Food Price Crisis Response Core
Trust Fund
Grant Agreement

(West Africa Agricultural Productivity Program (WAAPP) – Nigeria Project under the First Phase of the WAAPP)

between

FEDERAL REPUBLIC OF NIGERIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Multi-Donor Trust Fund for Food Price Crisis Response Core)

Dated June 6, 2011
FOOD PRICE CRISIS RESPONSE CORE TRUST FUND GRANT AGREEMENT

AGREEMENT dated June 6, 2011, entered into between the FEDERAL REPUBLIC OF NIGERIA (“Recipient”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and the INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) (the Bank and the Association collectively the “World Bank”), acting as administrator of funds provided by certain donors under the Multi-Donor Trust Fund for Food Price Crisis Response Core (“FPCR Core Trust Fund”).

WHEREAS (A) the Association, by extending financial assistance in 2007 to the Republic of Mali, the Republic of Ghana and the Republic of Senegal, has provided support to precedent activities under the first phase of the West Africa Agricultural Productivity Program (“Program”) which aims at: (i) implementing the Agricultural Policy (“ECOWAP”, as further defined in Section I of the Appendix to this Agreement) of the Economic Community of West African States (“ECOWAS”); and (ii) contributing to the sustained agricultural productivity increase in the ECOWAS region’s top priority commodity subsectors;

(B) the Recipient, having satisfied itself as to the feasibility and priority of the project (“Project”, as described in Schedule 1 hereto) under the first phase of the Program, has requested assistance from the resources under the FPCR Core Trust Fund for financing part of the cost of Parts 3.2 and 3.3 of the Project, and said request has been approved in accordance with the rules and procedures governing the FPCR Core Trust Fund; and

(C) by a financing agreement to be entered into between the Recipient and the Association (“Nigeria Financing Agreement”, as further defined in Section I of the Appendix to this Agreement), the Association intends to extend to the Recipient a credit in an amount equivalent to twenty-nine million seven hundred thousand Special Drawing Rights (SDR 29,700,000) to assist the Recipient in financing part of the cost of the Project on the terms and conditions set forth in the Nigeria Financing Agreement;

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to extend a grant out of the FPCR Core Trust Fund (“FPCR Core Trust Fund Grant”) to the Recipient upon the terms and conditions set forth in this Agreement;
NOW THEREFORE the Recipient and the World Bank hereby agree as follows:

**Article I**

**Standard Conditions; Definitions**

1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 1, 2008 (“Standard Conditions”), with the modifications set forth in Section II of 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 Standard Conditions or in the Preamble or the Appendix to this Agreement.

**Article II**

**The Project**

2.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out Parts 3.2 and 3.3 of the Project through the ARCN 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 Parts 3.2 and 3.3 of the Project are carried out in accordance with the provisions of Schedule 2 to this Agreement.

**Article III**

**The FPCR Core Trust Fund 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, the FPCR Core Trust Fund Grant in an amount equal to six million Dollars ($6,000,000) to assist in financing Parts 3.2 and 3.3 of the Project.

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

3.03. The FPCR Core Trust Fund Grant is funded out of the FPCR Core Trust Fund for which the World Bank receives periodic contributions. In accordance with Section 3.02 of the Standard Conditions, the Recipient may withdraw the FPCR Core Trust Fund Grant proceeds 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 World Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred which would have entitled the World Bank to suspend the Recipient’s right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V
Effectiveness; Termination

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

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

(b) All conditions precedent to the effectiveness of the Nigeria Financing Agreement have been fulfilled.

(c) All conditions precedent to the effectiveness of the CORAF Grant Agreement have been fulfilled, other than those related to the effectiveness of this Agreement.

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

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

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

Article VI
Recipient’s Representative; Addresses

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

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

The Honorable Minister
Federal Ministry of Finance
Ahmadu Bello Way
Central Business District
Abuja
Federal Republic of Nigeria

Facsimile:
(234) 9-6273609

6.03. 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

Cable: Telex: Facsimile:
INDEVAS 248423 (MCI) or (1) 202-477-6391
Washington, D.C. 64145 (MCI)
AGREED at Abuja, Federal Republic of Nigeria, as of the day and year first above written.

FEDERAL REPUBLIC OF NIGERIA

By

/s/ Olutoyin Olusegun Aganga
Authorized Representative

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION (acting as administrator of the Multi-Donor Trust Fund for Food Price Crisis Response Core)

By

/s/ Onno Ruhl
Authorized Representative
SCHEDULE 1

Project Description

The objective of the Project is to generate and accelerate adoption of improved technologies in the Participating Countries’ top agricultural commodities priorities areas that are aligned with the sub-region’s top agricultural commodities priorities as outlined in the ECOWAP.

The Project constitutes part of the first phase of the Program, and consists of the following parts:

Part 1: Enabling Conditions for Sub-Regional Cooperation in Generation, Dissemination and Adoption of Agricultural Technologies

Carrying out a program to strengthen the mechanisms and procedures for generation, dissemination and adoption of improved agricultural technologies and tools by the Recipient so as to allow the Recipient and the other ECOWAS member countries to benefit from the said technologies within the framework of a sub-regional technical and scientific cooperation, encompassing the provision of goods, consultants’ services, training, and the financing of operational costs required for:

1. the development of a sustainable financing mechanism for the existing Competitive Agricultural Research Grant (CARG) systems and an appropriate institutional arrangement for the generation, dissemination and adoption of improved and resilient agricultural technologies, through: (i) the development of suitable legislation harmonized with legislation of the other Participating Countries; (ii) the preparation of similarly harmonized manuals of procedures for such financing mechanism’s effective, transparent, and participatory management; and (iii) the setting up of suitable monitoring and evaluation systems adequate to supervise and, thereby, ensure the profitable performance of the financing mechanism and its accompanying institutional arrangements;

2. the strengthening of CORAF’s knowledge management, information and communication systems through: (i) the establishment of an efficient communication and information network system linking the Participating Countries; (ii) the upgrading of skills in information and communications technology and knowledge management, the consolidation of information available in various other data bases both at the national and sub-regional levels, and the provision to end-users of easy access to appropriate responses in real time; and (iii) the development of a data base on agricultural research skills;

3. the establishment of sub-regional regulations on genetic materials and agrochemicals through: (i) the development and adoption of regulations on fertilizer use and handling under preparation by ECOWAS which are harmonized
with regulations of the other Participating Countries and the dissemination of the existing regulations on pesticide and genetic materials management; (ii) the evaluation of existing policies, rules and procedures on the exchange of technologies; and (iii) the delivery of workshops and seminars designed to ensure the participation of producers and agro-industrials in the formulation of regulations;

4. the strengthening of the National Crops Varieties and Livestock Breeds Registration and Released Committee to ensure the effective release of genetic materials, pesticides and management of intellectual property rights (IPR), through: (i) the revision, as necessary, of the Recipient’s procedures thereon in order to align them to sub-regional directives; (ii) the implementation of these procedures for the release, dissemination and adoption of new technologies; (iii) the documentation and the recording of the characteristics of technologies and the constitution of catalogues for proven and released technologies; (iv) the promotion of these technologies through various media; (v) the strengthening of the harmonization of procedures and analysis of IPR issues; and (vi) the promotion and the facilitation of access by non Participating Countries to improved technologies developed in the Participating Countries; and

5. the development by CORAF of a strategy to mainstream climate change considerations in research and development programs carried out by the Participating Countries, including: (i) the organization of a training program for researchers on climate change; (ii) the adoption of a screening tool for the CARG schemes to ensure research proposals take into account climate change issues; (iii) the assessment of the vulnerability of priority commodities to climate change; (iv) the promotion of relevant technologies to mitigate climate change impact; and (v) the development of a strategy to mainstream gender considerations in research and development programs using similar tools to those for mainstreaming climate change.

Part 2: National Centers of Specialization (NCOS)

Strengthening of the operational capacities of the national agricultural research systems in one national priority area of each Participating Country which is aligned to regional priorities, specifically through the strengthening of the National Institute for Fresh Water Fisheries Research (NIFFR) and the carrying out of a program encompassing the provision of works, goods, consultants’ services, training (including academic training), and the financing of operational costs and Small Grants required for:

1. the development and implementation of NIFFR’s core research and development dissemination programs, including: (i) the implementation, through the provision of Small Grants, of research activities to assess available technologies from within or outside the Recipient’s territory; (ii) the elaboration and implementation of dissemination and communication plans on readily available technologies; (iii) the documentation and recording of the characteristics of technologies and the constitution of catalogues for proven and released technologies; (iv) the promotion of these technologies through various media; (v) the strengthening of the harmonization of procedures and analysis of IPR issues; and (vi) the promotion and the facilitation of access by non Participating Countries to improved technologies developed in the Participating Countries; and
technologies; and (iii) the development of programs on adaptation and generation of new technologies and adequate responses to other constraints along the value chain;

2. the enhancement of the capacity building of research scientists and the facilitation of national, sub-regional and international partnerships, including the carrying out of research exchange programs, the provision of training to young researchers, and implementation of the annual capacity building plans;

3. the construction and rehabilitation of NIFFR’s selected core facilities and the provision of equipment required for the purpose; and

4. the carrying out of value chain analysis, impact studies, benchmarking, and monitoring and impact analysis for commissioned or strategic research.

Part 3: Funding of Demand-Driven Technology Generation and Adoption

Carrying out of a program aimed to accelerate the adoption of readily available technologies and the generation and dissemination of adapted technologies in top national and regional priority commodities in Participating Countries and at the sub-regional level, through the funding of CORAF’s and the national existing CARG schemes, encompassing the provision of works, goods, consultants’ services, training, and the financing of operational costs and Grants for:

1. Competitive Agricultural Research Schemes for Technology Generation and Dissemination

   (a) Regional Window: expansion of CORAF’s CARG scheme through the financing of Grants to carry out research projects that benefit the entire ECOWAS region.

   (b) National Window: expansion of ARCN’s CARG scheme through the financing of Grants to complement ongoing and future research and development activities within the Recipient’s territory.

2. Accelerated Adoption of Released Technologies

   Improvement of the adoption of released technologies in order to bridge the yield gap between producers and research and reinforcement of the dissemination of technologies generated under the Project, through: (i) the carrying out of stakeholder workshops for the preparation of national dissemination action plans for released technologies; (ii) the promotion of released technologies, using various media to improve knowledge and scale up application of the technologies; (iii) the introduction of information technology in the technology transfer system; (iv) the provision of training on released technologies for extension service providers (including national extension
services, non-governmental organizations, input providers, farmer organizations and other stakeholders) through the use of participatory strategies and mechanisms; and (iv) the delivery of field demonstrations of released technologies.

3. **Facilitating Access to Improved Genetic Material**

Expansion of the availability to, and access of, producers to improved genetic materials of seeds, planting materials, fingerlings, other breed stock and the like, entailing: (i) the development and improvement of the Recipient’s gene banks with a view to manage biodiversity and climate change through better conservation of its genetic assets; (ii) the upgrading of the capacity of selected public research stations to produce and store breeder seeds through investments in irrigation facilities, lab and storage equipment; (iii) the scaling up of the production of certified seeds by small and medium enterprises and farmers organizations; (iv) the strengthening of the production and quality capacity of seed companies and seed producers; (v) the development of a network to link seed producers to variety development programs so as to facilitate producers’ access to improved varieties and the provision of mini-kits of improved seeds to producers to quick-start dissemination; (vi) the promotion of the information and technology communications necessary to develop the network of seed producers and end seed users, including the provision of up-to-date information on improved varieties potentially beneficial to small farmers; and (vii) the strengthening of the capacity for seed quality assurance of the FMA’s Seed Council.

4. **Development of a Yield Prediction Tool**

Development by CORAF of a real-time dynamic yield-prediction tool to assist farmers on the choice of future crops, including the setting up of the web tool during its operational phase, the organization of a regional launching workshop, the provision of training to researchers and other stakeholders on the use of the tool, and the carrying out of monitoring and evaluation activities for the purpose.

**Part 4: Project Coordination, Management, Monitoring and Evaluation**

Establishment of an effective coordination, management, monitoring and evaluation system for the Project at both: (i) the regional; and (ii) the national levels, thereby ensuring the implementation at each level of suitable financial management and procurement systems by CORAF and ARCN, timely reporting on Project’s activities, accurate monitoring and evaluation of regional and national agricultural productivity, and the carrying out of a communication strategy, all through the provision of vehicles and goods, consultants’ services, training, and the financing of operational costs.
SCHEDULE 2

Execution of Parts 3.2 and 3.3 of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements

1. Federal Ministry of Agriculture

The Recipient, through its FMA, shall assure overall coordination of Parts 3.2 and 3.3 of the Project is carried out by the ARCN.

2. Agricultural Research Council of Nigeria

The Recipient, through the ARCN (acting as the National Coordination Unit) shall oversee and take all measures necessary for the suitable and timely implementation of Parts 3.2 and 3.3 of the Project pursuant to the provisions of this Agreement, including without limitation: (i) in general, the coordination and management of the FPCR Core Trust Fund Grant and the carrying out of the procurement, monitoring, evaluation and reporting functions; and (ii) in particular, the assessment of impacts and systematic analysis of lessons learnt and the monitoring of the overall progress in implementing agricultural research activities undertaken within the NARS. The Executive Secretary of the ARCN appoints the Project Coordinator to oversee daily implementation of Parts 3.2 and 3.3 of the Project.

3. Advisory Committee

The Recipient, through the FMA shall, not later than three (3) months after the Effective Date, establish and, thereafter maintain throughout Project implementation, a national advisory committee under terms of reference satisfactory to the World Bank vested with responsibility for providing policy guidance and for overseeing Parts 3.2 and 3.3 of the Project (“Advisory Committee”). The Advisory Committee shall be chaired by the Permanent Secretary of the Recipient’s Federal Minister of Agriculture (or his/her designee) and its composition shall include representatives from the government, stakeholders, farmers and the private sector. The Advisory Committee shall meet at least twice each Fiscal Year to undertake, *inter alia*, the review and approval of the draft AWP&B and the approval of the annual report to be prepared by the Project Coordinator not later than October 31 each year to follow-up on, and assess the progress in, the carrying out of the precedent AWP&B.

4. National Coordination Unit
The Recipient shall take all action required on its behalf to ensure the ARCN operate as the National Coordination Unit throughout Project implementation, headed by the Project Coordinator and under terms of reference and with resources satisfactory to the World Bank. The ARCN shall be entrusted with the day-to-day administration of Parts 3.2 and 3.3 of the Project. For such purposes, the ARCN shall be managed by the Project Coordinator and shall comprise, among others, two operations managers, a monitoring and evaluation officer, a procurement officer, a communications officer, and a Project accountant. The Recipient shall take all measures required on its behalf to ensure that the Project activities under Parts 3.2 and 3.3 thereof are incorporated into ARCN’s computerized financial system not later than three (3) months after the Effective Date.

B. Implementation Modalities

1. Parts 3.2 and 3.3 of the Project: Support to Accelerated Adoption of Released Technologies and Facilitating Access to Improved Genetic Material

   The Recipient, through the ARCN, shall carry out Parts 3.2 and 3.3 of the Project through contractual arrangements to be concluded with suitable advisory service providers in accordance with the provisions of the Project Implementation Manual.

2. Project Implementation Manual

   The Recipient, through the ARCN, shall: (i) take all action required to carry out Parts 3.2 and 3.3 of the Project in accordance with the provisions and requirements set forth or referred to in the Project Implementation Manual; (ii) submit recommendations to the World Bank for its consideration for changes and updates of the Project Implementation Manual as they may become necessary or advisable during Project implementation in order to achieve the objective of Parts 3.2 and 3.3 of the Project; and (iii) not assign, amend, abrogate or waive the Project Implementation Manual or any of its provisions without the World Bank’s prior agreement. Notwithstanding the foregoing, if any of the provisions of the Project Implementation Manual is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail and govern.

3. Training under Parts 3.2 and 3.3 of the Project

   For the purposes of the training (including academic training) to be financed under Parts 3.2 and 3.3 of the Project and to be delivered through study tours, workshops, seminars, conferences, and on the job training, the Recipient shall:

   (a) furnish to the World Bank for its approval, not later than January 31 of each year, a training program including an explanation of how such training is consistent and conducive to the objectives of the Project and whether it offers the best price/quality ratio, as well as the schedule for its implementation;
(b) select the trainees in accordance with a transparent process and criteria satisfactory to the World Bank; and

(c) furnish to the World Bank a report of such scope and detail as the World Bank shall reasonably request, on the results of each training and the benefits to be derived therefrom.

4. Annual Work Program and Budget (AWP&B)

The Recipient, through the ARCN, shall:

(a) prepare a draft AWP&B for each Fiscal Year, setting forth, inter alia: (i) a detailed description of planned activities under Parts 3.2 and 3.3 of the Project for the following Fiscal Year; (ii) the sources and uses of funds therefore; and (iii) responsibility for execution of the activities under Parts 3.2 and 3.3 of the Project, budgets, start and completion date, outputs, and monitoring indicators to track progress of each activity;

(b) not later than November 30 of each Fiscal Year and after considering the comments provided by the Advisory Committee, furnish to the World Bank for its comments and approval, the draft AWP&B and, promptly thereafter, finalize the AWP&B taking into account the World Bank’s views and recommendations thereon; and

(c) adopt and sign the final version of the AWP&B in the form approved by the World Bank not later than December 31 of such Fiscal Year.

5. External Auditor

The Recipient shall, not later than four (4) months after the Effective Date, recruit an external auditor for the ARCN on the basis of terms of reference and with qualifications and experience satisfactory to the World Bank.

C. Anti-Corruption

The Recipient shall ensure that Parts 3.2 and 3.3 of the Project are 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, (“Anti-Corruption Guidelines”), with the modifications set forth in Section III of the Appendix to this Agreement.
D. Safeguards Covenants

1. Pest Management Plan

The Recipient, through the ARNC, shall follow and apply at all times in the implementation of Parts 3.2 and 3.3 of the Project the provisions of the Pest Management Plan in a timely manner, ensuring that: (i) mitigation and monitoring measures acceptable to the World Bank are designed and implemented with due diligence and employing appropriate environmental expertise; and (ii) adequate information on the implementation of the measures contained in the PMP is appropriately included in the Progress Reports referred to below in Section II.A.1.

2. Biosafety Requirements

The Recipient shall carry out Parts 3.2 and 3.3 of the Project pursuant to its obligations under, and in accordance with environmental safeguards and international good practice and standards consistent with those of, the Cartagena Protocol on Biosafety.

Section II. Project Monitoring, Reporting and Evaluation

A. Project and Completion Reports

1. The Recipient, through the ARCN, shall monitor and evaluate the progress of Parts 3.2 and 3.3 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 the National Monitoring and Evaluation Indicators. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank and CORAF 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 and CORAF not later than four (4) months before the Closing Date.

B. Mid-Term Review

The Recipient, through the ARCN, shall:

(a) maintain policies and procedures adequate to enable it to monitor and evaluate on an ongoing basis, in accordance with the National
Monitoring and Evaluation Indicators, the carrying out of Parts 3.2 and 3.3 of the Project and the achievement of the objective thereof;

(b) prepare, under terms of reference satisfactory to the World Bank, and furnish to the World Bank, on or about March 31, 2013, a report integrating the results of the monitoring and evaluation activities and setting out the measures recommended to ensure the efficient carrying out of Parts 3.2 and 3.3 of the Project and the achievement of the objective thereof during the period following such date; and

(c) review with the World Bank, on or about April 30, 2013, or such later date as the World Bank shall request, the report referred to in the preceding paragraph (b), and, thereafter, take all measures required to ensure the efficient completion of Parts 3.2 and 3.3 of the Project and the achievement of the objective thereof, based on the conclusions and recommendations of the said report and the World Bank’s views on the matter.

B. Financial Management; Financial Reports and Audits

1. The Recipient, through the ARNC, 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, through the ARNC, shall ensure that interim unaudited financial reports for Parts 3.2 and 3.3 of the Project are prepared and furnished to the World Bank as part of the Project Report not later than forty-five (45) days after the end of each calendar semester, covering the semester, in form and substance satisfactory to the World Bank.

3. The Recipient, through the ARNC, shall have its Financial Statements for Parts 3.2 and 3.3 of 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. 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 and consultants’ services required for Parts 3.2 and 3.3 of the Project and to be financed out of the proceeds of the FPCR Core Trust Fund Grant shall be procured in accordance with the requirements set forth or referred to in:
Section I of the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the World Bank in May 2004 and revised in October 2006 and May 2010 (“Procurement Guidelines”) in the case of goods and Sections I and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the World Bank in May 2004 and revised in October 2006 and May 2010 (“Consultant Guidelines”) in the case of consultants’ services; and

the provisions of this Section III, as the same shall be elaborated in the 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 the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods

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

2. Other Methods of Procurement of Goods. The following methods, other than International Competitive Bidding, may be used for procurement of goods for those contracts specified in the Procurement Plan: (i) National Competitive Bidding; (ii) Shopping; and (iii) 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 assignments which are specified in the Procurement Plan: (i) Quality-based Selection; (ii) Selection under a Fixed Budget; (iii) Least Cost Selection; (iv) Selection based on Consultants’ Qualifications; (v) Single-source Selection; (vi) Selection of Individual Consultants; and (vii) Sole Source Procedures for the Selection of Individual Consultants.

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

Section IV. Withdrawal of the Proceeds of the FPCR Core Trust Fund Grant

A. General

1. The Recipient may withdraw the proceeds of the FPCR Core Trust Fund Grant in accordance with the provisions of: (i) Article III of the Standard Conditions; (ii) this Section; and (iii) 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 FPCR Core Trust Fund Grant (“Category”), the allocations of the amounts of the FPCR Core Trust Fund 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 FPCR Core Trust Fund Grant Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, consultants’ services, training and Operational Costs under Parts 3.2 and 3.3 of the Project</td>
<td>6,000,000</td>
<td>30%</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT 6,000,000

3. For the purposes of this Section, the term “Operational Costs” means expenditures incurred by the ARCN to finance the cost under Parts 3.2 and 3.3 of the Project of: (i) salaries of the staff of ARCN (excluding civil servants) and state contributions thereon; (ii) per diem and travel expenses of the staff to perform their responsibilities under Parts 3.2 and 3.3 the Project; (iii) fuel and vehicle maintenance and insurance; (iv) communication technology (including, without limitation, internet and telephone); (v) building security and maintenance; (vi) translation services, photocopies and publications; (vii) bank commissions; and (viii) utilities and office supplies.
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.

2. The Closing Date referred to in Section 3.06(c) of the Standard Conditions is May 31, 2015.
APPENDIX

Section I. Definitions

1. “Annual Work Plan and Budget” and “AWP&B” mean the annual work plan and budget to be prepared on an annual basis by ARNC (as hereinafter defined).


3. “Beneficiary” means: (i) a physical or legal person qualified to receive a Grant (as hereinafter defined) under the CORAF’s Manual of Procedures for Management of Competitive Funds or the ARCN’s Policy and Management Guidelines for Implementation of CARG, as the case may be; and (ii) a researcher which, according to the Project Implementation Manual, qualifies as a Project beneficiary under Part 2.1 of the Project; and “Beneficiaries” means more than one Beneficiary.

4. “CARG” means the existing scheme of Competitive Agricultural Research Grants, a sub-regional and national financing mechanism aimed at financing competitive grants in the agriculture sector.

5. “Cartagena Protocol on Biosafety” means the document adopted in Montreal, Canada, on 29 January 2000, as a Protocol to the 1992 Nairobi Convention on Biological Diversity, the objective of which is to contribute to ensuring an adequate level of protection in the field of the safe transfer, handling and use of genetically modified organisms resulting from modern biotechnologies that may have adverse effects on the conservation and sustainable use of biological diversity, taking also into account risks to human health, and specifically focusing on transboundary movements.

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

7. “CORAF” means the West and Central Africa Council for Agricultural Research and Development, an organization aimed to improve the efficiency and effectiveness of small-scale producers and to promote the agribusiness sector.

8. “CORAF Grant Agreement” means the grant agreement to be entered into between the International Bank for Reconstruction and Development and the International Development Association, acting as administrator of the Multi-Donor Trust Fund for Food Price Crisis Response Core, and CORAF, providing to CORAF an amount equal to one million Dollars ($1,000,000) to assist in financing Part 3.4 of the Project.

10. “Fiscal Year” means the twelve (12) month period corresponding to any of the Recipient’s fiscal years, which period commences on January 1 and ends on December 31 in each calendar year.

11. “FMA” means the Recipient’s Federal Ministry of Agriculture, or any successor thereto.

12. “Grant” means a grant made or proposed to be made by CORAF or ARCN, as the case may be, to a Beneficiary under, respectively, Parts 3.1 (a) or 3.1(b) of the Project.

13. “National Agricultural Research and Advisory Systems” and “NARS” mean the Recipient’s system encompassing: (i) national agricultural research; (ii) national extension agencies or departments involved in training and dissemination activities; (iii) producer organizations; and (iv) regulatory agencies and providers of seed and breed services.

14. “National Coordination Unit” or “NCU” means the ARCN.

15. “National Crops Varieties and Livestock Breeds Registration and Released Committee” means the Recipient’s entity operating as its national registration committee.

16. “National Institute for Fresh Water Fisheries Research” and “NIFFR” means the Recipient’s national center of specialization responsible for research in fisheries.

17. “National Monitoring and Evaluation Indicators” means the agreed monitoring and evaluation indicators set forth in the Project Implementation Manual (as hereinafter defined) to be utilized by the Recipient to measure the progress in the implementation of Parts 1.1, 1.3, 1.4, 2, 3.1(b), 3.2, 3.3 and 4 (ii) of the Project and the degree to which the objectives thereof are being achieved.

18. “Nigeria Financing Agreement” means the financing agreement for the Project to be entered into between the Recipient and the Association, as such financing agreement may be amended from time to time. “Nigeria Financing Agreement” includes all appendices, schedules and agreements supplemental to the Nigeria Financing Agreement.

19. “Participating Countries” mean collectively the Participating Countries, being the Recipient, Burkina Faso, and the Republic of Côte d’Ivoire; and “Participating Country” means individually each and any of the Participating Countries.
20. “Pest Management Plan” and “PMP” means the Recipient’s plan dated March 9, 2010, which: (i) addresses the concerns relating to the Project risks associated with potential increases in the use of pesticides for agricultural production, intensification and diversification and controlling disease vector populations arising from irrigation schemes; (ii) sets forth mitigation and monitoring measures to be taken during Project implementation and operation to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels; (iii) recommends institutional measures to strengthen national capacities to implement the mitigation and monitoring measures; and (iv) as part of the implementation arrangements, identifies national agencies and other partners that could play a vital role in the success of the Project.

21. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 2, 2010, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

22. “Project Coordinator” means the person appointed by the Executive Secretary of the ARCN for that position.

23. “Project Implementation Manual” means the manual adopted by the Recipient through the ARCN on March 29, 2010, for the purposes of defining the detailed implementation arrangements for the Project, and setting forth, inter alia: (i) the detailed Project staffing plan for each stakeholder; and (ii) the Project monitoring and evaluation modalities, as the same may be amended from time to time with the agreement of the World Bank.

24. “Resettlement” means: (i) the involuntary (i.e., an action that may be taken without a person’s informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected person, and encompassing restrictions on the use of resources imposed on people living outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.

25. “Small Grant” means a grant made or proposed to be made by ARCN to a Beneficiary under Part 2.1 of the Project.
Section II. Modifications to the Standard Conditions

The provisions of Section 4.02 (j) of the Standard Conditions are modified to read as follows:

... (j) Ineligibility. IBRD or IDA has declared the Recipient (other than the Member Country) ineligible to receive proceeds of any financing made by IBRD or IDA or otherwise to participate in the preparation or implementation of any project financed in whole or in part by IBRD or IDA, as a result of: (i) a determination by IBRD or IDA that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by IBRD or IDA; and/or (ii) a declaration by another financier that the Recipient is ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

Section III. Modifications to the Anti-Corruption Guidelines

The modifications to the Anti-Corruption Guidelines are as follows:

1. Section 5 is re-numbered as Section 5(a) and a new Section 5(b) is added to read as follows:

“… (b) These Guidelines also provide for the sanctions and related actions to be imposed by the Bank on Borrowers (other than the Member Country) and all other individuals or entities who are recipients of Loan proceeds, in the event that the Borrower or the individual or entity has been debarred by another financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

2. Section 11(a) is modified to read as follows:

“… (a) sanction in accordance with prevailing Bank’s sanctions policies and procedures (fn13) a Borrower (other than a Member Country) (fn 14) or an individual or entity, including (but not limited to) declaring such Borrower, individual or entity ineligible publicly, either indefinitely or for a stated period of time: (i) to be awarded a Bank-financed contract; (ii) to benefit from a Bank-financed contract, financially or otherwise, for example as a sub-contractor; and (iii) to otherwise participate in the preparation or implementation of the project or any other project financed, in whole or in part, by the Bank, if at any time the Bank determines (fn 15) that such Borrower, individual or entity has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in connection
with the use of loan proceeds, or if another financier with which the Bank has entered into an agreement for the mutual enforcement of debarment decisions has declared such person or entity ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Borrower or the individual or entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

Footnotes:

“13. An individual or entity may be declared ineligible to be awarded a Bank financed contract upon completion of sanctions proceedings pursuant to the Bank’s sanctions policies and procedures, or under the procedures of temporary suspension or early temporary suspension in connection with an ongoing sanctions proceeding, or following a sanction by another financier with whom the Bank has entered into a cross debarment agreement, as a result of a determination by such financier that the firm or individual has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.”

“14. Member Country includes officials and employees of the national government or of any of its political or administrative subdivisions, and government owned enterprises and agencies that are not eligible to bid under paragraph 1.8(b) of the Procurement Guidelines or participate under paragraph 1.11(c) of the Consultant Guidelines.”

“15. The Bank has established a Sanctions Board, and related procedures, for the purpose of making such determinations. The procedures of the Sanctions Board sets forth the full set of sanctions available to the Bank. In addition, the Bank has adopted an internal protocol outlining the process to be followed in implementing debarments by other financiers, and explaining how cross-debarments will be posted on the Bank’s website and otherwise be made known to staff and other stakeholders.”