Amended and Restated Afghanistan Reconstruction Trust Fund Grant Agreement

(Additional Financing for On-Farm Water Management Project)

between

ISLAMIC REPUBLIC OF AFGHANISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as Administrator of the Afghanistan Reconstruction Trust Fund)

Originally Dated March 16, 2011
(As amended and Restated on January 19, 2016)
AMENDED AND RESTATED
AFGHANISTAN RECONSTRUCTION TRUST FUND
GRANT AGREEMENT

AGREEMENT originally dated March 16, 2011, amended and restated on January 19, 2016, between ISLAMIC REPUBLIC OF AFGHANISTAN (the "Recipient"); and the INTERNATIONAL DEVELOPMENT ASSOCIATION, acting as administrator (the "World Bank") of grant funds (the "Grant Funds") contributed by various donors (collectively the "Donors") to the Afghanistan Reconstruction Trust Fund ("ARTF").

WHEREAS

(A) the ARTF Management Committee and the World Bank approved on May 21, 2010 a proposal for financing of the Project (as hereinafter defined) in the amount of forty one million United States Dollars ($41,000,000) (the "Original Grant"), on terms and conditions set forth or referred to in the Grant Agreement, dated March 16, 2011, as amended to the date of this Agreement (the "Original Grant Agreement");

(B) the Recipient and the World Bank agreed and canceled the amount of sixteen million United States Dollars ($16,000,000) from the Original Grant, through an amendment to the Original Grant Agreement, dated May 8, 2013, reducing the total amount of the Original Grant to twenty five million United States Dollars ($25,000,000) (the "Reduced Original Grant");

(C) the Recipient requested, and the ARTF Management Committee and the World Bank approved on December 14, 2015, a proposal for additional financing for the Project (as hereinafter defined) in the amount of forty five million United States Dollars ($45,000,000) (the "Additional Grant").

WHEREAS the World Bank has agreed, on the basis, inter alia, of the foregoing to extend such additional assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the World Bank hereby agree to amend and restate the Original Grant Agreement to read as follows with effect from the date of this Agreement:

Article I
Standard Conditions; Definitions

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

**Article II**  
The Project

2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project through MAIL in accordance with the provisions of Article II of the Standard Conditions.

2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

**Article III**  
The Grant

3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement:

(a) a grant in an amount equal to twenty five million United States Dollars ($25,000,000) ("Reduced Original Grant"); and

(b) a grant in an amount equivalent to forty five million United States Dollars ($45,000,000) ("Additional Grant") (the Reduced Original Grant and the Additional Grant are collectively referred to herein as the "the Grant");

in each case, to assist in financing the Project.

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

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

4.01. The Additional Event of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following, namely, that the Water Law (1388) shall have been amended, suspended, abrogated, repealed or waived, whether in whole or in part, so as to materially and adversely affect: (a) the ability of the Recipient to perform any of its obligations under this Agreement; and (b) the achievement of the Project's development objectives.

Article V
Recipient's Representative; Addresses

5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance.

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

Ministry of Finance
Pashtunistan Watt
Kabul
Islamic Republic of Afghanistan

Facsimile:
+93202103258

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

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

Facsimile:
+1-202-477-6391
AGREED at Kabul, Islamic Republic of Afghanistan, as of the day and year first above written.

ISLAMIC REPUBLIC OF AFGHANISTAN

By

Authorized Representative

Name: Emii . Haifi

Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Afghanistan Reconstruction Trust Fund)

By

Authorized Representative

Name: Robert J. Saum

Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to improve agricultural productivity in the Project Areas by enhancing the efficiency of water used.

The Project consists of the following parts:

Part A: On-Farm Water Management

1. Carrying out social mobilization for the establishment of Irrigation Associations (IAs) in the Project Areas, including, inter alia, the provision of: (a) training to communities in organization and management of IAs; (b) facilitation services for communities to develop the IAs' internal legal rules and regulations (by-laws); (c) assistance to IAs in order for them to be registered under the Water Law (1388); and (d) technical training to IAs regarding water distribution, maintenance of irrigation infrastructure, irrigation methods, water-saving techniques, crop-water requirements, and good agronomic practices.

2. (a) Carrying out rehabilitation works to small irrigation schemes or tertiary canals (watercourses) covering a selected number of hectares in the Project Areas, including, inter alia: (i) rehabilitation of existing intakes, (ii) canal lining; (iii) construction of control structures and outlets; (iv) construction of culverts, laundry basins and cattle troughs; and

(b) Improving design standards and strengthening the private sector's capacity for contract management and construction techniques.

3. Establishing easily accessible pilot irrigation demonstration sites in the Project Areas to showcase improved water management practices/technology and agronomic water saving techniques/measures, as well as proper farm planning and layout for an efficient use of irrigation water.

Part B: Institutional Strengthening and Capacity Building of MAIL

Developing the institutional capacity of MAIL to plan, design, implement and monitor irrigation programs, including, inter alia: (a) construction and/or renovation of office buildings, one each in Kabul, Jalalabad, Baghlan, Mazar-e-Sharif and Herat, respectively for MAIL and Project staff; (b) strengthening of MAIL's General Directorate of Irrigation at national, provincial and district levels; (c) strengthening the legal framework for the irrigation sector; (d) developing a national irrigation program; (e) undertaking of technical training in the irrigation sector including study tours transferring on-farm water management know-how; and (f) developing a database covering irrigation systems throughout the country.
Part C: Project Management, Coordination, Monitoring & Evaluation

Strengthening the institutional capacity of MAIL for Project implementation, policy development, and technical innovation, monitoring and evaluation, by establishing and maintaining a Project Management Unit comprised of a Kabul-based core team, five (5) Project Area Teams and internationally recruited experts.

Part D: Support for Productivity Enhancement

1. Establishing easily accessible pilot irrigation demonstration sites in the Project Area to showcase improved water management practices/technology and agronomic water saving techniques/measures, improved agronomic and social management practices, as well as proper farm planning and layout for an efficient use of irrigation water.

2. Promoting land leveling and high-efficiency irrigation technologies.

3. Establishing information centers for farmers at the provincial and district level in the Project Area.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Project Implementation Structure

The Recipient shall vest the overall responsibility for Project implementation in MAIL, and to that end shall:

(a) maintain within MAIL, throughout the period of implementation of the Project, a Project Management Unit (the "PMU"), to be headed by a Project Manager, with qualifications and experience acceptable to the World Bank, and provided with sufficient resources and competent staff in adequate numbers, under terms of reference satisfactory to the World Bank, comprising, inter alia, technical subject matter specialists, overall project management staff, financial management, procurement and safeguard specialists, and an internal auditor and a Project Area Team for each for the Project Areas; which unit shall be assigned with such functions and responsibilities, satisfactory to the World Bank, as shall be required for the day-to-day implementation of the Project, including: (i) liaising with the fiduciary directorates of MAIL; (ii) monitoring and reporting on the physical and financial progress of the Project; (iii) developing, hosting and implementing the Project's management information system; (iv) coordinating and supervising the work of the Project Area Teams; (v) liaising with other ministries of the Recipient; (vi) liaising with CDCs; (vii) carrying out of all procurement and financial management activities under the Project; (viii) carrying out surveys to establish baseline indicators in both targeted and control irrigation schemes; (ix) supervising, monitoring and evaluating (data analysis) Project implementation; (x) preparing Project reports, mid-term review reports and Project impact assessments; (xi) implementing, and complying with, the ESMF, the PMP and, when applicable, each ESMP and RAP; and (xii) assessing the extent to which the Project's developmental objectives are being achieved. The Project Manager of the PMU shall report to MAIL's general directorate of irrigation regarding any technical aspects of the Project, and to MAIL's directorate of programs for purposes of ensuring synergies and coordination regarding sectoral development initiatives;

(b) maintain within the PMU, throughout the period of implementation of the Project, Project Areas Teams comprised of qualified and experienced water management and social mobilization specialists, surveyors, engineers, agronomists, data officers, laser leveling operators, monitoring
and evaluation economists, and administrative and financial support staff, to be responsible for: (i) the selection and surveying of schemes eligible for on-farm water management investments; (ii) the design of civil works; (iii) dissemination of water management techniques; (iv) facilitation of participatory monitoring through IAs; (v) data collection, supervision and the monitoring of contract performance; and (vi) establishment of demonstration sites and demonstration of improved irrigation techniques and extension of associated crop management technologies;

(c) maintain throughout the period of implementation of the Project, an internal control/internal audit unit within MAIL's general directorate of programs, reporting directly to the Minister of MAIL, under terms of reference satisfactory to the World Bank; and

(d) maintain throughout the period of implementation of the Project, a budget committee, chaired by the Minister of MAIL, and comprised of representatives of the Recipient's Ministry of Finance, MAIL's general directorate of programs, and the PMU, as detailed in the Project Operations Manual, which committee shall be vested with such functions, resources and competencies, satisfactory to the World Bank, as shall be required for purposes of overseeing the overall budgeting process for the Project, including quarterly reviews of incurred and forecasted expenditures, preparation of Annual Implementation Plans, and compliance with governmental budgeting principles, policies and procedures.

B. Implementation Documents

The Recipient shall:

(a) ensure that the Project is carried out pursuant to the Project Operations Manual and the respective Annual Implementation Plan; and

(b) refrain from amending, suspending, waiving, cancelling or abrogating the Project Operations Manual, or any Annual Implementation Plan, whether in whole or in part, without the prior written concurrence of the World Bank.

In the event of any inconsistency between any provisions of the Project Operations Manual or any Annual Implementation Plan and any provisions of this Agreement, the provisions of this Agreement shall prevail.
C. **Annual Implementation Plan**

The Recipient shall:

(a) prepare by no later than December 20th of each year, commencing on December 20, 2011, and furnish to the World Bank for review and comments, a detailed Annual Implementation Plan setting out the time-bound program of Project activities by component and sub-component for the Recipient’s following Fiscal Year, including: (i) a forecast of the funds required for Project implementation; (ii) an update of Project’s disbursement profile; and (iii) the Project indicators to be achieved during the fiscal year covered by the plan; and

(b) thereafter, implement the Project activities during the respective Fiscal Year pursuant to such plan as so discussed and agreed with the World Bank.

D. **Anti-Corruption**

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

E. **Safeguards**

1. The Recipient shall:

   (a) ensure that the Project is carried out in accordance with the Safeguards Instruments, in a manner and substance satisfactory to the World Bank; and

   (b) refrain from amending, suspending, waiving, abrogating, and/or voiding any provision of the Safeguards Instruments, in whole or in part, without the prior written agreement of the World Bank.

2. The Recipient shall:

   (a) take all necessary actions to avoid or otherwise minimize to the extent possible, and to mitigate, any involuntary loss by persons of shelter, productive assets or access to productive assets or income or means of livelihood, temporarily or permanently, and the displacement of said people in the carrying out of the Project or any part thereof;

   (b) where the acquisition of land or assets or the displacement of people is unavoidable, before initiating the implementation of any Project activity
which would result in such acquisition or displacement, develop and implement a RAP in accordance with the ESMF, and make available to such people full compensation and, as applicable, relocate and rehabilitate the Displaced Persons in accordance with the applicable RAP and in a manner satisfactory to the World Bank; and

(c) ensure that prior to commencing any civil works under the Project, all resettlement measures set forth in the applicable RAP (if any), shall have been fully executed, including the full payment of compensation prior to displacement and/or the provision of relocation assistance to all Displaced Persons, as per the entitlements provided in the applicable RAP.

3. Whenever a new or revised ESMP or RAP is required for any proposed activity under the Project in accordance with the provisions of the ESMF, the Recipient shall:

(a) prior to the commencement of such activity, proceed to have such ESMP (including a PMP if necessary) or RAP (as the case may be): (i) prepared in accordance with the provisions of the ESMF; (ii) furnished to the World Bank for review and approval; and (iii) thereafter adopted and disclosed as approved by the World Bank, in a manner acceptable to the World Bank; and

(b) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP (including the PMP if necessary) or RAP (as the case may be), including the payment of full compensation as applicable to Displaced Persons prior to the commencement of the relevant activity.

4. The Recipient shall ensure that each contract for civil works under the Project include the obligation of the relevant contractor to comply with the relevant Safeguard Instrument applicable to such civil works commissioned/awarded pursuant to said contract.

5. The Recipient shall maintain throughout Project implementation, a Project Grievance Redress Mechanism, with staffing and operating procedures acceptable to the World Bank, for monitoring and addressing the concerns of people affected by the Project and building public and stakeholder support for the Project.

6. The Recipient shall maintain policies and procedures adequate to enable it to monitor and evaluate, in accordance with guidelines acceptable to the World Bank, the implementation of the Safeguards Instruments. Without limiting its other reporting obligations under this Agreement, the Recipient shall take all necessary measures to collect, compile and submit to the World Bank, as part of the Project
Reports, information on the status of compliance with the Safeguards Instruments, giving details of:

(a) measures taken in furtherance of the Safeguards Instruments;

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments, particularly those related to the relevant RAP; and

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

7. In the event of any inconsistency between the provisions of any of the Safeguards Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

F. Donor Visibility and Visit

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donors' support for the Project through the ARTF.

2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank's request, enable the representatives of the Donors to visit any part of the Recipient's territory for purposes related to the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

In addition and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

(a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include:
   (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient's financial and narrative progress reports submitted to the World Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and
the representatives of the World Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donors.

B. Project Reports; Completion Report

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

2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

C. Financial Management; Financial Reports; Audits

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

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

3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

Section III. Procurement

A. General

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

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

2. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

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

2. Other Methods of Procurement of Goods, Works and Non-consulting Services. The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan: (a) National Competitive Bidding, subject to the additional provisions agreed upon from time to time between the Recipient and the World Bank and set forth in the Procurement Plan; (b) Shopping; (c) Direct Contracting; (d) Community Participation in Procurement; and (e) Limited International Bidding.

C. Particular Methods of Procurement of Consultants’ Services

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

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

D. Review by the World Bank of Procurement Decisions

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

E. Document Retention

Notwithstanding the provisions of paragraphs 2(j) and 5 of Appendix 1 to the Procurement Guidelines, and paragraphs 2(k) and 5 of Appendix 1 to the Consultant Guidelines, the Recipient: (i) shall retain all documentation with respect to each contract as described in said paragraphs for at least seven years and six months after the Closing Date set forth in Section IV.B.2 of this Schedule; (ii) shall furnish such documentation to the World Bank at any time upon request; and (iii) hereby authorizes the World Bank to disclose such documentation to the Donors.

Section IV. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant (“Category”), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods and consultants' services for the Project (except for Parts A.2 and A.3); Training and Incremental Operating Costs under the Project.</td>
<td>16,240,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works and consultants' services for Part A.2 and A.3 of the Project.</td>
<td>7,760,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, works, consultants' services for the Project, Training and Incremental Operating Costs under the Project</td>
<td>46,000,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>70,000,000</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 for payments made prior to the date of this Agreement, except that withdrawals up to the amount of the Reduced Original Grant may be made prior to this date but on or after March 16, 2011.

2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is December 31, 2019.
APPENDIX

Definitions

1. “Annual Implementation Plan” means, individually, each of the Recipient’s time-bound action plan of activities for the Project, to be prepared in accordance with the Section I.C of Schedule 2 to this Agreement.

2. “ARTF Management Committee” means the committee established pursuant to Section 5 of the standard terms and conditions governing contributions to the Afghanistan Reconstruction Trust Fund (TF No. 050576), responsible for, inter alia, overseeing the activities of the Trust Fund and for resource allocation decisions with respect to the Grant Funds.

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

4. “Displaced Persons” means persons who, on account of the implementation of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; (iii) loss of income source or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons.

5. “Environmental and Social Management Framework” or “ESMF” means: (i) until September 22, 2015, the Recipients’ environmental and social management framework, adopted by MAIL on November 11, 2010 and (ii) commencing on September 22, 2015, the Recipient’s environmental and social management framework adopted by MAIL and disclosed on September 22, 2015, acceptable to the World Bank, setting out the principles, standards, processes and tools to be applied to assess potential adverse environmental and social impacts associated with Project activities (in particular the civil works to be carried out under Part A.2, A.3 and D of the Project) and the ways to avoid, minimize and/or mitigate them, with related public consultation, disclosure, reporting and grievance redress procedures, including for the preparation of Environmental and Social Management Plans and Resettlement Action Plans, as may be required for Project activities, as said framework may be modified from time to time by agreement between the Recipient and the World Bank.

6. “Environmental and Social Management Plan” or “ESMP” means, individually, each of MAIL’s environmental and social management plans, as may be required to be prepared in accordance with the ESMF and Section I.E.3 of Schedule 2 to this Agreement, setting forth mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate
any adverse environmental impacts of activities to be implemented under the Project (in particular the civil works to be carried out under Part A.2, A.3, and D of the Project), offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes or schedules to such plan, and “Environmental and Social Management Plans” and “ESMPs” means, collectively, all such plans

7. “Incremental Operating Costs” means the reasonable costs incurred by the PMU for purposes of Project implementation including: operation and maintenance and/or rental of office equipment and vehicles, office rentals, office supplies, utility fees, travel and boarding/lodging allowances, per diem, bank charges, advertising and communications costs (including Internet fees), media projects, newspaper subscriptions, periodicals, insurance premiums, printing and stationary costs, and salaries of contractual staff (but excluding salaries of civil servants), which cost would not have been incurred absent the Project.

8. “Irrigation Associations” and the acronym “IAs” mean the associations of farmers established or to be established to manage irrigation schemes or water courses and registered under the Water Law (1388).

9. “MAIL” means the Recipient’s Ministry of Agriculture, Irrigation and Livestock, and/or any successor thereto.

10. “Pest Management Plan” or “PMP” means the section of the ESMF and the respective ESMPs setting forth the pest management tools and techniques, and guidelines regarding handling of pesticides, to be followed by MAIL and the Project beneficiaries in/during the implementation of the Project.

11. “Procurement Plan” means MAIL’s procurement plan for the Project, dated November 25, 2015 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

12. “Project Area Teams” means the team of specialists established in each of the Project Areas, and referred to in Section IA(b) of Schedule 2 to this Agreement.

13. “Project Areas” means the Recipient’s provinces of Balkh (Mazar-i-Sharif) Bamyan, Herat, Kabul and Nangarhar (Jalalabad), and/or any other provinces that the Recipient may include from time to time with the prior concurrence of the World Bank; and “Project Area” means individually any of the Project Areas.

14. “Project Management Unit” or “PMU” means MAIL’s implementation unit established on May 3, 2010, and referred to in Section IA(a) of Schedule 2 to this Agreement.
15. "Project Operations Manual" means: (i) up until the date of this Agreement, the Recipients' Field Operations Manual, adopted by MAIL on March 16, 2011 and (ii) from the date of this Agreement onwards, the manual revised on November 24, 2015, for purposes of carrying out the Project, setting forth the technical guidelines agreed with the World Bank for the implementation, supervision, and monitoring and evaluation of Project activities in the field, as well as training activities, including, inter alia: (a) the selection criteria for the irrigation schemes and/or watercourses to be rehabilitated/improved under Part A.2 of the Project; (b) the selection criteria for the farms to be used as irrigation demonstration sites under Parts A.3 and D of the Project; (c) procedures to be followed in the social mobilization activities and formation of IAs; (d) engineering guidelines for implementation of physical infrastructure works; (e) engineering and agronomic guidelines for establishing and running of irrigation demonstration sites; (f) design and execution of training courses and procedures for field visits, (g) financial management procedures including internal protocols, accounting procedures, withdrawal application procedures, and reporting and audit arrangement, and (h) safeguards requirement setting out the procedures for developing ESMPs and monitoring compliances.

16. "Resettlement Action Plan" or "RAP" means, individually, each of MAIL's resettlement action plans, as may be required to be prepared in accordance with the ESMF and Section I.E.2.(b) of Schedule 2 to this Agreement, acceptable to the World Bank, which sets out the: (a) principles and procedures governing the acquisition of land required for the Project; (b) Displaced Persons as a result of Project activities; (c) actions and measures for the payment of compensation to Displaced Persons and for their resettlement and rehabilitation; (d) criteria and procedures for developing and implementing actions and measures for mitigating the adverse social impacts resulting from the implementation of Project activities; and (e) principles and procedures for consultation, grievance redress, reporting and monitoring requirements, as said plan may be revised from time to time by agreement between the Recipient and the World Bank; and "Resettlement Action Plans" and "RAPs" means, collectively, all such plans.

17. "Safeguards Instruments" means the Environmental and Social Management Framework, the Environmental and Social Management Plan(s), the Pest Management Plan(s), and the Resettlement Action Plan(s).

18. "Training" means the reasonable costs of training, workshops and conferences and field visits conducted in the territory of the Recipient or, subject to the prior no-objection of the World Bank, attended overseas by MAIL's staff and related Project beneficiaries, including the purchase and publication of materials, rental of facilities, course fees and travel and subsistence allowances for trainers and/or trainees.