FINANCING AGREEMENT

(RURAL ECONOMY DEVELOPMENT PROJECT)

BETWEEN

REPUBLIC OF TAJIKISTAN

AND

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGreement dated as of the Signature Date between Republic of Tajikistan ("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) apply to and form part of this Agreement.

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

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to twenty-one million seven hundred thousand Special Drawing Rights (SDR 21,700,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

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

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

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

2.05. The Payment Currency is Dollar.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through MoF, with technical support from the Tourism Development Committee for Parts 1.1, 1.2 (a), 1.3, 2 (c), 3.1, 4.1 and 4.2 of the Project, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Condition of Effectiveness consists of the following, namely the Recipient, through MoF, has adopted the POM satisfactory to the Association.

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

4.03. For purposes of Section 10.05 (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 Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister of Finance.

5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient’s address is:

Ministry of Finance
3 Academikov Rajabovych Avenue
Dushanbe, 734025
Republic of Tajikistan; and

(b) the Recipient’s Electronic Address is:

Facsimile:

(992-372) 213329
5.03. For purposes of Section 11.01 of the General Conditions: (a) The Association’s address is:

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

(b) the Association’s Electronic Address is:

Telex: 248423 (MCI)
Facsimile: 1-202-477-6391

AGREED as of the Signature Date.

**REPUBLIC OF TAJIKISTAN**

By

[Signature]

Authorized Representative

Name: Faiziddin Qahhorzoda
Title: Minister of Finance
Date: January 15, 2020

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

By

[Signature]

Authorized Representative

Name: Jan-Peter Olters
Title: Country Manager
Date: January 15, 2020
SCHEDULE 1

Project Description

The objective of the Project is to improve the sources of livelihood for local populations in GBAO and Khatlon through tourism and agribusiness.

The Project consists of the following parts:

Part 1. Improve public infrastructure for development of tourism, agribusiness and related sectors

1.1. Public investments in historical and cultural tourism sites

Provide support for the rehabilitation, beautification, landscaping, and general improvement of selected sites in GBAO and Khatlon through:

(a) Investments for the Yumchun Fortress through carrying out, *inter alia*: (i) a comprehensive diagnostic campaign, including feasibility study, preliminary and detailed engineering designs, bill of quantities, and technical specifications, to assess the status of the fortress and determine all needed measures and interventions; and (ii) implementation of conservation, presentation, and management measures as identified in the diagnostic campaign the restoration works, including, but not limited to structural stabilization works, conservation of walls and towers, protection of the features that are important in defining the historic character of the fortress, development of a pedestrian access route to the fortress, and other measures to enhance presentation to tourists.

(b) Investments in three sites in the Khatlon region, namely Hulbuk Castle, Khoja Mashad Madrassa and Chiluchorchashma to develop a historical and religious circuit through carrying out *inter alia*: (i) the technical design of the interventions to be carried out under Part 1.1 (b) (ii); (ii) rehabilitation works for general improvements of the landscape surrounding the said sites.

1.2. Improve tourism and agribusiness infrastructure and develop tourism attractions through provision of Sub-grants to Eligible Beneficiaries for Sub-projects to:

(a) promote tourism, including *inter alia*: (i) rehabilitating local recreational sites (such as theatres, parks, and museums), (ii) improving hiking or cultural trails, or (iii) organizing local fairs and other cultural events.

(b) to improve infrastructure in public agricultural markets (bazaars), including but not limited to: (i) building or improving trading areas,
(ii) building or improving sanitary facilities, (iii) building or improving (cold) storage facilities, (iv) repairing of facilities or buying equipment for food safety control labs in the bazaars, and (v) any other public investments pertaining the bazaars identified by the Recipient and agreed with the Association.

1.3. Public investments in touristic signage

Provision of support for the preparation, purchase, and installation of tourist signs across the major travel routes and for key tourism sites in Khatlon and GBAO, including road signage, as well as entrance and interpretative signage.

Part 2. Support to MSMEs and entrepreneurs in the tourism, agribusiness and related sectors

Provision of Matching Grants to Eligible Beneficiaries for Sub-projects to:

(a) support post-harvest storage and processing, through goods and services for inter alia: (i) drying or packaging machines, (ii) (cold) storage facilities, (iii) equipment to produce small-size uniquely packaged products that can be sold on the local market or bought by tourists as present, or (iv) changes to production processes to obtain food safety and quality certifications;

(b) support the farmers and processors at the value chain level by removing demand and supply bottlenecks; and

(c) improve tourism-related services and offerings and upgrade the quality of their products and services to tourists, including the development and promotion of agritourism services.

Part 3. Capacity building and business development services in tourism, agribusiness and related sectors

3.1. Provision of technical assistance and capacity building, including skill development to tourism and agribusiness through carrying out inter alia (i) training and advisory for public institutions on tourism and agribusiness development; (ii) promoting tourism and agribusiness by organizing and taking part in trade fairs, familiarization or learning tours (for tour operators and agribusinesses), and media and marketing activities, including the elaboration and dissemination of online, in-print and visual materials; and (iii) training for skilled professionals, semi-skilled workers, and relevant entrepreneurs in the tourism sector.
3.2. Provision of technical assistance to provide support to the Eligible Beneficiaries through the recruitment of service providers ("enablers") to _inter alia_: (i) outreach activities and training of Eligible Beneficiaries, particularly targeting vulnerable groups; (ii) support for the origination and preparation of the Sub-Grants and Matching Grants proposals; and (iii) provision of implementation and follow up support to the Eligible Beneficiaries.

Part 4. Project coordination, implementation and Grant Program Management and Administration

4.1. Provide support for (i) Project management activities, including overall coordination and supervision of Project implementation, Project audits, and financing of Incremental Operating Costs, (ii) Project monitoring and evaluation activities, Project transparency and citizen feedback, and (iii) manage a Beneficiary Feedback Mechanism, including a GRM.

4.2. Provide support, through the hiring of a Grant Management Company, to structure and manage the operational and administrative activities related to the Sub-grants and Matching Grants, including preparing calls for proposals, advertising the said programs, gathering applications, providing an initial assessment and preparing them for evaluation by the Grant Program Committee to be set up under the project, communicating results to beneficiaries, and monitoring the process of implementation.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall establish not later than three (3) months after Effective Date and thereafter maintain, throughout the implementation of the Project, a steering committee (Steering Committee) at the national level, with adequate resources, composition, terms of reference, functions and mandate, satisfactory to the Association, as set forth in the POM, for purposes of providing guidance and coordination and overseeing Project implementation.

2. Project Implementation Unit and Project Implementation Group

   (a) For the purposes of overall Project management, implementation and coordination the Recipient, through MoF, shall maintain the PIU until completion of the Project, with staff, resources and terms of reference satisfactory to the Association and adequate for successful implementation of the Project.

   (b) Without limitation on the provisions of paragraph 2 (a) immediately above, the Recipient shall, within thirty (30) days of the Effective Date, recruit to the PIU, a Project coordinator, a procurement specialist, a financial management specialist, an environmental safeguard specialist, and a social safeguard specialist, all in accordance with terms of reference acceptable to the Association.

   (c) For the purpose of implementation of tourism-related activities under Parts 1.1, 1.2 (a), 1.3, 2 (c), 3.1, 4.1 and 4.2 of the Project, the Recipient shall cause the Tourism Development Committee to establish not later than three (3) months after the Effective Date and thereafter maintain, throughout the implementation of the Project, a PIG with adequate staff and resources acceptable to the Association.

3. Grant Program Committee and other Grant Program implementation arrangements

   (a) The Recipient shall establish, not later than three (3) months after the Effective Date, a Grant Program Committee composed of public stakeholders and NGOs for purposes of evaluating the applications for the Grant Program and overseeing the implementation of the Sub-grants and Matching Grants.
For the purposes of structuring and managing the operational and administrative activities under Parts 1.2 and 2 of the Project, the Recipient shall cause the PIU to hire not later than three (3) months after the Effective Date and in accordance with the requirements set forth in the Grant Program Manual: (i) a Grant Management Company; and (ii) two (2) regional Project coordinators for Khatlon and GBAO regions.

4. Project Manuals

(a) The Recipient shall carry out the Project, through PIU and PIG, in accordance with the Project Manuals, satisfactory to the Association. Except as the Association shall otherwise agree in writing, the Recipient shall cause the PIU not to amend, waive, suspend, or abrogate any of the provisions of the Project Manuals without the Association's prior written agreement. In case of any inconsistency between any of the provisions of the Project Manuals and those of this Agreement, the provisions of this Agreement shall prevail.

(b) Without limitation on the provisions of paragraph 4 (a) immediately above, the Recipient shall carry out the activities under Parts 1.2 and 2 of the Project in accordance with the provisions of the Grant Program Manual containing, *inter alia*: (i) detailed arrangements and procedures for management, supervision, monitoring, evaluation and reporting of the Sub-projects; (ii) disbursement and funds flow arrangements; (iii) procedures for procurement and financial management setting forth, *inter alia*, the procurement and financial management responsibilities of the respective Eligible Beneficiaries; (iv) guidelines for the carrying out of the respective Sub-projects, including, the eligibility criteria for determining the Eligible Beneficiaries, and detailed procedures for the selection, approval and implementation of respective Sub-projects; and (v) a sample format of a Grant Implementation Agreement.

5. The Recipient shall install, not later than 30 days after the Effective Date, an automated accounting information system, satisfactory to the Association, for recording Project records and generation of Project financial statements.

B. Sub-projects under Part 1.2 and Part 2 of the Project

1. The Recipient shall appraise, approve, monitor and evaluate Sub-projects and administer the Sub-grants and Matching Grants in accordance with the guidelines and procedures set forth in more detail in the Grant Program Manual.

2. For the implementation of Parts 1.2 and 2 of the Project, the Recipient make (i) Sub-grants, and (ii) Matching Grants respectively, to Eligible Beneficiaries in
accordance with the detailed criteria set forth in the Grant Program Manual and pursuant to the respective Grant Implementation Agreement.

3. **Grant Implementation Agreement**

   (a) The Recipient shall provide each Sub-grant and Matching Grant under a grant implementation agreement (“Grant Implementation Agreement”) with the respective Eligible Beneficiary, on terms and conditions approved by the Association and further elaborated in the Grant Program Manual which shall include the following *inter alia*:

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

   (1) suspend or terminate the right of the Eligible Beneficiary to use the proceeds of the respective Sub-grant and Matching Grant, or obtain a refund of all or any part of the amount of the Sub-grant or Matching Grant then withdrawn, upon the Eligible Beneficiary’s failure to perform any of its obligations under the Grant Implementation Agreement; and

   (2) require each Eligible Beneficiary to: (A) carry out its 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 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, works and services to be financed out of the Sub-grant and Matching Grant in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives; (E) enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and (F) 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.
(ii) The Recipient shall provide the Sub-grants and Matching Grants to Eligible Beneficiaries exempted of VAT and custom taxes, imposts, levies, fees, excise and duties of any nature, except of personal income tax and social tax, in accordance with the Recipient’s Tax Code.

(b) The Recipient shall exercise its rights and carry out its obligations under each Grant Implementation Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, terminate, waive or fail to enforce any Grant Implementation Agreement or any of its provisions.

C. **Environmental and Social Standards**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.

2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:

   (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;

   (b) sufficient funds are available to cover the costs of implementing the ESCP;

   (c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and

   (d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Association shall otherwise agree in writing and the Recipient has, thereafter, disclosed the revised ESCP.

In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. The Recipient shall:

   (a) take all measures necessary on its part to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the management tools and instruments referred to therein, all such
reports in form and substance acceptable to the Association, setting out, \textit{inter alia}: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and

(b) promptly notify the Association of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.

4. The Recipient shall maintain and publicize the availability of a grievance mechanism, in form and substance satisfactory to the Association, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Association.

\textbf{Section II. Project Monitoring, Reporting and Evaluation}

The Recipient shall furnish to the Association each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

\textbf{Section III. Withdrawal of the Proceeds of the Financing}

\textbf{A. General}

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (exclusive of VAT and custom taxes, imposts, levies, fees, excise and duties of any nature in effect at the time of each Financing withdrawal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consulting services, Incremental Operating Costs and Training for the Project (except for Parts 1.2 and 2 of the Project)</td>
<td>14,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-grants under Part 1.2 of the Project</td>
<td>1,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Matching Grants under Part 2 of the Project</td>
<td>6,000,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>21,700,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
   
   (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 1,000,000 may be made for payments made prior to this date but on or after June 1, 2019, for Eligible Expenditures under Category (1); or

   (b) under Categories (2) and (3) until and unless the Recipient, through the PIU:

      (i) has prepared and adopted the Grant Program Manual in a form and substance satisfactory to the Association; and

      (ii) has hired a Grant Management Company, as indicated in Section I.A.3(b)(i) in Schedule 2 to this Agreement.

2. The Closing Date is December 2, 2024.
APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.

2. “Beneficiary Feedback Mechanism” or “BFM” means a system for obtaining and responding to comments, questions, and grievances from any Project beneficiary, including any grievances made regarding Resettlements.

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

4. “Eligible Beneficiary” means (i) under Part 1.1 of the Project, any of the communities, municipalities, and non-profit organization which has met the criteria under the Grant Program Manual and to which the Recipient proposes to extend or has extended a Sub-grant under a Grant Implementation Agreement for a Sub-project; and (ii) under Part 2 of the Project, any (a) formally registered individual farmers, farmers’ groups, or associations and MSMEs (Part 2(a) of the project); (b) individual farmer or farmers’ groups, or processor (Part 2(b) of the Project); and (c) formally registered tourism entrepreneurs, MSMEs, and non-profit organizations (Part 2(c) of the Project) which has met the criteria under the Grant Program Manual and to which the Recipient proposes to extend or has extended a Matching Grant under a Grant Implementation Agreement for a Sub-project; “Eligible Beneficiaries” means the plural thereof.

5. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the Recipient’s environmental and social commitment plan, acceptable to the Association, dated May 17, 2019, which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the Project, including the timing of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any instruments to be prepared thereunder; as the ESCP may be revised from time to time, with prior written agreement of the Association, and such term includes any annexes or schedules to such plan.

6. “Environmental and Social Standards” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and

7. “GBAO” means Gorno-Badakhshan Autonomous District within the Recipient’s territory.


9. “Grant Implementation Agreement” means any of the agreements referred to in Section I.B.3 of Schedule 2 to this Agreement.

10. “Grant Management Company” or “GMC” means the company referred to in Section I.A.3(b)(i) in Schedule 2 to this Agreement to be competitively recruited by the Recipient to administer the Grant Program in accordance with the principles and rules in the Grants Program Manual, including inter alia (i) collecting the proposal and prepare the Sub-projects’ submission to the Grant Program Committee including the design, launch, and monitoring of the calls for proposals, (ii) preparing the Grant Program Manual detailing implementation arrangements for each type of grant and beneficiary group, (iii) provide technical support to project implementing agencies on grant implementation, (iv) identify service providers (“enablers”) who will be hired to provide all spectrum of business development services to Eligible Beneficiaries, (v) develop standard training modules for beneficiaries to be implemented by selected enablers and subsequent training of trainers, (vi) monitor Grant Program indicators, (vii) evaluate intermediary program results, and make recommendations for improving program implementation, and (viii) develop annual work plans and progress reports and monitor the implementation of these plans.

11. “Grant Program” means, collectively, the grants extended as Sub-grants under Part 1.2 of the Project and as Matching Grants under Part 2 of the Project.

12. “Grant Program Committee” means the committee to be established by the Recipient pursuant to Section A.3. (a) in Schedule 2 to this Agreement.
13. "Grant Program Manual" means the manual prepared by the Recipient, satisfactory to the Association, setting forth rules, methods, guidelines and procedures for carrying out the activities under Parts 1.2 and 2 of the Project, including, *inter alia*, the eligibility criteria (including a negative list of activities), detailed rules and procedures for identification, registration and selection of Eligible Beneficiaries respectively, to receive Sub-grants and Matching Grants, as said manual may be amended from time to time with the agreement of the Association.

14. "GRM" means Grievance Redress Mechanism as part of the Recipient’s BFM.

15. "Incremental Operating Costs" means the incremental operating expenditures incurred by the Recipient, on account of the Project implementation, management, monitoring and evaluation, including salaries of contractual staff (but excluding salaries of officials of the Recipient’s civil service) and the associated Social Charges, office rent, office materials and supplies, utilities, communication costs, transport and vehicle maintenance costs, support for information systems, translation costs, bank charges, and travel and per diem costs of the PIU’s staff and other reasonable expenditures directly associated with the implementation of the Project activities, all based on an annual budget acceptable to the Association.

16. "Khatlon" means the Khatlon region within the Recipient’s territory.

17. "Matching Grant" means a grant to be made to an Eligible Beneficiary under Part 2 of the Project, in accordance with the criteria set forth in the Grant Program Manual to finance the cost of any given Sub-project, including the cost of the technical designs for the Sub-project; "Matching Grants" means the plural thereof.

18. "MoF" means the Recipient’s Ministry of Finance, or any successor thereto acceptable to the Association.

19. "MSMEs" means micro, small and medium enterprises.

20. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.

21. "Project Implementing Entity" or "PIU" means the unit established under the MoF pursuant to Government Order No.37 dated February 9, 2013.

22. "Project Implementing Group" or "PIG" means the group referred to in Section I.A.2 (c) of Schedule 2 to this Agreement.

24. “Project Operational Manual” or “POM” means the manual prepared by the Recipient, satisfactory to the Association, and adopted pursuant to Section 4.01 of this Agreement, setting forth rules, methods, guidelines and procedures for carrying out the Project, including, inter alia: (i) detailed description of the Project and institutional arrangements for its implementation; (ii) monitoring, evaluation, reporting, and governance procedures for the Project; (iii) disbursement, financial management, auditing, and safeguard procedures for the Project; (iv) procurement rules, procedures and standard bidding documents for the Project; (v) the content of the Project’s anti-corruption plan; (vi) modalities for documentation and information management; (vii) criteria for verification, in form and substance acceptable to the Association; and (viii) the ESCP, as said manual may be amended from time to time with the agreement of the Association.

25. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.

26. “Social Charges” means any payments or contributions for health benefits, unemployment benefits, disability insurance, workers’ compensation benefits, retirement (pension or social security) benefits, and life insurance, or any other benefits according to the Recipient’s legislation.

27. “Sub-grant” means a grant to be made (out of the proceeds of the Financing) available to an Eligible Beneficiary under Part 1.1 of the Project, in accordance with the criteria set forth in the Grant Program Manual to finance the cost of any given Sub-project, including the cost of the technical designs for the Sub-project; “Sub-grants” means the plural thereof.

28. “Sub-project” means a set of activities or investments to be carried out under Part 1.2 or Part 2 of the Project that met the criteria set forth in the Grant Program Manual; “Sub-projects” means the plural thereof.


30. “Tourism Development Committee” means the Recipient’s committee established pursuant to the Recipient’s Decree No. 258 dated May 27, 2017.

31. “Training” means expenditures (other than those for consulting services) incurred by the Project Implementing Entity in connection with study tours, training courses, seminars, workshops and other training activities, not included under goods or service providers’ contracts, including costs of training materials, space and equipment rental, travel, per diem costs for trainees and trainers and trainers’ fees (as applicable), all based on an annual budget satisfactory to the Association.