Financing Agreement
(Agricultural Productivity Program for Southern Africa Project)

between

KINGDOM OF LESOTHO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between KINGDOM OF
LESOTHO ("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) apply to
and form 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 a credit, deemed by the
Association to be on concessional terms, as set forth or referred to in this
Agreement, in an amount equivalent to fourteen million five hundred thousand
Special Drawing Rights (SDR 14,500,000) (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 III of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.

2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.

2.05. The Interest Charge is one and a quarter percent (1.25%) per annum on the Withdrawn Credit Balance.

2.06. The Payment Dates are May 15 and November 15 in each year.

2.07. The principal amount of the Credit shall be repaid in accordance with the
repayment schedule set forth in Schedule 3 to this Agreement.

2.08. The Payment Currency is Dollar.
ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall through MAFS carry out the Recipient’s Respective Parts of the Project and cause CCARDESA to carry out its Respective Parts of the Project in accordance with the Implementation Agreement, all in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Condition of Effectiveness consist of the following, namely, that Implementation Agreement has been executed, in form and substance satisfactory to the Association, on behalf of the Recipient and CCARDESA.

4.02. The Additional Legal Matter consists of the following, namely, that the Implementation Agreement has been duly authorized or ratified by the Recipient and CCARDESA and is legally binding upon the Recipient and CCARDESA in accordance with their terms.

4.03. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

4.04. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is the Minister responsible for finance.

5.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient’s address is:

   Ministry of Finance
   P.O. Box 395
   Maseru 100
   Kingdom of Lesotho; and

(b) the Recipient’s Electronic Address is:

   Facsimile:

   (266) 22 310 157
   (266) 22 310 622
5.03. For purposes of Section 11.01 of the General Conditions:

(a) the Association's address is:

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

(b) the Association's Electronic Address is:

Telex: Facsimile:

248423 (MCI) 1-202-477-6391
AGREED as of the Signature Date.

KINGDOM OF LESOTHO

By

Authorized Representative

Name: Dr. Moeketsi Majoro
Title: Minister of Finance
Date: April 12, 2019

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Paul Noumba Ulm
Title: Country Director
Date: April 12, 2019
SCHEDULE 1

Project Description

The objective of the Project is to increase the availability of improved agricultural technologies in the Participating Countries in the SADC Region.

The Project consists of the following parts:

Part A: Technology Generation and Dissemination

Supporting technology generation and dissemination activities associated with the agricultural commodities targeted by the Project, including, but not limited to: (i) agricultural research and development of regional priorities and related community farming systems, including the carrying out of agricultural research and development Sub-projects; (ii) technology dissemination within and across the Participating Countries to enable scaling up of innovation; (iii) expansion of seed multiplication capacity of the Recipient to increase the availability of seeds for further scaling up of agricultural activities; and (iv) technology dissemination Sub-projects focused entirely on technology dissemination by extension services, including by outsourcing dissemination through civil society networks, private sector collaborators, and other stakeholders.

Part B: Strengthening the Institutional and Enabling Environment for Technology Adoption

1. Supporting activities to strengthen the core capacity of RCoLs, including, but not limited to: (i) upgrading of research infrastructure including physical infrastructure, farms, laboratories, office equipment, and information technology and knowledge management systems; (ii) upgrading of infrastructure for sanitary and phyto sanitary (SPS) management and regulatory systems; (iii) improving RCoLs’ administration and performance management systems; (iv) developing human capital by providing scientific training at the post graduate level and upgrading agricultural research skills through short courses or targeted training; (v) strengthening seed production capacity, seed regulatory functions, and related public services; and (vi) improving national research regulatory system to facilitate NARS functionality and implementation of research and dissemination activities.

2. Supporting agricultural research and development policy analysis and dialogue, including, but not limited to: relevant analytical work, policy dialogue or policy harmonization activities in key areas that affect agricultural research and development at the national and regional levels, with a focus on analysis of relevant policies and regulations on intellectual property rights, operationalization of the SADC’s harmonized seed regulatory system, and implementation of relevant biosafety regulations.
Part C: Contingent Emergency Response

Providing immediate response to an Eligible Crisis or Emergency, as needed.

Part D: Project management, monitoring and evaluation, and Regional Coordination

1. Supporting national level research coordination and management, including, but not limited to: relevant capacity building activities related to Project planning, implementation, management, monitoring and evaluation, safeguards compliance, and regional engagement.

2. Supporting implementation of the regional M&E framework including, but not limited to: setting up a joint Management Information System (MIS) between countries implementing the APPSA, and independent evaluations at regular intervals including at mid-term and prior to project closing.

3. Supporting regional facilitation by CCARDESA, including, but not limited to: (i) planning, monitoring and evaluation activities related to regional collaboration; (ii) regional exchange of information, knowledge and technologies; (iii) relevant technical assistance and capacity building for regional facilitation; and (iv) facilitating the development of agricultural research and development projects, including related peer reviews and quality control.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. At the national level, the Recipient shall ensure that the Project is carried out in accordance with the following arrangements:

   (a) The Recipient shall not later than three (3) months after the Effective Date, establish and thereafter maintain the Project Steering Committee (PSC) with a mandate, resources and terms of reference satisfactory to the Association. The PSC shall be responsible for providing guidance and oversight and policy guidance, in accordance with the Project Implementation Manual.

   (b) The Recipient’s MAFS shall have the overall responsibility for the Project’s supervision and coordination.

   (c) The Recipient shall, not later than three (3) months after the Effective Date, establish, and thereafter maintain the Project Implementation Unit (PIU) within MAFS Department of Agricultural Research. Said PIU with four (4) Regional Research Offices in Mokhotlong, Mahobong, Siloe and Nyakosoba, all with a mandate, terms of reference and resources, satisfactory to the Association, including adequate staff with qualifications, experience, and terms of reference, satisfactory to the Association, for the purpose of effective communication and implementation of the Project, in accordance with the Project Implementation Manual.

   (d) Without limitation to the provisions of subparagraph 1(c) immediately above, the PIU shall be responsible for, inter alia, day-to-day management and implementation of the Project, monitoring, reporting, evaluation and communication, overall coordination of Project activities, preparation of the Annual Work Plans and Budget, fiduciary aspects (i.e., financial management and procurement, and environmental and social aspects).

   (e) The Recipient shall, not later than three (3) months after the Effective Date, establish, and thereafter maintain Regional Center for Leadership (RCoL) for horticulture at its Maseru main station, with a mandate, terms of reference and resources, satisfactory to the Association, including adequate staff with qualifications, experience, and terms of reference, satisfactory to the Association.
(f) Without limitation upon the provisions of subparagraph (e) immediately above, the RCoL shall be responsible for coordinating with the external agricultural stakeholders, including extension services, private sector/horticulture value chain stakeholders, CGIAR institutions, and academia and other research organizations as well as providing regional coordination for research and development and collaborate with other APPSA countries including Angola, Malawi, Mozambique and Zambia.

2. At the regional level, the Recipient shall ensure that CCARDESA carries out its Respective Parts of the Project in accordance with the provisions of the Implementation Agreement to be entered into between the Recipient and CCARDESA as set out in Section I.B.1 of this Schedule.

B. Implementation Agreement

1. To facilitate the carrying out of CCARDESA’s Respective Parts of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Category (2) of the table set forth in Section III.A of this Schedule available to CCARDESA on a grant basis under an implementation agreement between the Recipient and CCARDESA, under terms and conditions approved by the Association (“Implementation Agreement”).

2. The Recipient shall exercise its rights under the Implementation Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Implementation Agreement or any of its provisions.

C. Sub-projects

1. The Recipient shall make each Sub-financing to each Sub-project Beneficiary and approve and appraise Sub-projects, all in accordance with eligibility criteria and procedures acceptable to the Association set out in the Project Implementation Manual.

2. The Recipient shall make each Sub-financing under a Sub-financing Agreement with the respective Beneficiary on terms and conditions approved by the Association, which shall include the Recipient’s rights adequate to protect its interests and those of the Association, including the right to:

   (i) suspend or terminate the right of the Sub-project Beneficiary to use the proceeds of the Sub-financing, or obtain a refund of all or any part of the amount of the Sub-financing then withdrawn, upon the Sub-project Beneficiary’s failure to perform any of its obligations under the Sub-financing Agreement; and
require each Sub-project Beneficiary to: (A) carry out its Sub-project with
due diligence and efficiency and in accordance with sound technical,
economic, financial, managerial, environmental and social standards and
practices satisfactory to the Association, including in accordance with the
provisions of the Anti-Corruption Guidelines applicable to recipients of
proceeds of the Financing other than the Recipient; (B) provide, promptly
as needed, the resources required for the purpose; (C) procure the goods,
works and services to be financed out of the Sub-financing in accordance
with the provisions of this Agreement; (D) maintain policies and
procedures adequate to enable it to monitor and evaluate in accordance
with indicators acceptable to the Association, the progress of the Sub-
project and the achievement of its objectives; (E) (1) maintain a financial
management system and prepare financial statements in accordance with
consistently applied accounting standards acceptable to the Association,
both in a manner adequate to reflect the operations, resources and
expenditures related to the Sub-project; and (2) at the Association’s or the
Recipient’s request, have such financial statements audited by
independent auditors acceptable to the Association, in accordance with
consistently applied auditing standards acceptable to the Association, and
promptly furnish the statements as so audited to the Recipient and the
Association; (F) enable the Recipient and the Association to inspect the
Sub-project, its operation and any relevant records and documents; and
(G) prepare and furnish to the Recipient and the Association all such
information as the Recipient or the Association shall reasonably request
relating to the foregoing.

3. The Recipient shall exercise its rights under each Sub-financing Agreement in such
manner as to protect the interests of the Recipient and the Association and to
accomplish the purposes of the Financing. Except as the Association shall
otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Sub-
financing Agreement or any of its provisions.

D. Environmental and Social Safeguards

1. The Recipient shall ensure that:

(a) the Project is carried out with due regard to appropriate health, safety,
social, and environmental practices and standards, and in accordance with
the Safeguards Instruments;

(b) for each activity (including Sub-projects) under the Project for which the
ESMF and the PMP provide for the preparation of an ESIA, and/or ESMP:
(i) proceed to have such ESIA, and/or ESMP as appropriate:
(A) prepared and disclosed in accordance with the ESMF;
(B) consulted upon adequately with people affected by the Project
as per the ESMF, and submitted to the Association for review and
approval; and (C) thereafter adopted, prior to implementation of
the activity; and

(ii) take such measures as shall be necessary or appropriate to ensure
compliance with the requirements of such ESIA, and/or ESMP in
a manner satisfactory to the Association.

2. Except as the Association shall otherwise agree in writing, the Recipient shall
ensure, and cause to ensure, that none of the provisions of the Safeguard
Instruments be abrogated, amended, repealed, suspended or waived. In case of any
inconsistencies between the provisions of any of the Safeguard Instruments and
the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. Without limitation upon its other reporting obligations under this Agreement, the
Recipient shall, take all measures necessary on its part to regularly collect,
compile, and submit to the Association, as part of the Project Reports, and
promptly in a separate report whenever the Association may require, information
on the status of compliance with the Safeguards Instruments. Such information
shall include: (i) measures taken in furtherance of the Safeguards Instruments;
(ii) conditions, if any, which interfere or threaten to interfere with the smooth
implementation of the Safeguards Instruments; and (iii) remedial measures taken
or required to be taken to address such conditions.

E. Project Implementation Manual

1. The Recipient shall: (i) take all actions required to carry out its Respective Parts of
the Project in accordance with the provisions and requirements set forth in the
Project Implementation Manual; and (ii) not assign, amend, abrogate or waive the
Project Implementation Manual or any of its provisions without the Association’s
prior written agreement.

2. 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.

F. Annual Work Plan and Budget (AWP&B)

1. The Recipient shall:

   (a) prepare a draft AWP&B based on a regional research framework to be
developed in collaboration with CCARDESA for each calendar year,
setting forth, *inter alia*: (i) a detailed description of planned Project activities to be carried out for the following calendar year; (ii) including the sources and uses of funds; and (iii) responsibility for execution of said Project activities;

(b) not later than August 31 of each calendar year, furnish to the Association for its comments and approval, the draft AWP&B and, promptly thereafter, finalize the AWP&B taking into account the Association’s views and recommendations thereon; and

(c) immediately thereafter implement the AWP&B in the form approved by the Association.

G. **Contingent Emergency Response**

In order to ensure the proper implementation of Part C of the Project ("Contingent Emergency Response") ("CERC Part"), the Recipient shall take the following measures,

1. The Recipient shall:

   (a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the CERC Part, including: (i) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (ii) financial management arrangements for the CERC Part; (iii) procurement methods and procedures for Emergency Expenditures to be financed under the CERC Part; (iv) documentation required for withdrawals of Emergency Expenditures; (v) environmental and social safeguard management frameworks for the CERC Part, consistent with the Association’s policies on the matter; and (vi) any other arrangements necessary to ensure proper implementation of the CERC Part;

   (b) afford the Association a reasonable opportunity to review said proposed operations manual;

   (c) promptly adopt such operations manual for the CERC Part as shall have been approved by the Association ("CERC Operations Manual");

   (d) ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
(c) not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior approval by the Association.

2. The Recipient shall undertake no activities under the CERC Part unless and until the following conditions have been met in respect of said activities:

(a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and

(b) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CERC Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.”

3. **Procurement of Emergency Expenditures under the CERC Part**

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for the CERC Part of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CERC Operations Manual.

**Section II. Project Monitoring, Reporting and Evaluation**

The Recipient shall furnish to the Association each Project Report not later than forty-five (45) days after the end of each six (6) calendar months, covering the six (6) calendar months.

**Section III. Withdrawal of the Proceeds of the Financing**

A. **General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services,</td>
<td>13,920,000</td>
<td>100%</td>
</tr>
<tr>
<td>Training, Operating Costs, and Sub-financings for the Recipient's</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Respective Parts of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Goods, consultants' services, Training and Operating Costs</td>
<td>580,000</td>
<td>100%</td>
</tr>
<tr>
<td>for CCARDESA's Respective Parts of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Emergency Expenditures under Part C of the Project</td>
<td>0</td>
<td>100%</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT** 14,500,000

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:

   (a) for payments made prior to the date of this Agreement; or

   (b) under Category (3) for Emergency Expenditures under Part C of the Project, unless the Association is satisfied, and has notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:

   (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

   (ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said
instruments, all in accordance with the provisions of Section I.G of Schedule 2 to this Agreement; and

(iii) the Recipient has adopted a CERC Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Operations Manual.

2. The Closing Date is January 31, 2025.
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 May 15 and November 15:</td>
<td></td>
</tr>
<tr>
<td>commencing May 15, 2024 to and including November 15, 2043</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing May 15, 2044 to and including November 15, 2048</td>
<td>3.40%</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 3.05 (b) of the General Conditions.
APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.

2. “CCARDESA” means the Centre for Coordination of Agricultural Research and Development for Southern Africa, a sub-regional organization aimed to lead collaboration in agricultural research and development among Southern African countries.

3. “CCARDESA Financing Agreement” means the Financing Agreement of even date entered into between the Association and CCARDESA for financing CCARDESA’s Respective Parts of the Project.

4. “CCARDESA’s Legislation” means CCARDESA’s charter dated November 5, 2010, pursuant to which CCARDESA has been established and is operating.

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

6. “Contingent Emergency Response Component Operations Manual” and “CERC Operations Manual” each means the operations manual referred to in Section I.G of Schedule 2 of this Agreement, to be adopted by the Recipient for the CERC Part of the Project in accordance with the provisions of said Section.”

7. “Department of Agricultural Research” or “DAR” means the department of agricultural research within, and responsible for agricultural research and dissemination activities.

8. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.

9. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the CERC Operations Manual in accordance with the provisions of Section I.G of Schedule 2 to this Agreement and required for the activities included in the CERC Part of the Project.

10. “Environmental and Social Management Framework” or “ESMF” means the framework dated July 2018, prepared by the Recipient, satisfactory to the Association, and disclosed on the Association’s website on August 22, 2018, and by the Recipient on August 21, 2018, said framework setting out the principles,
rules, guidelines and procedures to screen and assess the environmental and social impacts (including health and safety issues) of the Project (including Sub-project) activities which will be identified and appraised during Project implementation, and containing measures and plans to avoid, minimize, mitigate and/or offset adverse impacts and/or reduce said adverse impacts to acceptable levels, and enhance positive impacts, provisions for estimating and budgeting the costs of such measures, and information on the agency or agencies responsible for addressing project impacts, as said instrument may be amended from time to time with the Association’s prior written agreement.

11. “ESMP” means the instrument to be prepared for any Project activity (including Sub-project) in accordance with the procedures and requirements under the ESMF, satisfactory to the Association, which details: (a) the measures to be taken during the implementation and operation of the Subproject to avoid, minimize, mitigate or offset adverse environmental and social impacts (including health and safety issues), or to reduce them to acceptable levels; and (b) the actions needed to implement these measures, as said instrument may be amended from time to time with the Association’s prior written agreement and “ESMPs” means, collectively, all such ESMPs.


13. “Implementation Agreement” means the agreement referred to in Section 1.B of Schedule 2 of this Agreement pursuant to which the Recipient shall make part of the proceeds of the Financing available to CCARDESA.


15. “Participating Countries” means, collectively, the Recipient, Republic of Mozambique, Republic of Angola, Republic of Malawi, and Republic of Zambia and “Participating Country” means individually each and any of the Participating Countries.

16. “Pest Management Plan” means the integrated pest management plan dated July 2018, prepared by the Recipient, satisfactory to the Association, and disclosed on the Association’s website on July 24, 2018, and by the Recipient on July 23, 2018, as said instrument may be updated from time to time with the prior written agreement of the Association.

18. "Project Implementation Manual" means the manual referred to in paragraph E.1 of Section I of Schedule 2 to this Agreement, including, inter alia, financial management and procurement policies and procedures and implementation arrangements, as the same may be revised from time to time with the prior approval of the Association.

19. "Project Implementation Unit" means the unit referred to in Section I.A.1(c) of Schedule 2 to this Agreement, and established within DAR with the responsibility for project management and implementation.

20. "Project Steering Committee" means the committee referred to in Section I.A.1(a) of Schedule 2 to this Agreement.

21. "Operating Costs" means the incremental costs incurred by the Recipient and CCARDESA, approved by the Association on the basis of the respective Annual Work Plans and Budgets, said cost arising under Project implementation, management, and monitoring, including office supplies and consumables; communication costs; operation and maintenance of office vehicles; per diem and travel costs for Project staff; reasonable bank charges; allowances and salaries of contractual staff but excluding the salaries of the Recipient’s civil servants.

22. "RCoL" means the Regional Center of Leadership established in the Recipient’s territory serving as a leadership center for horticulture.

23. "Respective Parts of the Project" means in the case of the Recipient, Parts A, B, C and D.1 of the Project, and in the case of CCARDESA, Parts D.2 and D.3 of the Project.

24. "SADC" means the Southern African Development Community whose member countries cooperate by its treaty which was adopted on August 17, 1992, in Namibia to achieve regional integration and eradicate poverty in the Southern Africa region.

25. "Safeguard Instruments" means collectively, the ESIA, the ESMF, any ESMP, the Pest Management Plan, and "Safeguard Instrument" means any of such Safeguards Instruments.

26. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.

27. "Sub-financing" means a grant made by the Recipient to a Sub-project Beneficiary out of the proceeds of the Credit for the financing and carrying out of a Sub-project pursuant to the provisions of the Project Implementation; and the term "Sub-financings" means, collectively, all such Sub-financings.
28. “Sub-Financing Agreement” means the agreement referred to in paragraph C.2 of Section I of Schedule 2 to this Agreement.

29. “Sub-project” means an agricultural research and development project under Part A of the Project, meeting the selection criteria set out in the Project Implementation Manual, to be carried out by a Sub-project Beneficiary, all in accordance with the provisions of the Project Implementation Manual; and the term “Sub-projects” means, collectively, all such Sub-projects.

30. “Sub-project Beneficiary” means an agricultural research institution or university, or such other organizations, as may be agreed to from time to time between the Recipient and the Association, established and operating pursuant to the relevant laws of the Recipient and eligible to carry out a Sub-project pursuant to the Project Implementation Manual; and the term “Sub-project Beneficiaries” means, collectively, all such Sub-project Beneficiaries.

31. “Training” means expenditures incurred by the Recipient and CCARDESA to finance the costs directly related to and under the Project of training fees, training materials, travel, accommodations, and per diem.