Financing Agreement

(Additional Financing for Environmental Land Management and Rural Livelihoods Project)

between

REPUBLIC OF TAJIKISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated January 11, 2016
FINANCING AGREEMENT

Agreement dated January 12, 2016, entered into between the REPUBLIC OF TAJIKISTAN ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in Appendix 2 to this Agreement). The Recipient and the Association hereby agree as follows:

ARTICLE I
GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in Appendix 2 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 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 ("Financing") in an amount equivalent to six hundred thousand Special Drawing Rights (SDR 600,000) to assist in financing the project described in Schedule I 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 May 15 and November 15 in each year.

2.05. The Payment Currency is United States Dollars.
ARTICLE III - THE PROJECT

3.01 The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall, through the Committee on Environmental Protection ("CEP"), carry out the Project in accordance with the provisions of Article II 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 This Agreement shall not become effective until evidence satisfactory to the Association has been furnished to the Association that the conditions specified below have been satisfied:

(a) The execution and delivery of the PPCR Grant Agreement on behalf of the Recipient has been duly authorized or ratified by all necessary governmental action and all conditions precedent to its effectiveness (other than the effectiveness of this Agreement) have been fulfilled.

(b) The Project Operational Manual has been updated and amended by the Recipient in a manner satisfactory to the Association.

(c) The Recipient has signed the contract for updating the existing 1C accounting software for Project accounting, budgeting and reporting.

4.02 The Effectiveness Deadline is the date one hundred and twenty (120) days after the date of this Agreement.

ARTICLE V - REPRESENTATIVE; ADDRESSES

5.01 The Recipient's Representative referred to in Section 7.02 of the General Conditions is its Minister of Finance.
5.02. The Recipient’s Address referred to in Section 7.01 of the General Conditions is:

Ministry of Finance
3, Akademic Rajobovkho Street
Dushanbe, 734025
Republic of Tajikistan

Facsimile:

(992-372) 213329

5.03. The Association’s Address is:

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

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

Washington, D.C.
AGREED at Dushanbe, Republic of Tajikistan, as of the day and year first above written.

REPUBLIC OF TAJIKISTAN

By

Authorized Representative

Name: Abdusalam Qurboniyon
Title: Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Patricia Veerens-Carter
Title: Country Manager
SCHEDULE 1

Project Description

The objective of the Project is to enable rural people to increase their productive assets in ways that improve natural resource management and resilience to climate change in selected climate vulnerable sites.

The Project consists of the following parts:

Component 1. Rural Production and Land Resource Management Investments

Subcomponent 1.1. Sustainable village-based rural production and land resource management

Providing small-scale Sub-grants at the village level to Common Interest Groups to implement: (i) rural production investments; (ii) land resource management investments, and (iii) related small-scale infrastructure investments.

Subcomponent 1.2. Larger-scale initiatives in sustainable community land management

(a) Providing Sub-grants to Jamoat-level Pasture User Groups to implement participatory pasture and livestock management plans and for Training and provision of office equipment and furnishings for Pasture User Groups.

(b) Providing Sub-grants to Water User Associations to implement plans for sustainable on-farm water management practices in irrigated cropland and for Training and provision of office equipment and furnishings for Water User Associations.

Component 2: Knowledge Management and Institutional Support

Subcomponent 2.1. Facilitation support and technical advice

(a) Provision of technical assistance to facilitate participatory planning and resource assessments, community mobilization, and support for Beneficiaries to prepare and implement rural investments in the selected districts under Component 1.

(b) Supporting community-based agencies to provide technical advisory services to farmer groups and other village-based organizations.
Subcomponent 2.2. Training, analysis, dissemination and networking

(a) Supporting Project orientation phase to share Project goals, approaches and activities with Project partners and key stakeholders, including field visits.

(b) Improving skills and knowledge through the carrying out of training courses, workshops, and study tours in key topics such as, inter alia, environmental assessment and monitoring, integrated land, water and grazing management, integrated pest management, gender issues and climate change adaptation.

(c) Supporting analytical work to provide guidance for the design and sustainability of rural investments and Project evaluation at Project mid-term and completion.

(d) Supporting dissemination of Project information and networking among stakeholders to increase awareness of sustainable land management (SLM) knowledge through exchange and learning between Project sites and with similar initiatives, including farmer to farmer exchanges, the use of information and communications technology (ICT) tools, and the use of regional SLM platforms.

(e) (i) Supporting an initial assessment of the ICT environment and infrastructure; and (ii) conducting a needs-assessment training to ensure that capacity building interventions are designed and targeted appropriately for the range of participants.

(f) Supporting the preparation and implementation of a plan to ensure financial, technical and organizational sustainability of the Project.

Component 3: Project Management and Coordination

Supporting Project implementation through financing Incremental Operating Costs of the Implementation Group within CEP and its district offices to carry out procurement, financial management, coordination, reporting, and Project monitoring and evaluation.
Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient, through the CEP, shall: (a) update the Project Operational Manual; and (b) thereafter carry out the Project in accordance with the requirements, criteria, organizational arrangements and operational procedures set forth in said Project Operational Manual and the EMF, and shall not amend, suspend, abrogate or waive any provisions of the Project Operational Manual or the EMF without the prior approval of the World Bank.

2. The Recipient shall maintain during Project execution, the inter-ministerial commission to support interagency coordination, monitor project progress and settle controversies that might arise during Project implementation, which commission shall be chaired by the CEP Chair, and include representatives from the following Recipient’s ministries and agencies: Ministry of Agriculture, State Committee on Land Use and Geodesy, Committee on Women and Family Affairs, Academy of Agricultural Sciences, State Investment Committee, Ministry of Energy and Industry, and Ministry of Land Reclamation and Water Resources.

3. For purposes of implementation of Subcomponent 2.1 of the Project, the Recipient, through the CEP, shall: (i) select Project NGOs based on the criteria set forth in the Project Operational Manual and in accordance with the provisions in Section III of this Schedule; and (ii) execute a contract with each Project NGO for carrying out the activities under Component 2.1 of the Project, and such contracts shall contain terms and conditions satisfactory to the World Bank.

4. At all times during the implementation of the Project, the Recipient shall provide the Implementation Group within CEP with such funds, facilities and resources, including qualified and experienced staff and consultants, in adequate numbers as set out in the Project Operational Manual, satisfactory to the World Bank.

5. At all times during the implementation of the Project, the Recipient shall maintain a Grievance Redress Mechanism, in accordance with the procedures and guidelines set forth in the POM and acceptable to the Association.

B. Environmental and Social Safeguards

1. The Recipient, through the CEP shall: (i) carry out Component 1 in accordance with the EMF; (ii) prior to the commencement of any Subproject on any site under Component 1 of the Project, carry out the EA in accordance with the EMF and
prepare any EMP as may be required under and in accordance with EMF; (iii) thereafter, implement the EMP in a manner satisfactory to the World Bank; and (iv) not amend, suspend, abrogate or waive any provisions of the respective EAs and associated EMPs without the prior approval of the World Bank.

2. The Recipient shall ensure, when any activity under a Subproject will involve any international waterway (as defined in the World Bank’s OP 7.50), that:
   (a) such activity shall be limited to ongoing schemes, projects involving additions or alterations that require rehabilitation, construction, or other changes that: (i) will not adversely change the quality or quantity of water flows to the other riparian; and (ii) will not be adversely affected by the other riparian’s possible water use; and
   (b) such activity shall be limited to only minor additions or alterations to the ongoing scheme and it does not cover works and activities that would exceed the original scheme, change its nature, or so alter or expand its scope and extent as to make it appear new or different scheme.

3. The Recipient shall ensure that the Project is implemented in accordance with applicable environmental and social standards and practices and in compliance with applicable laws and regulations on child and forced labor.

4. The Recipient shall not undertake any Project activities that involve Involuntary Resettlement.

C. Anti-Corruption

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

D. Small-Scale Grants under Sub-Component 1.1 of the Project

1. To facilitate the carrying out of Sub-Component 1.1 of the Project, the Recipient, through CEP, shall: (a) select any given Subproject in accordance with the eligibility criteria and procedures set forth in the Project Operational Manual; and (b) make part of the proceeds of the Grant available to the pertinent Beneficiary for the selected Subproject under the corresponding Subproject Agreement between the Recipient and said Beneficiary, under terms and conditions approved by the Association, including those set forth in Section I.F of this Schedule and in the Project Operational Manual.

2. The Recipient shall ensure that each Subproject Agreement for carrying out a Subproject under Component 1.1 shall comply with, but not be limited to, the following terms and conditions:
(a) The amount of the Sub-grant shall not exceed US$7,000.

(b) Each Beneficiary shall: (i) provide a matching contribution – in cash or in kind – equivalent to 25% of the Sub-grant amount; and (ii) carry out the activities under Sub-Component 1.1 of the Project in accordance with the Anti-Corruption Guidelines.

(c) Sub-grants shall not finance non-eligible activities or expenditures listed in the Project Operational Manual.

(d) Sub-grants shall not finance any Subproject for the benefit of any Beneficiary with respect to which the Recipient and/or the World Bank has received credible evidence of non-compliance with any applicable laws and regulations on child and forced labor.

(e) Sub-grants shall be used exclusively for the purposes specified in the respective Subproject.

3. Recipient shall obtain the World Bank’s prior review and approval of the first three Sub-grant proposals and Subproject Agreements in each selected district under the Project for each of the following categories of Sub-grants made under Sub-Component 1.1 of the Project:

(a) between the Recipient and the respective Common Interest Group for rural production investments;

(b) between the Recipient and the respective Common Interest Group for land resource management investments; and

(c) between the Recipient and the respective Common Interest Group for small-scale rural production infrastructure.

E. Larger-Scale Grants under Subcomponent 1.2 of the Project

The provisions set forth in Section I.E of Schedule 2 to the Original Grant Agreement constitute an integral part of this Agreement.

F. Subproject Agreement under Component 1 of the Project

For the purposes of carrying out Subprojects under Component 1 of the Project, the Recipient, through CEP, shall:

1. Ensure that each Subproject Agreement is prepared based on the model form approved by the World Bank and included in the Project Operational Manual, in which the Recipient shall obtain rights adequate to protect its interests and those of the World Bank, including the right to:
(a) suspend or terminate the right of any Beneficiary to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the Beneficiary’s failure to perform any of its obligations under the Subproject Agreement; and

(b) require each Beneficiary to:

(i) carry out its pertinent Subproject with due diligence and efficiency, in compliance with any applicable national legislation on child and forced labor and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including in accordance with the provisions of the Anti-Corruption Guidelines and the EMF;

(ii) provide, promptly as needed, the resources required for the carrying out of the Subproject;

(iii) procure the goods, works and Consultants’ Services to be financed out of the Sub-grant in accordance with the provisions of this Agreement;

(iv) maintain procedures adequate to enable it to monitor and evaluate, in accordance with indicators acceptable to the World Bank, the progress of the pertinent Subproject and the achievement of its objectives;

(v) maintain a simplified financial management system and records in accordance with consistently applied accounting standards acceptable to the World Bank for community driven initiatives, both in a manner adequate to reflect the operations, resources and expenditures related to the Subproject;

(vi) at the World Bank’s or the Recipient’s request, have the resulting financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and promptly furnish the statements as so audited to the Recipient and the World Bank;

(vii) enable the Recipient and the World Bank to inspect the Subproject, its operation and any relevant records and documents; and
(viii) prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World Bank shall reasonably request relating to the foregoing.

2. Exercise its rights and carry out its obligations under the Subproject Agreements in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, waive, terminate or fail to enforce any Subproject Agreement or any provisions thereof.

Section II. Project Monitoring, Reporting and Evaluation

A. 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 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 one month 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 4.08(c) of the General Conditions. The Completion Report shall be furnished to the Association not later than six (6) months after the Closing Date.

B. Financial Management; Financial Reports; Audits

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 4.09 of the General Conditions.

2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the Association not later than forty-five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the Association, starting at the end of the first calendar quarter following the first withdrawal from the Financing Account.

3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 4.09(b) of the General 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 Association 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:

   (a) Section I of the Procurement Guidelines in the case of goods, works, and non-consulting services, and Sections I and IV of the Consultant Guidelines in the case of consultants’ services; and

   (b) 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 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. **National 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 National Competitive Bidding, subject to the additional provisions set forth in Appendix 1 to this Schedule 2.

2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than National Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan:

   (a) Shopping; and

   (b) 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: (a) Quality-based Selection; (b) Selection under Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection; and (f) 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 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 General Conditions; (b) this Section; and (c) such additional instructions as the Association 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 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 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 SDR)</th>
<th>Percentage of Expenditures to be Financed (exclusive of VAT and customs taxes and fees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, works, non-consulting services, consultants’ services and Training under Sub-grants in respect of Sub-Component 1.2 of the Project, and goods, non-consulting services, consultants’ services, Training for Sub-Component 2.1 of the Project</td>
<td>600,000</td>
<td>100%</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT** 600,000

**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 is May 31, 2018.
APPENDIX 1

NATIONAL COMPETITIVE BIDDING

The procurement procedure to be followed for National Competitive Bidding shall be the tendering with unlimited participation procurement method set forth in Law #168, the Law of the Republic of Tajikistan on “Public Procurement of Goods, Works and Services,” dated March 3, 2006 (as amended by Law #815, the Law of the Republic of Tajikistan on “Introduction of Amendments and Additions to the Law of the Republic of Tajikistan on ‘Public Procurement of Goods, Works and Services’” dated April 16, 2012) (“the PPL”); provided, however, that such procedure shall be subject to: (a) the provisions of Section 1 and paragraphs 3.3 and 3.4 of the Procurement Guidelines (as required by paragraph 3.3 of the Guidelines); and (b) the following paragraphs:

Participation in bidding

1. **Eligibility:** Eligibility of bidders to participate in a procurement process and to be awarded an Association-financed contract shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Association for reasons other than those provided in Section I of the Procurement Guidelines.

2. **Domestic Preference:** No domestic preference may be applied in bid evaluation on the basis of bidder nationality, the origin of goods, services or labor, and/or preferential programs.

3. **Bidding Documents:** Procuring entities shall use the appropriate standard bidding documents acceptable to the Association, which documents shall be prepared so as to ensure economy, efficiency, transparency, and broad consistency with the provisions of Section I of the Procurement Guidelines. Until a modified version of the Recipient’s standard bidding documents has been approved by the Association, the Association’s sample NCB bidding documents for the Europe and Central Asia Region shall be used.

4. **Bid Validity:** The bid validity period required by the bidding documents shall be sufficient to account for any period that may be required for the approval and registration of the contract as contemplated in the PPL. An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the original bid validity expiration date, provided that such extension shall cover only the minimum period required to complete the evaluation, award a contract, and/or complete the registration process. No further extensions shall be requested without the prior written concurrence of the Association.
5. **Qualification:** Qualification criteria shall be clearly specified in the bidding documents. All criteria so specified, and only such specified criteria, shall be used to determine whether a bidder is qualified. Qualification shall be assessed on a "pass or fail" basis, and merit points shall not be used. Such assessment shall be based entirely upon the bidder’s or prospective bidder’s capability and resources to effectively perform the contract, taking into account objective and measurable factors, including: (i) relevant general and specific experience, and satisfactory past performance and successful completion of similar contracts over a given period; (ii) financial position; and where relevant (iii) capability of construction and/or manufacturing facilities.

Prequalification procedures and documents acceptable to the Association shall be used for large, complex and/or specialized works contracts. Verification of the information upon which a bidder was prequalified, including current commitments and the bidder’s capability with respect to personnel and equipment, shall be carried out at the time of contract award. In the procurement of goods and works where prequalification is not used, the qualification of the bidder who is recommended for award of contract shall be assessed by post-qualification, applying the qualification criteria stated in the bidding documents.

6. **Guarantees:** Guarantees shall be in the format specified in the bidding documents. The bid guarantee shall be valid for twenty-eight days (28) beyond the original validity period of the bid, or beyond any period of extension if requested.

7. **Bid Submission and Bid Opening:** Prospective bidders shall be given at least thirty (30) days from the date of publication of the invitation to bid or the date of availability of the bidding documents, whichever is later, to prepare and submit bids. Bids may be delivered by mail or by hand. Bids shall be opened in public immediately after the deadline for their submission. The minutes of bid opening shall be signed by the members of the bidding committee immediately after bid opening. A copy of the bid opening minutes shall be promptly provided to all bidders who submitted bids, and to the Association with respect to contracts subject to the Association’s prior review. No bids shall be rejected at bid opening.

8. **Bid Evaluation and Award of Contracts:** Bidders shall not be allowed to be present during bid evaluation, and no information relating to the evaluation of bids shall be disclosed to bidders until the bidders are notified of the contract award.

Evaluation criteria shall be clearly specified in the bidding documents. Evaluation of bids shall be made in strict adherence to the criteria specified in the bidding documents. All bid evaluation criteria other than price shall be quantifiable in monetary terms. Merit points shall not be used, and no minimum point or percentage value shall be assigned to the significance of price, in bid evaluation. Bidders shall not be eliminated on the basis of minor, nonmaterial deviations. Contracts shall be awarded to the qualified bidder whose bid has been determined:
(i) to be substantially responsive to the bidding documents; and (ii) to offer the lowest-evaluated cost.

A bidder shall not be required, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

9. **Cost Estimates**: Cost estimates shall be confidential and shall not be disclosed to prospective bidders. No bids shall be rejected on the basis of comparison with the cost estimates and/or budget ceiling without the Association’s prior written concurrence.

10. **Rejection of Bids and Re-bidding**: No bids shall be rejected solely because they fall outside a pre-determined margin or “bracket” of prices. All bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Association’s prior written concurrence.

11. **Contract Modifications**: With respect to contracts subject to the Association’s prior review, the Recipient shall obtain the Association’s no objection before agreeing to: (i) a material extension of the stipulated time for performance of a contract; (ii) any substantial modification of the contract scope of services or other significant changes to the terms and conditions of the contract; (iii) any variation order or amendment (except in cases of extreme urgency) which, singly or combined with all variation orders or amendments previously issued, increases the original contract amount by more than fifteen percent (15%); or (iv) the proposed termination of the contract. A copy of all contract amendments shall be provided to the Association.

12. **Fraud and Corruption**: The bidding documents and contract as deemed acceptable by the Association shall include provisions stating the Association’s policy to sanction firms or individuals, found to have engaged in fraud and corruption as defined in the Procurement Guidelines.

13. **Inspection and Audit Rights**: In accordance with the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that bidders, suppliers and contractors, and their subcontractors, agents, personnel, consultants, service providers, or suppliers, shall permit the Association to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Association. Acts intended to materially impede the exercise of the Association’s inspection and audit rights provided for in the Procurement Guidelines constitute an obstructive practice as defined in the Procurement Guidelines.
APPENDIX 2
DEFINITIONS


2. “Beneficiary” means any of the following groups: (i) Common Interest Group (as hereinafter defined); (ii) Pasture User Group (as hereinafter defined); or (iii) Water User Association (as hereinafter defined), which, upon meeting the criteria set forth in the Project Operational Manual, is eligible to receive a Sub-grant for the carrying out of a Subproject.

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

4. “CEP” means the Recipient’s Committee on Environmental Protection, or any legal successor thereto.

5. “Common Interest Group” means a group of households at the village level which may be selected to be a Beneficiary under Sub-Component 1.1 of the Project.


7. “EAs” means the site-specific environmental assessments, including associated site-specific EMPs, to be prepared and adopted by the Recipient pursuant to the EMF and Schedule 2, Section I(B) of this Agreement, and satisfactory to the Association, in respect of works to be undertaken by a beneficiary under a respective Subproject defining details of measures to manage potential environmental risks and mitigate, reduce and/or offset adverse environmental impacts associated with the implementation of activities under the Project, together with an environmental and social baseline for each site, details of the relevant environmental legislative framework, adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, its terms, as the same may be amended and supplemented from time to time with the Association’s prior written approval; and “EA” refers to one of the above-referenced EAs.

8. “EMF” means the environmental management framework, dated December 18, 2012 prepared and adopted by the Recipient, disclosed in the World Bank’s Infoshop on February 5, 2013, and published in Tajikistan on February 6, 2013,
referred to in Schedule 2, Section I(B) of this Agreement, and satisfactory to the Association, describing the rules, guidelines and procedures to assess environmental impacts of the Project’s activities and defining measures to reduce, mitigate or offset adverse environmental impacts and enhance the positive impacts of the Project’s activities, including a section on pest management-related risks and mitigation measures, as the same shall be amended from time to time with the prior approval of the Association.

9. “Environmental Management Plans” or “EMPs” means the Subproject-specific documents, contained in each site-specific EA, to be prepared and adopted by the Recipient pursuant to the EMF and Schedule 2, Section I(B) of this Agreement, and satisfactory to the Association, in respect of works to be undertaken by the Recipient under the Project defining details of measures to manage potential environmental risks, as the same may be amended and supplemented from time to time with the Association’s prior written approval; and “EMP” refers to one of the above-referenced EMPs.


11. “Grievance Redress Mechanism” means the Recipient’s system aimed to receive grievances occurrence related to, or associated with the Project activities.

12. “Implementation Group” means the group established within CEP assigned to work on implementation of the Project, comprising of civil servants including the Project Director, Project Coordinator, and other specialized staff, and consultants that may be specifically retained to work on Project implementation.

13. “Incremental Operating Costs” means incremental operating costs incurred by the Implementation Group, as appropriate, on account of Project implementation, management and monitoring, including salaries of Implementation Group staff who are not civil servants, office and equipment maintenance and repair, vehicle maintenance and repair, local travel, communication, translation and interpretation, bank charges, social charges, and other miscellaneous costs directly associated with the Project, all based on periodic budgets acceptable to the Association.

14. “Involuntary Resettlement” means the impact of an involuntary taking of land under the Project, which taking causes affected persons to have their: (i) standard of living adversely affected; or (ii) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (iii) access to productive assets adversely affected, temporarily or permanently; or (iv) business, occupation, work or place of residence or habitat adversely affected, temporarily
or permanently; (v) access to legally designated parks and protected areas restricted, resulting in adverse impacts on their livelihoods.

15. “Jamoat” means an administrative territorial subdivision of the Recipient.


17. “Original Project” means the Project described in the Original Grant Agreement.

18. “Pasture User Group” means a group of farmers established at the village or Jamoat level to develop and implement the plans under Sub-Component 1.2 of the Project which may be selected as a Beneficiary under Sub-Component 1.2 of the Project.

19. “PPCR” means the Pilot Program for Climate Resilience of the Strategic Climate Fund.

20. “PPCR Grant Agreement” means the Grant Agreement of even date between the Recipient and the International Bank for Reconstruction and Development, acting in its capacity as trustee of the PPCR providing for a grant in an amount of in an amount of nine million four hundred and fifty thousand United States Dollars (US$ 9,450,000), as amended.


22. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 9, 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.

23. “Project NGOs” means adequately experienced and suitably qualified non-governmental organizations properly registered and operating in the territory of the Recipient, acceptable to the Association, selected in accordance with the Project Operational Manual, and contracted by the CEP to support Beneficiaries for the purposes of the Project, and “Project NGO” means any of them.

24. “Project Operational Manual” or “POM” means the Recipient’s manual, dated May 19, 2015, and satisfactory to the Association, setting forth the operational and administrative responsibilities, procedures and rules for the implementation of the Project, including a manual of financial procedures, consistent with the provisions of this Agreement and with the national laws and regulations of the Recipient, as
the same may be amended and supplemented from time to time with the
Association’s prior written approval.

25. “Social Charges” means any payments, premia, or contributions for health
benefits, unemployment benefits, disability insurance, workers’ compensation
benefits, retirement (pension or social security) benefits, and life insurance, which
constitute payment for the drawdown of future benefits to the staff concerned.

26. “Sub-grant” means a grant made by the Recipient to a Beneficiary out of the
proceeds of the Grant under Component 1 of the Project under terms and
conditions set forth in Section I.D & I.F of Schedule 2 to this Agreement.

27. “Subproject” means a project selected by the Recipient in accordance with the
eligibility criteria and procedures set forth in the Project Operational Manual and
financed by a Sub-Grant pursuant to a respective Subproject Agreement.

28. “Subproject Agreement” means an agreement to be entered into between the
Recipient and a Beneficiary for a respective Subproject pursuant to Section I.F of
Schedule 2 to this Agreement.

29. “Training” means expenditures for the Project related to study tours, training
courses, seminars, workshops and other training activities not included under
goods or service providers’ contracts, including costs of training materials, space
and equipment rental, travel and per diem costs of trainees and trainers.

30. “Water User Association” means a group of farmers established at the village or
Jamoat level to develop and implement the plans under Sub-Component 1.2 of the
Project which may be selected as a Beneficiary under Sub-Component 1.2 of the
Project.