sub-project;

(e) no other source of financing will support the implementation of an MPPR Sub-project other than the co-financing to be provided by the Participating Commune;

(f) all relevant Safeguard Instruments have been prepared and relevant activities taken in connection with such MPPR Sub-project in accordance with the applicable Safeguard Instruments; and

(g) a committee for the management of the MPPR Sub-project composed of representatives from Participating Commune has been put in place and adequate arrangements have been made for financing the maintenance and other recurrent costs related to the MPPR Sub-project, upon its completion.

3. No MPPR Sub-project shall be eligible for financing out of the proceeds of an MPPR Sub-project Grant unless an agreement ("MPPR Sub-project Grant Agreement") has been concluded between the relevant RCU and the applicable
Participating Commune in the form of the standard model form provided in the MPPR Sub-projects Manual, and on terms and conditions satisfactory to the Recipient and the Association, as detailed in this Agreement and the MPPR Sub-projects Manual, which shall, inter alia, include the following:

(a) Each Participating Commune shall be required to carry out the activity to be financed by the MPPR Sub-project Grant with due diligence and efficiency, and in accordance with sound administrative, financial and technical practices, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient, and with due regard to appropriate environmental considerations, as reflected in the Safeguards Instruments.

(b) Each Participating Commune shall have the obligation to ensure at all times that: (i) goods, works and consultants' services to be financed out of the proceeds of the MPPR Sub-project Grant shall be procured in accordance with the provisions of Section III of Schedule 2 to this Agreement; and (ii) (A) such goods, works and consultants' services shall be used exclusively for implementing the MPPR activities described in its annual investment plan and achieving the objectives of such activities; and (B) upon completion of each MPPR Sub-project, each such MPPR Sub-project shall be operated and maintained in accordance with the operation and maintenance plan agreed upon with the Recipient.

(c) Each Participating Commune shall: (i) 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 MPPR Sub-project Grant; and (ii) at the Recipient's or the Association'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.

(d) The Recipient shall have the right to inspect, by itself or jointly with representatives of the Association, if the Association shall so request, the goods, works and services financed by the MPPR Sub-project Grant, the operation of any MPPR Sub-project and any relevant records and documents, and obtain any report in connection therewith, of such scope and in such detail as the Association shall reasonably request.

(e) The Recipient shall have the right to obtain all such information as the Recipient or the Association shall reasonably request relating to the
administration, operations and financial condition of each Participating Commune, and the benefits derived from the MPPR Sub-project Grant.

(f) The Recipient shall have the right to suspend the right of any Participating Commune to the use of the proceeds of the MPPR Sub-project Grant, or any part thereof, or obtain a refund of all or any part of the amount of the MPPR Sub-project Grant then withdrawn, upon such Participating Commune's failure to perform any of its obligations under the MPPR Sub-project Grant Agreement.

4. The Recipient shall exercise its rights under each MPPR Sub-project 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 Recipient and the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any MPPR Sub-project Grant Agreement or any of its provisions.

E. PO Sub-projects

1. The Recipient shall make matching grants to Producer Organizations for PO Sub-projects ("PO Sub-project Grants") in accordance with eligibility criteria and procedures set forth in this Agreement and as further detailed in the PO Sub-projects Manual, which shall, inter alia, include the following:

(a) no proposed PO Sub-project shall be eligible for financing under a PO Sub-project Grant to a Producer Organization 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 PO Sub-projects Manual, that:

(i) the proposed PO Sub-project: (A) is designed to enhance productive partnerships between the Producer Organization and Agribusiness Entities and increase productivity, production and quality of applicable livestock products; (B) is technically feasible and economically and financially viable; and (C) if, pursuant to the Safeguard Instruments, one or more Supplemental Safeguard Instruments for the PO Sub-project are required, such Supplemental Safeguard Instruments have been prepared and approved by the Association in accordance with the provisions of paragraph (c) of this Section I.E.1 and all measures required to be taken in accordance with Section I.G. of Schedule 2 to this Agreement prior to commencement of the activities covered by the Safeguard Instruments have been taken; and
(ii) the proposed Producer Organization: (A) is a legal entity established and operating as a cooperative under the laws of the Recipient with the organization, management, technical capacity and financial resources necessary to carry out the proposed Sub-project; (B) has prepared a satisfactory business plan, including financing plan and budget and a satisfactory implementation plan and has established a comprehensive record keeping system; (C) has entered into a productive partnership with an Agribusiness Entity for the purpose of implementing the PO Sub-project; (D) has commenced negotiations with an approved FI for the purpose of financing up to 30% of the total estimated cost of the PO Sub-project; and (E) has demonstrated the capacity, and has committed, to finance at least 10% of the total estimated cost of the PO Sub-project out of its own resources;

(b) the maximum amount: (i) of all PO Sub-project Grants to a single Producer Organization shall not exceed the equivalent of one hundred and fifty thousand dollars ($150,000); and (ii) of each PO Sub-project Grant for a PO Sub-project shall not exceed the lesser of: (A) the equivalent of one hundred and fifty thousand dollars ($150,000); and (B) 60% of the total estimated cost of the PO Sub-project; and

(c) each PO Sub-project Grant for a PO Sub-project requiring a Safeguard 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.

2. The Recipient shall make each PO Sub-project Grant under an agreement with the respective Producer Organization on terms and conditions approved by the Association (“PO Sub-project Grant Agreement”), which shall include the following:

(a) the PO Sub-project Grant shall be made on a non-reimbursable grant basis;

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

(i) suspend or terminate the right of the Producer Organization to use the proceeds of the PO Sub-project Grant, or obtain a refund of all or any part of the amount of the PO Sub-project Grant then withdrawn, upon the Producer Organization’s failure to perform any of its obligations under the PO Sub-project Grant Agreement; and

(ii) require each Producer Organization to:
(A) carry out its PO Sub-project 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 the provisions of any Safeguard Instrument required for the PO Sub-project and the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient;

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

(C) procure the goods and services to be financed out of the PO Sub-project Grant in accordance with the provisions of Section III of this Schedule 2;

(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 PO Sub-project 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 its operations, including the operations, resources and expenditures related to the PO Sub-project; 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, and permit the Association to make such statements as so audited available to the public, along with the PO Sub-project Grant Agreement;

(F) maintain a satisfactory record keeping and filing system and enable the Recipient and the Association to inspect the PO Sub-project, 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; and
(c) the Recipient shall exercise its rights and carry out its obligations under each PO Sub-project 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, the Recipient shall not assign, amend, abrogate or waive any PO Sub-project Grant Agreement or any of its provisions.

F. Annual Work Plans and Budgets

1. Not later than November 30 in each calendar year (or one month after the Effective Date for the first year of Project implementation), the Recipient shall prepare or cause to be prepared for the purpose of forwarding to the Association, 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 and Budget"). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the Financing.

3. Any Training proposed to be included in an Annual Work Plan and Budget, 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 and Budgets may be revised as needed during Project implementation, subject to the Association's prior written approval.

G. Safeguards

1. The Recipient shall implement the Project in accordance with the relevant Safeguards Instruments, and shall, to that end:

(a) if any activity under the Project would require the adoption of any Supplemental Safeguard Instrument:

(i) prepare: (A) such Supplemental Safeguard Instrument in accordance with the applicable ESMF, RPF or IPPF; (B) furnish such Supplemental Safeguard Instrument to the Association for
review and approval; and (C) thereafter adopt such Supplemental Safeguard Instrument prior to implementation of the activity; and

(ii) thereafter take such measures as shall be necessary or appropriate to ensure full compliance with the requirements of such Supplemental Safeguard Instrument; and

(b) if any activity under the Project would involve Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before resettlement measures under a Supplemental Safeguard Instrument prepared in accordance with the RPF including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, have been taken.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, for each Supplemental Safeguard Instrument, regularly collect, compile and furnish to the Association reports in form and substance satisfactory to the Association, on the status of compliance with each Supplemental Safeguard Instrument, as part of the Project Reports, giving details of:

(a) measures taken in furtherance of such Supplemental Safeguard Instrument;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Supplemental Safeguard Instrument; and

(c) remedial measures taken or required to be taken to address such conditions.

3. In the event that any provision of the Safeguards Instruments shall conflict with any provision under this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall ensure that:

(a) all terms of reference for any technical assistance and studies to be carried out under the Project are consistent with the Association’s environmental and social safeguard policies; and

(b) in any Project activity that may support the drafting of regulatory instruments for the purpose of community development planning or other land related reforms, due attention will be given to said policies.
H. Third Party Verification

The Recipient shall, in accordance with Section III of this Schedule 2, recruit, no later than six (6) months after the Effective Date and thereafter maintain, throughout Project implementation, third-party verification agents, with qualifications, experience, and terms of reference satisfactory to the Association, for purposes of the technical third-party verification of the activities to be carried out under Part B.3 of the Project.

I. Contingent Emergency Response Arrangements for Part A.4 of the Project

1. In order to ensure the proper implementation of Part A.4 of the Project ("CERC Part"), the Recipient shall:

(a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the CERC Part, including: (i) designation of terms of reference for, and resources to be allocated to the entity to be responsible for coordinating and implementing the CERC Part ("Coordinating Authority"); (ii) specific activities which may be included in the CERC Part; Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the CERC Part; (iv) procurement methods and procedures for the CERC Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social safeguard management frameworks for the CERC Part, consistent with the Association's policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CERC Part;

(b) afford the Association a reasonable opportunity to review said proposed operations manual;

(c) promptly adopt such operations manual for the CERC Part as shall have been approved by the Association ("CERC Operations Manual");

(d) ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and

(e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior approval by the Association.
2. The Recipient shall, throughout the implementation of the CERC Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.

3. The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC Part) unless and until the following conditions have been met in respect of said activities:

   (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and

   (b) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CERC Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

   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 the indicators acceptable to the Association. Each Project Report shall cover the period of one 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.

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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish (or cause to be prepared and furnished) 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 fiscal year of the Recipient. The
audited Financial Statements for each such period shall be furnished to the
Association not later than six months after the end of such period.

4. In furtherance of the provisions of this Section II.B of Schedule 2 to this
Agreement, not later than three (3) months after the Effective Date, the Recipient
shall install for the purposes of the project, a computerized financial and
accounting system with consolidation and decentralized modules within the NPCU
and the RCUs, in a manner satisfactory to the Association.

5. In order to ensure the timely carrying out of the audits referred to in Section II. B.3,
the Recipient shall recruit, in accordance with the provisions of Section III of this
Schedule 2, not later than five (5) months after the Effective Date, an external
auditor with qualifications, experience and term of reference acceptable to the
Association.

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:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Limited International Bidding</td>
</tr>
<tr>
<td>(b) National Competitive Bidding, subject to the additional procedures set forth in paragraph 3 below</td>
</tr>
<tr>
<td>(c) Shopping</td>
</tr>
<tr>
<td>(d) Direct Contracting</td>
</tr>
<tr>
<td>(e) Framework Agreements</td>
</tr>
<tr>
<td>(f) Community Participation procedures</td>
</tr>
</tbody>
</table>

3. **Requirements for the National Competitive Bidding.** The procedures to be followed for National Competitive Bidding shall be those set forth in the Recipient’s Procurement Code of September 24, 2004, as revised from time to time in a manner deemed acceptable to the Association, subject, however, to the modifications described in the following paragraphs required for compliance with the Procurement Guidelines:

(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) the invitation to bid shall be advertised in, at least, one 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) the bidders shall be given adequate response time (at least four weeks) from the date of the invitation to bid or the date of availability of a bidding documents, whichever is later, to prepare and submit their bids;
(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 and association with national firm shall not be a condition for participation in a bidding process;

(g) bids are awarded to the lowest evaluated bidder provided that such bidder is qualified; No scoring system shall be allowed for the evaluation of bids, and no "blanket" limitation to the number of lots which can be awarded to a bidder shall apply;

(h) qualification criteria shall only concern the bidder’s capability and resources to perform the contract taking into account objective and measurable factors; and

(i) fees charged for bidding documents shall be reasonable and reflect only the cost of printing and delivery to the prospective 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:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-Based Selection</td>
</tr>
<tr>
<td>(b) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c) Least Cost Selection</td>
</tr>
<tr>
<td>(d) Selection Based on the Consultants’ Qualifications</td>
</tr>
<tr>
<td>(e) Single-Source Selection</td>
</tr>
<tr>
<td>(f) Individual Consultants</td>
</tr>
</tbody>
</table>
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.

E. Other Procurement Covenants

The Recipient shall, no later than two (2) months after the Effective Date, train the procurement staff of the Project Coordination Team and the Tender Board in the use of the Association’s procurement procedures in a manner satisfactory to 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.

2. 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 Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (Exclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services and consultants’ services for the Project except (a) MPPR Sub-project Grants under Part B.1(a)(ii) of the Project and (b) PO Sub-project Grants under Part C. 2 of the Project</td>
<td>37,400,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) MPPR Sub-project Grants under Part B.1(a)(ii) of the Project</td>
<td>7,100,000</td>
<td>100% of amounts paid by the Recipient under the MPPR Sub-project Grants</td>
</tr>
<tr>
<td>(3) PO Sub-project Grants under Part C. 2 of the Project</td>
<td>25,100,000</td>
<td>100% of amounts paid by the Recipient under the PO Sub-project Grants</td>
</tr>
<tr>
<td>(4) Emergency Expenditures under Part A.4 of the Project</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Refund of Preparation Advance</td>
<td>2,200,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>71,800,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

### B. Withdrawal Conditions; Withdrawal Period

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

   (a) for payments made prior to the date of this Agreement;
(b) under Category (2), until the Recipient has adopted a manual of procedures for the selection and financing of MPPR Sub-projects ("MPPR Sub-projects Manual"), in form and substance satisfactory to the Association;

(c) under Category (3), until the Recipient has adopted a manual of procedures for the selection and financing of PO Sub-projects ("PO Sub-projects Manual"), in form and substance satisfactory to the Association;

(d) under Category (4), for Emergency Expenditures under Part A.4 of the Project, unless and until the Association is satisfied, and has notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:

(i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

(ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section 1.1.3(b) of Schedule 2 to this Agreement, for the purposes of such activities;

(iii) the Recipient's Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section 1.1.2 of Schedule 2 to this Agreement, for the purposes of said activities; and

(iv) the Recipient has adopted an CERC Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Operations Manual remain, or have been updated in accordance with the provisions of Section 1.1.1(c) of Schedule 2 to this Agreement so as to be appropriate for the inclusion and implementation of said activities under the CERC Part.

2. The Closing Date is January 31, 2023.
Section V. Taxes

Without limitations upon the provisions of Section 4.03 of the General Conditions, the Recipient shall waive any and all Taxes, applicable to all Eligible Expenditures under the Project.
**SCHEDULE 3**

**Repayment Schedule**

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 1 and August 1:</td>
<td></td>
</tr>
<tr>
<td>commencing February 1, 2022 to and including August 1, 2031</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing February 1, 2032 to and including August 1, 2041</td>
<td>3.35%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
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 Person” means any of the Affected Persons.

2. “Agribusiness Entities” means private sector and state-owned enterprises including buyers involved in the commercialization of livestock and livestock products.

3. “Annual Work Plan and Budget” means “each annual work plan, together with the related budget, for the Project approved by the Association, pursuant to the provisions of Section I.F of Schedule 2 to this Agreement.


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

6. “CERC Operations Manual” means the operations manual referred to in Section I.I.1(c) of Schedule 2 to this Agreement, to be adopted by the Recipient for the CERC Part of the Project in accordance with the provisions of said Section, as said manual may be revised from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.

7. “CERC Part” mean Part A.4 of the Project.

8. “Communal Development Plan” or “CDP” means the five-year development plan to be prepared by Participating Communes and approved by their Municipal Councils and the Divisional Officers.

9. “Commune” means a decentralized local government entity established and operating under the laws of the Recipient (Law No. 74/23 dated December 5, 1974), relating to communal organization and any amendment thereto; and “Communes” means more than one Commune.

11. "Coordinating Authority" means the entity designated by the Recipient in the CERC Operations Manual and approved by the Association pursuant to Section I.I.1(a)(i) of Schedule 2 to this Agreement, to be responsible for coordinating the CERC Part of the Project.

12. "DEPCS" means the Recipient's directorate of studies, planning, cooperation and statistics within MINEPIA.

13. "Directorate of Veterinary Services" means the Recipient's directorate of veterinary services within MINEPIA.

14. "Divisional Officer" means the Préfet of each of the Départements of the Recipient within which the Communes are located.

15. "Eligible Crisis or Emergency" means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

16. "Emergency Expenditure" means any of the Eligible Expenditures set forth in the CERC Operations Manual in accordance with the provisions of Section I.I.1(a)(ii) of Schedule 2 to this Agreement and required for the activities included in the CERC Part of the Project.

17. "Environmental and Social Management Framework" and "ESMF" mean the framework disclosed in the Recipient's territory on August 24, 2016 and at the Association's Infoshop on August 25, 2016, in form and substance satisfactory to the Association, setting out modalities to be followed in assessing the potential adverse environmental impact, including impact on physical cultural resources, associated with activities to be implemented under the Project, and the measures to be taken to offset, reduce, or mitigate such adverse impact.

18. "Environmental and Social Management Plan" and "ESMP" mean a plan, approved by the Association for the Project, to be prepared by the Recipient, as required by the ESMF, outlining specific appropriate mitigation, monitoring and institutional measures designed to mitigate potential adverse environmental and resettlement impacts, offset them, reduce them to acceptable levels or enhance positive impacts, as the same may be amended from time to time with the agreement of the Association.
19. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010, with the modifications set forth in Section II of this Appendix.

20. "Indigenous Peoples Plan" and "IPP" mean the plans to be prepared by the Recipient on the basis of the IPPF (as hereinafter defined), defining specific measures to be implemented for indigenous minorities in order to protect them and to ensure that members of said minorities be granted equal legal, financial and organizational opportunities under the Project, as the said plan may be amended and/or supplemented from time to time with the prior written consent of the Association, and such term includes any schedules to such document.

21. "Indigenous Peoples Policy Framework" or "IPPF" means the Recipient’s framework disclosed for the purposes of the Project, in the Recipient’s territory on August 24, 2016 and at the Association’s Infoshop on August 25, 2016, outlining measures to ensure culturally appropriate social and economic benefits for the indigenous peoples under the Project and avoidance, minimization, or mitigation of, or compensation for, any potential adverse effects on the indigenous peoples associated with activities to be implemented under the Project, as the same may be updated from time to time with the prior written consent of the Association, and such term includes any schedules to said framework.

22. “MINEPAT” means the Recipient’s ministry responsible for the economy and any successor thereto.

23. “MINEPIA” means the Recipient’s ministry responsible for livestock, fishery and animal industry and any successor thereto.

24. “MINMAP” means the Recipient’s ministry responsible for public procurement and any successor thereto.

25. “MPPR” means management plans for pastoral resources.

26. “MPPR Subproject” means a specific sub-project to be carried out by a Participating Commune under Part B.1(a) (ii) of the Project in accordance with the criteria set forth in Section I.D of Schedule 2 to this Agreement; and “MPPR Sub-projects” means more than one MPPR Sub-project.

27. “MPPR Sub-project Grant” means a grant made or to be made by the Recipient out of the proceeds of the Financing to a Participating Commune for an MPPR Sub-project in accordance with the criteria set out in Section I.D of Schedule 2 to this Agreement; and "MPPR Sub-project Grants" means more than one MPPR Sub-project Grant.
28. "MPPR Sub-project Grant Agreement" means an agreement between the Recipient and a Participating Commune pursuant to which the Recipient shall make an MPPR Sub-project Grant to the Participating Commune for the purpose of financing an MPPR Sub-project.

29. "MPPR Sub-projects Manual" means a manual to be prepared for the implementation of MPPR Sub-projects and to be adopted by the Recipient in accordance with Section IV.B.1(b) of Schedule 2 to this Agreement.


32. “National Project Coordination Unit” or “NPCU” means the national project coordination unit established pursuant to the Recipient’s Decision no. 00487/MINEPIA/CAB du 25 Aout 2016, and referred to in Section I.A.4(a) of Schedule 2 to this Agreement.

33. "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; vehicle operation (including fuel), maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications’ expenses, but excluding the salaries of officials and public servants of the Recipient’s civil service.

34. "Participating Commune" means any commune within the Recipient’s territory eligible to implement MPPR Sub-projects under Part B.1(a)(ii) of the Project; and "Participating Communes" means more than one Participating Commune.

35. "Pest Management Plan" or "PMP" means a plan prepared by the Recipient in form and substance satisfactory to the Association and disclosed in the Recipient’s territory on August 24, 2016 and at the Association’s Infoshop on August 25, 2016, outlining specific measures to be implemented for the management of pesticides under the Project, as the said plan may be amended and/or supplemented from time to time with the prior written consent of the Association, and such term includes any schedules to such document.

36. "PO Sub-project" means a specific investment project to be carried out by a Producer Organization under Part C of the Project in accordance with the criteria set forth in Section I.E of Schedule 2 to this Agreement; and “PO Sub-projects” means more than one PO Sub-project.
37. "PO Sub-project Grant" means a matching grant made or to be made by the Recipient out of the proceeds of the Financing to a Producer Organization for a PO Subproject in accordance with the criteria set out in Section I.E of Schedule 2 to this Agreement; and "PO Sub-project Grants" means more than one PO Sub-project Grant.

38. "PO Sub-projects Grant Agreement" means an agreement between the Recipient and a Producer Organization pursuant to which the Recipient shall make a PO Sub-project Grant to the Producer Organization for the purpose of financing a PO Sub-project.

39. "PO Sub-projects Manual" means a manual to be prepared for the implementation of the PO Sub-projects and to be adopted by the Recipient in accordance with Section IV.B.1(c) of Schedule 2 to this Agreement.

40. "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 October 9, 2015.

41. "Process Framework" means the document prepared by the Recipient, in form and substance, satisfactory to the Association and disclosed in the Recipient’s territory on August 24, 2016 and at the Association’s Infoshop on August 25, 2016, setting forth, inter alia, the requirements and procedures for: (a) participatory processes to be followed in the preparation and implementation of Project livestock related activities that may potentially restrict access to protected areas or resource; (b) the provision of alternative livelihood support; and (c) the arrangements for implementing and monitoring the foregoing, as the said framework may be amended and/or supplemented from time to time with the prior written consent of the Association, and such term includes any schedules to such document.


43. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated September 8, 2016, 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.

44. "Producers Organization" or "PO" means one or more producer groups, with a legal status established in accordance with the laws of the Recipient and operating in the Project Area; and "Producers Organizations" means more than one Producer Organization.
45. "Project Area" means the Recipient’s Far North, North, Adamawa, Littoral, South West, West, North West, Central, South and East regions.

46. “Project Coordination Team” means, collectively, the National Project Coordination Unit and the Regional Coordination Unit, as described in Section I.A.4 of Schedule 2 to this Agreement.

47. “Project Implementation Manual” and “PIM” means the manual for the Project, to be adopted by the Recipient pursuant to Section I.C. of Schedule 2 of this Agreement, 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; and (e) environmental and safeguard management; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project, as the same may be amended from time to time with the prior written consent of the Association.

48. “Project Steering Committee” means the steering committee established pursuant to the Recipient’s Decision no. 00490/MINEPIA/CAB du 25 Aout 2016 and referred to in Section I.A.2 of Schedule 2 to this Agreement.

49. “Regional Coordination Unit” or “RCU” means each of the regional units established pursuant to the Recipient’s Decision no. 00487/MINEPIA/CAB du 25 Aout 2016 and referred to in Section I.A.4(b) of Schedule 2 to this Agreement; and “Regional Coordination Units” means more than one Regional Coordination Unit.

50. “Regional Pre-selection Committee” means the committee established pursuant to the Recipient’s Decision no. 00489/MINEPIA/CAB du 25 Aout 2016, and referred to in Section I.A.5 of Schedule 2 to this Agreement.

51. “Resettlement Action Plan” and “RAP” mean the plan to be prepared by the Recipient on the basis of the RPF and approved by the Association for the Project, setting forth the specific modalities for resettlement and compensation of Affected Persons under the Project, as the said document may be amended and/or supplemented from time-to-time with the prior written concurrence of the Association and subject to the initial consultation and disclosure requirements carried out on the RAP.

52. “Resettlement Policy Framework” and “RPF” mean the document prepared by the Recipient in form and substance satisfactory to the Association and disclosed in the Recipient’s territory on August 24, 2016, and at the Association’s Infoshop on August 25, 2016, outlining the policies and procedures to be implemented in the event that specific activities implemented under the Project have potentially negative impacts on the livelihoods, assets and land of the affected population, as
the said framework may be amended and/or supplemented from time to time with
the prior written consent of the Association, and such term includes any schedules
to such document.

53. “Safeguards Instruments” means the ESMF, the RPF, IPPF, the Process
Framework, the PMP and any Supplemental Safeguard Instruments.

54. “Supplemental Safeguard Instruments” means any ESMP, RAP, IPP or other
supplemental social and environmental safeguard instruments as required under
the terms of the ESMF, RPF, Process Framework or IPPF.

55. “Technical Monitoring Committee” means the technical monitoring committee
established pursuant to the Recipient’s Decision no. 00490/MINEPIA/CAB du 25
Aout 2016, and referred to in Section 1.A.3 of Schedule 2 to this Agreement.

56. “Tender Board” means the board referred to in Section 1.A.6 of Schedule 2 to this
Agreement.

57. “Training” means the costs of training under the Project, based on the Annual
Work Plans and Budgets approved by the Association, and attributable to seminars,
workshops, and study tours, along with travel and subsistence allowances for
training participants, services of trainers, rental of training facilities, preparation
and reproduction of training materials, and other activities directly related to
course preparation and implementation.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.02 is modified to read as follows:

“Section 3.02. Service Charge and Interest Charge

(a) Service Charge. The Recipient shall pay the Association a service charge on
the Withdrawn Credit Balance at the rate specified in the Financing
Agreement. The Service Charge shall accrue from the respective dates
on which amounts of the Credit are withdrawn and shall be payable semi-
annually in arrears on each Payment Date. Service Charges shall be
computed on the basis of a 360-day year of twelve 30-day months.

(b) Interest Charge. The Recipient shall pay the Association interest on the
Withdrawn Credit Balance at the rate specified in the Financing
Agreement. Interest shall accrue from the respective dates on which
amounts of the Credit are withdrawn and shall be payable semi-annually
in arrears on each Payment Date. Interest shall be computed on the basis
of a 360-day year of twelve 30-day months."

2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the subsequent paragraphs accordingly:

   "32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02 (b)."

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by inserting the words "Interest Charges" between the words "Service Charges" and "Commitment Charges".

5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is modified by replacing the reference to Section 3.02 with Section 3.02 (a).