Financing Agreement

(Emergency Agriculture Production Support Project)

between

REPUBLIC OF CHAD

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 13th, 2012
FINANCING AGREEMENT

AGREEMENT dated July 13th, 2012, 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 credit in an amount equivalent to sixteen million two hundred thousand Special Drawing Rights (SDR 16,200,000) (variously, "Credit" and "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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are February 15 and August 15 in each year.

2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
2.07. 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 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 — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following, namely, that the Project Implementation Regulation shall have been amended, suspended, abrogated, repealed or waived so as to materially and adversely affect the implementation of the Project.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consist of the following:

(a) Each of the GEF Grant Agreement and the LDCF Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals thereunder (other than the effectiveness of this Agreement) have been fulfilled.

(b) The Recipient has adopted the Project Implementation Manual in accordance with the provisions of Section D of Schedule 2 to this Agreement.

(c) The Steering Committee has been established and staffed in accordance with Section I.A.1 of Schedule 2 to this Agreement.

(d) The Project Coordination Unit has been established and staffed in accordance with Section I.A.2 of Schedule 2 to this Agreement.
5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

**ARTICLE VI — REPRESENTATIVE; ADDRESSES**

6.01. The Recipient’s Representative is its minister in charge of finance at the time responsible for planning, development and cooperation.

6.02. The Recipient’s Address is:

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

Cable: Telex: Facsimile:
5329 KD (235) 22 51 51 85  
(235) 22 51 45 87

6.03. 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 N'Djamena, CHAD, as of the day and year first above written.

REPUBLIC OF CHAD

By

Authorized Representative

Name: Bédoumra Kordjé
Title: Minister of Planning, Economy and International Cooperation

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Jean-Claude Brou
Title: Country Manager
SCHEDULE 1

Project Description

The objective of the Project is to support communities and producer organizations in increasing: (a) the production of selected crops and livestock species in selected areas of the Recipient’s territory; and (b) the use of sustainable land and water management practices in climate vulnerable ecosystems.

The Project consists of the following parts:

Part A: Provision of Agricultural Inputs

1. Purchase and distribution of agricultural inputs including seeds and animal feeds in selected areas of the Recipient’s territory.

2. Development and implementation of a communication and outreach campaign to facilitate the distribution of the inputs under Part A.1 of the Project.

Part B: Food Production

1. Financing, through the provision of Subgrants to local community groups, of specific development projects to construct basic agricultural infrastructure designed to: (a) increase agricultural production and productivity; (b) improve land and water management; and (c) enhance performance of agricultural markets.

2. Financing, through the provision of Subgrants to producer organizations and producers, of specific development projects to increase crop and animal production of targeted several value chains including cereals, vegetables and livestock.

3. Financing, through the provision of Subgrants to women’s groups, of specific development projects designed to improve agricultural production techniques including construction or rehabilitation of small-scale storage facilities and small-scale agro-processing machinery and/or facilities.

4. Provision of technical assistance to strengthen the capacity of: (a) local community groups organizations receiving Subgrants under Part B.1 of the Project in investment preparation and implementation, and (b) producer organizations receiving Subgrants under Part B.2 of the Project and women’s groups receiving Subgrants under Part B.3 of the Project in: (i) value chain management; (ii) investment preparation and implementation; and (iii) establishment of partnerships to improve access to markets.
Part C: Sustainable Land and Ecosystem Management

1. Carrying out of a program to ensure that Subprojects under Part B of the Project are designed and implemented in a manner to increase their sustainability and resilience to climate change, said program to include: (a) construction of terraces and soil bunds, stone burds, bench terraces; (b) capacity building activities, such as training and study tours, at national, regional and local level on issues related to natural resource and ecosystem management and climate change; and (c) provision of advisory and technical services to communities, producer organizations and governmental departments.

2. Carrying out of a program to ensure restoration and protection of natural resources in the ecosystem landscape of agriculture production, said program to include: (a) strengthening agricultural planning processes; (b) investments in sustainable technologies such as the construction of bunds to control erosion, terracing of hillsides, and planting of trees; and (c) community and government capacity building activities, such as training and development of environmental management schemes including for grazing corridors and vulnerable ecosystems.

Part D: Capacity Building and Institutional Support

1. Carrying out of a program designed to strengthen the capacity of the Recipient's ministry responsible for agriculture and irrigation and its national and decentralized services in: (a) seed production and quality control; (b) control of birds and grasshoppers in endemic areas; and (c) agricultural extension and advisory activities at grassroots levels, all through:

   (i) development and introduction of a seed production and quality control mechanism and a regulatory framework to ensure seed quality; and provision of training in seeds technology;

   (ii) provision of vehicles, equipment and training to decentralized technical personnel of said ministry and birds and locust local observers; and

   (iii) provision of vehicles, equipment and training on agricultural techniques, monitoring and evaluation, and participatory approaches to the personnel of said ministry at grassroots level.

2. (a) Implementation by the Recipient’s ministry responsible for livestock, of vaccination campaigns to prevent animal disease; (b) development by said ministry of cold storage facilities; (c) provision by said ministry of training to veterinary agents and data collection technicians at local and regional level; and (d) provision of vehicles, equipment and training required for the purpose.
3. (a) Dissemination by the Recipient’s ministry responsible for the environment, of the Recipient’s program of adaption to climate change; (b) carrying out by said ministry of environmental studies and training; (c) monitor the implementation of environmental and social aspects of the Project; (d) collection by said ministry of environmental data required for the proper implementation of Parts B and C of the Project; and (e) provision of vehicles, equipment and training required for the purpose.

4. Strengthening the capacity of Apex Producer Organizations to provide better linkage between governmental agencies and local organizations through provision of training to said organizations’ staff in organizational formation and management, leadership, loan recovery facilitation, and conflict resolution.

Part E: Project Coordination and Management

Project coordination, supervision, financial management, communication and outreach, including: (1) supervision of implementation of the Safeguard Documents; (2) communication, monitoring and evaluation of the Project, including through the establishment of a monitoring and evaluation unit; and (3) provision of 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 establish and thereafter maintain throughout the period of Project implementation, with membership, terms of reference and resources satisfactory to the Association, a steering committee comprised of secretaries general of all concerned ministries and representatives of agencies and organizations involved in the Project ("Steering Committee").

2. Project Coordination Unit

In order to ensure prompt and efficient implementation of the Project, the Recipient shall establish and thereafter maintain at all times during the implementation of the Project, a Project coordination unit within the Recipient's ministry responsible for agriculture, with mandate, staffing and other resources satisfactory to the Association ("Project Coordination Unit" or "PCU"). To this end, the Project Coordination Unit shall be:

   (a) comprised of qualified and competent staff in adequate numbers including a Project coordinator, a financial management specialist, monitoring and evaluation specialists, environmental specialists, a procurement specialist, accountants, and a team assistant; and
   (b) responsible for day to day Project management and coordination at national level, including preparation of annual work plans and budgets and consolidated Project reports.

3. Regional Coordination Units

In order to assist the PCU in the implementation of the Project, the Recipient shall not later than three months after the Effective Date, establish, staff and thereafter maintain, at all times during the implementation of the Project, a regional coordination unit in each of the Targeted Regions, with mandate, staffing and other resources satisfactory to the Association ("Regional Coordination Unit" or "RCU"). To this end, each Regional Coordination Unit shall be: (a) comprised of qualified and competent staff in adequate numbers including a regional Project coordinator; an agricultural specialist, a livestock specialist, a rural engineer, and an accountant; (b) responsible, in consultation with the PCU, for day to day Project coordination and implementation for its respective implementation area, including: (i) providing technical support to Beneficiaries and local
communities in said area; (ii) preparing proposed Annual Work Plans for said area, and consolidated reports on its activities and furnishing them to the PCU; (iii) ensuring compliance with all Safeguard Documents for the Project activities within said area; (iv) carrying out Project financial management and procurement activities in said area; and (v) monitoring and evaluating the Project activities in said area and preparing Project progress reports and monitoring and evaluation reports for activities in said area.

B. Anti-Corruption

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

C. Project Implementation Manual

1. The Recipient shall prepare, in accordance with terms of reference acceptable to the Association and furnish to the Association, a proposed implementation manual for the Project containing detailed administrative, procurement, financial management and monitoring and evaluation procedures and arrangements for the Project.

2. The Recipient shall: (a) furnish said manual to the Association for its review; (b) afford the Association a reasonable opportunity to exchange views with the Recipient on said manual; and (c) thereafter adopt such Project implementation manual as shall have been approved by the Association ("Project Implementation Manual").

3. The Recipient: (a) shall ensure that the Project is carried out in accordance with the Project Implementation Manual; and (b) shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, any of its provisions 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 those of the Financing Agreement, the provisions of the Financing Agreement shall prevail.

D. Annual Work Plan

1. The Recipient shall:

   (a) prepare and furnish to the Association for its review, not later than January 31 in each Fiscal Year during the implementation of the Project, the proposed annual work plan for all activities proposed to be included in the Project (including a budget and any Safeguard Documents required pursuant to Section I.E of this Schedule for said plan) for the following Fiscal Year;
(b) afford the Association a reasonable opportunity to exchange views with the Recipient on said proposed plan; and

(c) thereafter implement the Project during such following Fiscal Year in accordance with such annual work plan as shall have been approved by the Association for such Fiscal Year ("Annual Work Plan").

2. The Recipient shall not make or allow to be made any change to the Annual Work Plan without prior approval in writing by the Association.

E. Safeguards.

1. The Recipient shall, no later than three months after the Effective Date: (a) prepare under terms of reference acceptable to the Association, a resettlement policy framework for the Project; (b) afford the Association a reasonable time to exchange views with the Recipient on said framework; and (c) thereafter, adopt and disclose such resettlement policy framework as shall have been approved by the Association.

2. The Recipient shall ensure that the Project is carried out in accordance with the Safeguard Frameworks, and to that end, if any activity included in an Annual Work Plan (including any activity under a Sub-project) would, pursuant to the Safeguard Frameworks, require a Safeguard Document:

   (a) prior to implementation of said activity, prepare: (i) such Safeguard Document in accordance with the Safeguard Frameworks; (ii) furnish said Safeguard Document to the Association for review; and (iii) thereafter adopt and disclose such Safeguard Document as shall have been approved by the Association; and

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

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall collect, compile and furnish to the Association on a quarterly basis, reports, in form and substance satisfactory to the Association, on the status of compliance with the Safeguard Frameworks and Safeguard Documents, giving details of:

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

   (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Documents; and
remedial measures taken or required to be taken to address such conditions.

4. The Recipient shall afford the Association a reasonable opportunity to review the reports prepared under paragraph 2 of this Section E, 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 Frameworks and Safeguard Documents.

F. Subprojects

1. The Recipient, shall: (a) appraise and monitor the Subprojects; and (b) make Subgrants to Beneficiaries, all in accordance with the provisions of this Section F.

2. Except as the Association may otherwise agree in writing, no proposed Subproject shall be eligible for financing under Part B.1, B.2 or B.3 of the Project unless the Recipient has determined, on the basis of an appraisal conducted in accordance with guidelines acceptable to the Association, (including an environmental assessment for the Subproject conducted in accordance with the Safeguard Frameworks), that the proposed Subproject satisfies the following eligibility criteria and such additional criteria as may be specified in the PIM:

   (a) the proposed Subproject is economically, financially and technically feasible, environmentally sound, and in compliance with all applicable laws and regulations of the Recipient;

   (b) the proposed Subproject is in compliance with the provisions of the Safeguard Frameworks, and, all Safeguard Documents required pursuant to the Safeguard Frameworks for said Subproject have been approved by the Association in accordance with the provisions of Section E of this Schedule 2; and

   (c) the total estimated cost of the proposed Subproject does not exceed the equivalent of: (i) $179,000 in the case of a Subproject under Part B.1 of the Project; and (ii) $85,000 in the case of a Subproject under Part B.2 or B.3 of the Project.

3. The Recipient shall make each Subgrant to a Beneficiary for a Subproject under Part B.1, B.2 or B.3 of the Project, under a Subgrant Agreement with the Beneficiary on terms and conditions approved by the Association, which shall include the following:

   (a) the Subgrant shall be made on a grant basis;
the Beneficiary shall undertake to: (i) carry out its Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices, including in accordance with the Safeguard Documents (if applicable) and with the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient; (ii) provide, promptly as needed, the resources required for the purpose; (iii) procure the goods, works and services to be financed out of the Subgrant in accordance with the provisions of Section III of this Agreement; (iv) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Subproject and the achievement of its objectives; (v) (A) 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 the operations, resources and expenditures related to the Subproject; and (B) 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; (vi) enable the Recipient and the Association to inspect the Subproject, its operation and any relevant records and documents; and (vii) 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; and

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 Subgrant; and (ii) obtain a refund of all or any part of the amount of the Subgrant then withdrawn, upon the Beneficiary’s failure to perform any of its obligations under the Subgrant Agreement.

4. The Recipient shall perform its obligations and exercise its rights under each Subgrant Agreement in such manner as to protect its interests and the interests of the Association and to achieve the Project’s objective, and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Subgrant Agreement or any of its provisions.
Section II.  Project Monitoring, Reporting and Evaluation

A.  Project Reports

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.

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. 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, not later than 120 days after the Effective Date: (a) 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) an internal auditor, whose qualifications and experience and terms of reference shall be acceptable to the Association.

5. The Recipient shall, not later than 3 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) Limited International Bidding; (b) National Competitive Bidding; (c) Shopping; (d) Direct Contracting; and (e) Community Participation procedures which have been found acceptable to the Association and are set forth in the Project Implementation Manual.

**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) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Selection of consultants under Indefinite Delivery Contract or Price Agreement; (g) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for
the Selection of Individual Consultants; and (h) 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 Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consultants' services, Training and Operating Costs for Part A of the Project.</td>
<td>1,210,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants' services, Operating Costs and Training for Subprojects under Part B.1 and B.4.(i) of the Project and to be financed</td>
<td>4,520,000</td>
<td>71% of amounts disbursed, payable pursuant to the respective Subgrant Agreement</td>
</tr>
</tbody>
</table>
financed out of the proceeds of Subgrants.

(3) Goods, works, non-consulting services, consultants' services, Operating Costs and Training for Subprojects under Parts B.2, B.3 and B.4(ii) of the Project and to be financed out of the proceeds of Subgrants.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>(3) Goods, works, non-consulting services, consultants' services, Operating Costs and Training for Subprojects under Parts B.2, B.3 and B.4(ii) of the Project.</td>
<td>5,170,000</td>
<td>100% of amounts disbursed, payable under the respective Subgrant Agreement</td>
</tr>
<tr>
<td>(4) Goods, non-consulting services, consultants' services, Training and Operating Costs for Parts D.1, D.2 and D.4 of the Project.</td>
<td>1,570,000</td>
<td>100%</td>
</tr>
<tr>
<td>(5) Goods, works, non-consulting services, consultants' services, Training and Operating Costs for Part E of the Project.</td>
<td>3,060,000</td>
<td>92%</td>
</tr>
<tr>
<td>(6) Refund of Preparation Advance</td>
<td>670,000</td>
<td>Amount payable pursuant to Section 2.07 of the General Conditions</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>16,200,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date is December 31, 2016.
**SCHEDULE 3**

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15:</td>
<td></td>
</tr>
<tr>
<td>commencing August 15, 2022 to and including February 15, 2032</td>
<td>1%</td>
</tr>
<tr>
<td>commencing August 15, 2032 to and including February 15, 2052</td>
<td>2%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Section I. Definitions

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


3. “Apex Producer Organization” means an organization representing farmers, breeders, fishermen and craftsmen at the national, regional and local level.

4. “Beneficiary” means a natural or legal person, who or which, in respect of Part B.1 of the Project is a community group; in respect of Part B.2 of the Project, is a producer’s organization; and in respect of Part B.3 of the Project, is a women’s group.

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


7. “Environmental and Social Screening and Assessment Framework” or “ESSAF” means the environmental and social screening and assessment framework adopted by the Recipient, giving details of a program of actions, measures and policies designed to maximize the benefits of the Project, eliminate, offset or mitigate any adverse environmental and social impacts or reduce such impacts to acceptable levels.

8. “Fiscal Year” means the twelve month period, commencing on January 1 and ending on December 31.


10. “GEF Grant Agreement” means the grant agreement, for the Project, of the same date as this Agreement, between the Recipient and the Bank acting as an implementing agency of the Global Environmental Facility, providing for the GEF Grant.
11. "GEF Grant" means a grant in the amount of four million six hundred twenty-nine thousand six hundred twenty-nine Dollars (US $4,629,629) provided under the GEF Grant Agreement to assist in financing of the Project.

12. "Global Environmental Facility" and "GEF" each means the trust fund established in 1991 by a resolution of the Bank's executive directors as a program to assist in the protection of the global environment and to promote environmentally sound and sustainable economic development.

13. "LDCF Grant" means a grant in the amount of four million six hundred twenty-nine thousand six hundred twenty-nine United States Dollars (US $4,629,629) to be provided under the LDCF Grant Agreement to assist in financing the Project.

14. "LDCF Grant Agreement" means the grant agreement, for the Project, of the same date as this Agreement, between the Recipient and the Association acting as an administrator of the Least Developed Country Fund providing for the LDCF Grant.

15. "Least Developed Country Fund" or "LDCF" means the trust fund established in 2001 under the United Nations Framework Convention on Climate Change (UNFCCC) at its seventh session in Marrakesh to address the needs of least developed countries whose economic and geophysical characteristics make them particularly vulnerable to the impact of global warming and climate change.

16. "Operating Costs" means the incremental operating expenses, approved by the Association under each Annual Work Plan, on account of the Project, including costs of operation and maintenance of offices, vehicles and office equipment, water and electricity utilities, telephone, office supplies, bank charges, staff salaries, travel and supervision costs, per diem, but excluding the salaries of officials and public servants 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 on March 12, 2012 and on behalf of the Recipient on March 28, 2012.


19. "Procurement Plan" means the Recipient's procurement plan for the Project, dated February 15, 2012 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 "PCL" each means the unit to be established by the Recipient in accordance with the provisions of Section A.1.2 of Schedule 2 to this Agreement.

21. "Project Implementation Manual" and "PIM" each means the implementation manual for the Project to be adopted by the Recipient in accordance with the provisions of Section C of Schedule 2 to this Agreement.

22. "Project Implementation Regulation" means the Recipient's order (arrêté) no. n°040/PR/PM/MAI/SG/DEPP/2012, dated March 28, 2012 and entitled "Arrêté Portant Création d'une Unité de Coordination Nationale du Project et de 5 Unités de Coordinations Régionales du Projet d'Appui a la Croissance Agricole du Tchad", as the same may be amended from time to time.

23. "Regional Coordination Unit" and "RCU" each means for a Targeted Region, the unit to be established by the Recipient in accordance with the provisions of Section A.1.3 of Schedule 2 to this Agreement.

24. "Safeguard Document" means, for any Project activity (including a Subproject) which, pursuant to the Safeguard Frameworks, requires either an environmental and social management plan, an environmental and social impact assessment, a pest management plan and/or a resettlement plan, such plan prepared in accordance with the Safeguard Frameworks and Section E of Schedule 2 to this Agreement.

25. "Safeguard Frameworks" means both for the Project, the: (a) ESSAF; and (b) resettlement policy framework, prepared, adopted and disclosed by the Recipient, and approved by the Association, all in accordance with the provisions of Section E of Schedule 2 to this Agreement.

26. "Steering Committee" means the committee to be established by the Recipient in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.

27. "Subgrant" means a grant to be made to a Beneficiary, inter alia, out of the proceeds of the Financing and the LDCF Grant for a Subproject under Part B.1 of the Project and out of the proceeds of the Financing for a Subproject under Part B.2 or B.3 of the Project.

28. "Subgrant Agreement" means each agreement entered into between the Recipient and a Beneficiary under Section I.F of Schedule 2 to this Agreement, and pursuant to which a Subgrant shall be or has been made by the Recipient to such Beneficiary for a Subproject.
29. "Subproject" means a specific development project to be carried out under Part B.1, B.2 or B.3 of the Project by a Beneficiary utilizing the proceeds of a Subgrant.

30. "Targeted Regions" means the following regions of the Recipient's territory: Dar Sila, Guera, Mandoul, Moyen Chari and Salamat.

31. "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.