Financing Agreement

(Value Chain Support Project)

between

REPUBLIC OF CHAD

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 20, 2014
GRANT NUMBER H955-TD

FINANCING AGREEMENT

AGREEMENT dated June 20, 2014, entered into between REPUBLIC OF CHAD ("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 grant in an amount equivalent to six million six hundred thousand Special Drawing Rights (SDR 6,600,000) ("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 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 Payment Dates are February 15 and August 15 in each year.

2.05. The Payment Currency is Euro.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall, through MPDAP, carry out the Project 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 adopted the Project Implementation Manual in accordance with the provisions of Section I.B of Schedule 2 to this Agreement.

(b) The Recipient has recruited a deputy Project coordinator, a procurement specialist, a matching grant specialist, and an accountant in accordance with the provision of Section I.A.2 (b) of Schedule 2 to this Agreement.

4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its Minister in charge of planning.

5.02. The Recipient’s Address is:

Ministry of Economy, Planning and International Cooperation
B.P. 286
N’Djamena
Republic of Chad

Facsimile:

(235) 22-51-45-87

5.03. The Association’s Address is:

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

Cable: Telex: Facsimile:
INDEVAS 248423 (MCI) 1-202-477-6391
Washington, D.C.

AGREED at Paris, France, as of the day and year first above written.

REPUBLIC OF CHAD

By

Authorized Representative

Name: Wadjan Mahamat Nour
Title: Minister of Planning and International Cooperation

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Paul Yonumba Um
Title: Country Director AFCWB
SCHEDULE 1

Project Description

The objective of the Project is to improve: (i) targeted aspects of the business environment; and (ii) the performance of agro-pastoral value chains in the Republic of Chad.

The Project consists of the following parts:

Part A. Improving the Business Environment

1. Carrying out a program of activities aimed at formulating and implementing business reforms in the Recipient’s territory through, *inter alia*, developing:
   (a) selected reforms for business creation, registration and licensing, including:
      (i) formulating an action plan for the transfer of business establishment process to ANIE;
      (ii) simplifying administrative steps for businesses’ incorporation; and
      (iii) supporting the transposition of the OHADA Business Law into the Recipient’s legal framework;
   (b) an action plan to reduce live cattle export and increase private investment in meat production;
   (c) the operational capacity of ANIE and its one-stop-shop, through:
      (i) the development of:
         (A) required operational tools including strategic plans, a communication strategy, and any other necessary documents for ANIE’s operations; and
         (B) Training programs in skills required for investment and business assistance; and
      (ii) carrying out research and studies on related global market opportunities and demand-side evolutions; and
   (d) provision of goods required for the purpose.

2. Carrying out a program of activities aimed at improving trade logistics to reduce export and import time and costs through:
   (a) formulation and implementation of administrative procedures;
   (b) acquisition of modern equipment including for telecommunications; and
   (c) provision of Training for custom administration officers and inspectors.

Part B. Support to the Meat and Dairy Value Chains

1. Carrying out a program of activities aimed at improving meat and milk facilities, through:
   (a) rehabilitation and refurbishing meat slaughterhouses and slaughter areas in N’djamena and its suburbs;
   (b) acquisition and installation of solid waste management systems in said slaughterhouses and slaughter areas;
   (c) provision of mobile cold chain systems such as refrigerated transportation equipment to related federations; and
   (d) provision of equipment for milk collection and conservation.

2. Assisting the Recipient in enhancing the meat industry to meet regionally accepted certification standards; through:
   (a) developing regulations, testing
protocols, and reinforcing capacity in related areas; (b) providing Training to slaughterhouses and slaughter areas employees to improve skills; (c) acquiring required goods for microbiology and physics/chemistry laboratories and providing of Training for involved employees; and (d) providing equipment, materials and supplies required for the purpose.

3. Financing, through the provision of Matching Grants, of specific development projects ("Sub-projects") to Beneficiaries, for meat and dairy value chains quality improvements and business development services to improve productive capacity and competitiveness, increase performance and access to local and regional markets; all through the provision of goods, technical assistance, Training and services required for the purpose.

Part C. Project Management

Support to the Recipient in the areas of Project coordination, supervision, financial management, communication and outreach, procurement, monitoring and evaluation, supervision of implementation of the Safeguards Instruments, including through the provision of technical assistance, Training, Operating Costs, goods and services required for the purpose.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Steering Committee

In order to ensure the proper oversight of the Project and coordination among the Recipient’s ministries and agencies involved in the Project, the Recipient shall maintain, at all times during Project implementation, with terms of reference, mandate, composition and resources satisfactory to the Association, a steering committee chaired by the secretary general of MPDAP and comprised of representatives of all key ministries, public agencies, and the private sector involved in the Project (“Steering Committee”).

2. Project Coordination Unit

In order to ensure proper and efficient implementation of the Project, the Recipient shall maintain, at all times during Project implementation, a Project coordination unit within MPDAP, with a mandate, staffing and other resources satisfactory to the Association (“Project Coordination Unit” or “PCU”). To this end, the Project Coordination Unit shall: (a) be comprised of qualified and competent staff in adequate numbers; including a Project coordinator, a financial management specialist, and a monitoring and evaluation specialist; (b) employ and thereafter maintain, at all times during Project implementation or as agreed with the Association, a deputy project coordinator, a procurement specialist, a matching grant specialist, and an accountant each of whose qualifications, experience, and terms of reference shall be acceptable to the Association; and (c) be responsible for day-to-day Project coordination and implementation, including: (i) carrying out Project financial management and procurement activities; (ii) preparing and implementing Annual Work Plans; (iii) ensuring compliance with Safeguard Instruments for Project activities; and (iv) monitoring and evaluating Project activities and preparing Project progress reports and monitoring and evaluation reports.

B. Manuals

1. The Recipient shall prepare, in accordance with terms of reference acceptable to the Association, and furnish to the Association: (a) a proposed implementation manual for the Project containing detailed: (i) technical; (ii) administrative; (iii) procurement; (iv) financial and accounting; and (v) monitoring and evaluation procedures and arrangements for the Project; and (b) a proposed
matching grant manual containing detailed: (i) preparation, including eligibility criteria; (ii) approval; (iii) implementation; (iv) organizational; (v) administrative, (vi) monitoring and evaluation, (vii) financial management and disbursement, and (viii) procurement arrangements and procedures for Matching Grants.

2. The Recipient shall: (a) furnish such manuals to the Association for review and approval; (b) afford the Association a reasonable opportunity to exchange views with the Recipient on said manuals; and (c) thereafter, adopt said manuals as shall have been approved by the Association (“Project Implementation Manual” and “Matching Grants Manual”/“MG Manual”, respectively).

3. The Recipient shall carry out the Project in accordance with the Project Implementation Manual and the Matching Grants Manual, and shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, any of the aforementioned manuals, or any provision thereof, without the prior written agreement of the Association.

4. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the Project Implementation Manual and/or the Matching Grants Manual, on the one hand, and those of the Financing Agreement, on the other hand, the provisions of the Financing Agreement shall prevail.

C. Annual Work Plan

1. The Recipient shall prepare, in accordance with terms of reference acceptable to the Association, and furnish to the Association not later than November 30 of each calendar year throughout the implementation of the Project, a work plan of activities proposed for inclusion in the Project for the next calendar year, together with a budget for such activities and a timetable for their implementation.

2. The Recipient shall: (a) afford the Association a reasonable opportunity to exchange views with the Recipient on such proposed work plan; and, thereafter; and (b) carry out such work plan during the period covered by said plan, according to such budget, both as shall have been approved by the Association (“Annual Work Plan”).

3. Only such activities as shall have been included in the Annual Work Plan shall be eligible for inclusion in the Project and for financing out of the proceeds of the Financing.
D. Anti-Corruption

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

E. Sub-projects

1. The Recipient shall make Matching Grants to Beneficiaries for Sub-projects in accordance with eligibility criteria and procedures set forth in the MG Manual and acceptable to the Association, which shall include the following:

   (a) No proposed Sub-project shall be eligible for financing under a Matching Grant to a Beneficiary 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 MG Manual, that:

      (i) the proposed Sub-project: (A) is designed to improve production and performance in the meat and/or dairy value chains; (B) is technically feasible and economically and financially viable; and (C) if, pursuant to the ESMF, an ESMP for the Sub-project is required, such ESMP has been prepared and approved by the Association prior to commencement of the activities covered by the ESMP; and

      (ii) the proposed Beneficiary: (A) is a natural person or a legal entity established and operating 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 for the proposed Sub-project; and (C) has demonstrated the capacity, and has committed to finance, at least 30% of the total estimated cost in the case of a Business Development Sub-project out of its own resources, and at least 40% in the case of a Quality Improvement Sub-project.

   (b) The maximum amount of any Matching Grants to a single Beneficiary shall not exceed the equivalent of $50,000.

2. The Recipient shall make each Matching Grant under a Matching Grant Agreement with the respective Beneficiary on terms and conditions approved by the Association, which shall include the following:

   (a) The Matching 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 Beneficiary to use the proceeds of the Matching Grant, or obtain a refund of all or any part of the amount of the Matching Grant then withdrawn, upon the Beneficiary’s failure to perform any of its obligations under the Matching Grant Agreement; and

(ii) require each 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 Safeguard Instruments, and the Anti-Corruption Guidelines applicable to recipients of loan 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 Matching Grant in accordance with the provisions of Section III of this Schedule;

(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) (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 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 Matching Grant Agreement;

(F) enable the Recipient and the Association to inspect the 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.

3. The Recipient shall exercise its rights and carry out its obligations under each Matching 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 Matching Grant Agreement or any of its provisions.

F. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the ESMF, and to that end, if any activity included in an Annual Work Plan would, pursuant to the ESMF, require the adoption of an ESMP:

   (a) (i) prepare such ESMP and furnish it to the Association for review and approval; and (ii) thereafter, adopt such ESMP prior to implementation of the activity in question; and

   (b) thereafter, take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP.

2. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the Association every calendar semester, reports, in form and substance satisfactory to the Association, on the status of compliance with the Safeguard Instruments, giving details of:

   (a) measures taken in furtherance of such Safeguard Instruments;

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

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

3. The Recipient shall afford the Association a reasonable opportunity to review the reports prepared under paragraph 2 of this Part F, and thereafter shall carry out or
cause to be carried out, with due diligence, all remedial measures agreed with the Association so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. 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 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 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, commencing with the fiscal year in which the first withdrawal was made under the Preparation Advance for the Project. 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. The Recipient shall recruit: (a) not later than six (6) months after the Effective Date, the external auditor referred to in Section 4.09 (b) of the General Conditions in accordance with Section III of Schedule 2 of this Agreement and pursuant to terms of reference satisfactory to the Association; and (b) not later than three (3) months after the Effective Date, an internal auditor, whose qualifications and experience and terms of reference shall be acceptable to the Association.

5. The Recipient shall, not later than two (2) months after the Effective Date, acquire, install and thereafter maintain an accounting software acceptable to the Association, for the Project.
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: (a) National Competitive Bidding; (b) Shopping; and (c) Direct Contracting.

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: (a) Quality-based Selection; (b) Least Cost Selection; (c) Selection based on Consultants’ Qualifications; (d) Single-source Selection of consulting firms; (e) Procedures set forth in paragraphs 5.2 and 5.3 of the
Consultant Guidelines for the Selection of Individual Consultants; and (f) Single-source procedures for the Selection of Individual Consultants.

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.

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 Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, Training, Operating and consultants' services (except Part B.3) for the Project</td>
<td>4,100,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Matching Grants under Part B.3 of the Project</td>
<td>1,600,000</td>
<td>100% of amounts disbursed, payable under the respective Matching Grant Agreements</td>
</tr>
<tr>
<td>(3) Refund of Preparation Advance</td>
<td>300,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td>(4) Unallocated</td>
<td>600,000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>6,600,000</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; and
   (b) under Category (2), until and unless the MG Manual has been adopted in form and substance satisfactory to the Association.

2. The Closing Date is September 30, 2019.
APPENDIX

Definitions

1. “ANIE” means the “Agence Nationale des Investissement et des Exportations”, the Recipient’s agency in charge of investments and exports created pursuant to the Recipient’s Law no. 004/PR/2007, dated January 3, 2008, entitled “Loi Portant Creation d’une Agence Nationale des Investissement et des Exportations”, as the same may be amended from time to time.

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


4. “Beneficiary” means a small-and-medium enterprise or a meat and/or dairy association/organization to which the Recipient has extended a Matching Grant under a Matching Grant Agreement for a Sub-project; “Beneficiaries” means more than one Beneficiary.

5. “Business Development Sub-project” means a specific development project under Part B.2 of the Project, aimed at improving business development in the meat and/or dairy value chains to be carried out by a Beneficiary out of the proceeds of a Matching Grant; and “Business Development Subprojects” means more than one Business Development Subproject.

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


8. “Environmental and Social Management Framework” and “ESMF” each means the Recipient’s framework entitled “Cadre de Gestion Environnementale et Sociale”, disclosed in the Recipient’s territory on March 17, 2014, and at the Association’s infoshop on March 18, 2014, detailing: (a) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels; and (b) the actions needed to implement these measures, including monitoring and institution strengthening.
9. "Environmental and Social Management Plan" and "ESMP" means an environmental and social management plan for the Project to be prepared and implemented in accordance with the ESMF and pursuant to the provisions of Section I.F.1(a) of Schedule 2 to this Agreement; and "ESMPs" means more than one ESMP.


11. "Matching Grant" means a grant made or to be made by Recipient out of the proceeds of the Financing to a Beneficiary to finance part of the reasonable cost of (a) goods, works, services in the case of a Quality Improvement Sub-project; and (b) goods and services in the case Business Development Sub-project; and "Matching Grants" means more than one Matching Grant.

12. "Matching Grant Agreement" means an agreement between the Recipient and a Beneficiary providing for a Matching Grant; and "Matching Grant Agreements" means more than one Matching Grant Agreements.

13. "Matching Grant Manual" and "MG Manual" each means the manual covering matching grants to be prepared and adopted in accordance with the provisions of Section I.B of Schedule 2 to this Agreement

14. "MPDAP" means the Recipient's ministry in charge of pastoral development and animal productions.

15. "OHADA Business Law" means the legal and judicial system of the Organization for the Harmonization of Business Law in Africa, to which the Recipient is a member, aimed at ensuring legal certainty for business by adopting a common law.

16. "Operating Costs" means the incremental operating expenses, approved by the Association under each Annual Work Plan, incurred by the PCU, on account of the Project, on account of utilities and supplies, communications, vehicle operation, maintenance, insurance, office space rental or small rehabilitation, building and equipment maintenance, travel and supervision, and salaries of contractual and temporary staff, but excluding salaries of members of the Recipient's civil service.

17. "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 on behalf of the Recipient on February 26, 2014.

19. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 9, 2014 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.

20. “Project Coordination Unit” and “PCU”, each means the unit to be established under the Project in accordance with Section I.A.2 of Schedule 2 to this Agreement.

21. “Project Implementation Manual” means the manual for the Project to be prepared and adopted in accordance with the provisions of Section I.B of Schedule 2 to this Agreement.

22. “Quality Improvement Sub-project” means a specific development project under Part B.2 of the Project aimed at improving quality in the meat and dairy value chain, to be carried out by a Beneficiary out of the Proceeds of a Matching Grant; and “Quality Improvement Subprojects” means more than one Quality Improvement Subproject.

23. “Safeguard Instruments” means, collectively, the ESMF and the ESMPs.

24. “Sub-project” means either a Quality Improvement Sub-project or a Business Development Sub-project; and “Sub-projects” means more than one Subproject.

25. “Training” means the training of persons involved in Project-supported activities, such term including seminars, workshops, and study tours, and costs associated with such activity include travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation.