Strategic Climate Fund
Loan Agreement

(Roads and Bridges Management and Maintenance Project- Phase II)

between

REPUBLIC OF MOZAMBIQUE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as an implementing entity of the Strategic Climate Fund)

Dated February 24, 2014
AGREEMENT dated February 24, 2014, entered into between the REPUBLIC OF MOZAMBIQUE ("Borrower") and the INTERNATIONAL DEVELOPMENT ASSOCIATION (the "World Bank"). acting not in its individual capacity but solely in its capacity as an implementing entity of the Strategic Climate Fund ("SCF").

The Borrower and the World Bank hereby agree as follows:

Article I
Standard Conditions; Definitions

1.01. The Standard 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 Standard Conditions or in the Appendix to this Agreement.

Article II
Loan

2.01. The World Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of six million five hundred thousand United States Dollars ($6,500,000) ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Loan is funded out of the resources made available to the World Bank as an implementing entity of the SCF. In accordance with Section 3.02 of the Standard Conditions (as defined in the Appendix to this Agreement), the World Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it from the SCF trust fund, and the Borrower’s right to withdraw the Loan proceeds is subject to the availability of such funds.

2.04. The Service Charge payable by the Borrower on the Withdrawn Loan Balance shall be equal to one tenth of one percent (1/10 of 1%).

2.05. The Payment Dates are January 15 and July 15 in each year.
2.06. The principal amount of the Loan shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.07. The Payment Currency is United States Dollars.

Article III
The Project

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article II of the Standard Conditions and the Amended and Restated Project Agreement.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the World Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

Article IV
Additional Remedies

4.01. The Additional Event of Suspension consists of the following, namely that the Project Implementing Entity’s Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.

Article V
Effectiveness; Termination

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

(a) The SCF-PPCR Grant Agreement has been signed and delivered, all conditions precedent to its effectiveness or the right of the Borrower to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.

(b) The Subsidiary Agreement has been executed on behalf of the Borrower and the Project Implementing Entity.

(c) The Project Implementation Manual shall have been updated and adopted by the Borrower in a manner satisfactory to the World Bank.
5.02. The Additional Legal Matter consists of the following:

The Subsidiary Agreement has been duly authorized or ratified by the Borrower and the Project Implementing Entity and is legally binding upon the Borrower and the Project Implementing Entity in accordance with its terms.

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

Article VI
Borrower's Representative; Addresses

6.01. The Borrower's Representative referred to in Section 10.02 of the Standard Conditions is its minister at the time responsible for planning and development.

6.02. The Borrower's Address referred to in Section 10.01 of the Standard Conditions is:

Ministry of Planning and Development
Av. Ahmed S. Toure, 21, 4th floor
Maputo, Republic of Mozambique

Cable: MOBANCO
Telex: (258) 21 492-268
Facsimile: (258) 21 492-625

6.03. The World Bank's Address referred to in Section 10.01 of the Standard Conditions is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: INTBAFRAD
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
AGREED at Maputo, Republic of Mozambique, as of the day and year first above written.

REPUBLIC OF MOZAMBIQUE

By

[Signature]

Authorized Representative

Name: 

Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION

(acting as an implementing entity of the Strategic Climate Fund)

By

[Signature]

Authorized Representative

Name: 

Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to assist the Borrower in: (a) improving the coverage and conditions of its roads and bridges; (b) strengthening its institutional capacity to manage and administer the road sector; (c) establishing financing mechanisms for road maintenance; (d) promoting the use of local resources in roads construction and management; and (e) improving its road transport safety.

The Project consists of the following parts:

Part A: Overhead Costs

(a) Administrative costs

Support to the Project Implementing Entity and ANE, at national and provincial levels, to strengthen their administrative capacity through the provision of goods, technical assistance and Operating Costs.

(b) Capacity building

Supporting the technical capacity of the Project Implementing Entity, ANE, and the Borrower’s ministry of public works and housing through:

(i) the provision of technical assistance in the areas of: (A) financial management; (B) procurement and contract management; (C) control systems; (D) information technology; (E) road management and maintenance; and (F) training to national and provincial staff; and

(ii) the carrying out of studies on:

(A) national and provincial roads strategies, plans and budgets;

(B) financial, technical, and procurement audits, including methods to strengthen financial management and procedures for the processing of internal financial audits;

(C) highway information and management systems;

(D) climate resilience in road design and maintenance; and

(E) financial management systems.
(c) **Additional Programs**

**Road Safety Program**

(i) Carrying out of safety related civil works on the Borrower’s road network.

(ii) Development of a road safety data management system.

**Part B: Maintenance of Road Network**

Carrying out of civil works for the maintenance of the Borrower’s paved and unpaved road network, including routine and periodic maintenance, local repairs and road markings.

**Part C: Investments**

(a) **National Road Rehabilitation and Upgrade Program**

Rehabilitation of the Jardim-Benfica and Xai-Xai-Chissibuca sections of the N1 Road, including widening, surfacing, shape correction, strengthening and upgrading of the existing pavement and repairs of minor drainage structures, geometric and structural improvements to enhance traffic capacity and safety for vehicles and pedestrians.

(b) **Engineering Services**

Provision of consultants’ services for: (i) the supervision of the civil works referred to in Part C(a) of the Project; (ii) the supervision of the civil works to rehabilitate the Borrower’s road that runs from Massinga to Nhachengue; and (iii) the design of engineering plans to ensure the Project’s sustainability.

**Part D: Emergency related works in the Limpopo River Basin**

(a) **Immediate Emergency Works:** Carrying out of small emergency works (spot interventions), including associated consulting services.

(b) **Medium Term Restoration/Rehabilitation Works:** Carrying out of works related to substantive medium and long term technical solutions to be prepared under Design and Build (DBT) methodology using an Output and Performance Based (OPRC) type of contract including associated consulting services and contingencies.
Part E: Program for Climate Resilient Rural Road Infrastructure

(a) Development of national technical design standards and specifications for climate resilient roads, including (i) the carrying out of a review of existing design standards and construction maintenance approaches to ensure these better address climatic risks; and (ii) development of technical standards and maintenance approaches for paved and unpaved classified road network to include capacity-building programs for local contractors and service providers.

(b) Piloting of climate resilient road designs, including the development and piloting of improved maintenance approaches to include capacity-building programs for local contractors and service providers.

Part F: Immediate Response Contingency Fund

Establishment of an immediate response mechanism to facilitate access to rapid financing for disaster response in the aftermath of a national disaster to be triggered through formal declaration of national or regional state of emergency by the Borrower.
SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity under a subsidiary agreement between the Borrower and the Project Implementing Entity, under the terms and conditions approved by the World Bank ("Subsidiary Agreement") and provided under Section I.A. of the Amended and Restated Financing Agreement.

2. The Borrower shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Borrower and the World Bank and to accomplish the purposes of the Loan. Except as the World Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions without the prior written agreement of the World Bank.

B. Institutional Arrangements

1. The Borrower shall cause the Project to be carried out: (i) under the strategic direction and coordination of the Ministry of Public Works and Housing; and (ii) under the overall responsibility for implementation, coordination and oversight of the Project Implementing Entity.

2. The Borrower shall maintain the Road Fund as the Project Implementing Entity, throughout the implementation of the Project.

C. EAs, RPF, and ARAP

1. The Borrower shall cause the Project Implementing Entity to: (a) carry out the Project in accordance with the mitigation measures, rules and procedures defined in: (i) the EAs prepared in respect of the civil works under Part A(c)(i), Part B; Part C(a), and Part D of the Project; and (ii) the RPF; and ARAP prepared in respect of Part C(a) of the Project, in a manner satisfactory to the World Bank; and (b) maintain an environmental management officer with responsibility for implementing the EAs, RPF, and ARAP for all applicable activities undertaken throughout the Project.

2. The Borrower shall cause the Project Implementing Entity and ANE to ensure that no civil works under the Project shall be eligible for financing under this Agreement, unless:
(a) an environmental screening has been carried out for the proposed civil works; and if said environmental screening concludes that an environmental management plan is required, said environmental plan has been prepared by the Borrower and approved by the World Bank for implementing the proposed civil works;

(b) if the proposed civil works involves involuntary acquisition of land, a resettlement action plan has been prepared in accordance with the principles set out in the RPF and said resettlement action plan has been approved by the World Bank for implementing the proposed civil works.

3. Except as the Borrower and the World Bank may otherwise agree in writing, the Borrower shall not abrogate, amend, repeal, suspend, waive or otherwise fail to enforce the EAs, the RPF, or the ARAP referred to in sub-paragraph (1) of this paragraph or any provision thereof.

4. In case of any conflict between the terms of the EAs, RPF, and ARAP referred to in sub-paragraph (1) of this paragraph and those of this Agreement, the terms of this Agreement shall prevail.

D. Flood Response Team

1. The Borrower shall establish and, thereafter maintain, at all times during the implementation of the Project, a Flood Response Team with a mandate, composition and resources satisfactory to the World Bank (the “Flood Response Team”).

2. The Flood Response Team, supported by a technical support group, shall be responsible for implementing Part D of the Project.

E. Anti-Corruption

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

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports; Completion Report

1. The Borrower shall cause the Project Implementing Entity to monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the World Bank not later than forty-five (45) days after the end of the period covered by such report.
2. The Borrower shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than June 30, 2017.

B. Financial Management; Financial Reports; Audits

1. The Borrower shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.

2. Without limitation on the provisions of Part A of this Section, the Borrower shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) days after the end of each fiscal quarter, covering the quarter, in form and substance satisfactory to the World Bank.

3. The Borrower shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07(b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

4. The Borrower shall cause the Project Implementing Entity to disclose the audited Financial Statements in a manner acceptable to the World Bank. The Borrower agrees that upon receipt of the Financial Statements, the World Bank shall make them available to the public in accordance with the Bank’s policy on access to information.

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 Loan 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 Loan 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 World Bank 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. The Procurement Plan shall specify the circumstances under which such methods shall be used: (a) National Competitive Bidding, subject to provisions of paragraph 3 of this Part B; (b) Direct Contracting; and (c) Shopping.

3. Additional Procedures for National Competitive Bidding (NCB):

(a) General
The procedures to be followed for NCB shall be those set forth in the Regulation, with the modifications described in the following paragraphs.

(b) Eligibility
No restriction based on nationality of bidders and/or origin of goods shall apply. Foreign bidders shall be allowed to participate in NCB without restriction and shall not be subject to any unjustified requirement which will affect their ability to participate in the bidding process such as, but not limited to, the proof that they are not under bankruptcy proceedings in the Borrower’s territory; have a local representative; have an attorney resident and domiciled in the Borrower’s territory; form a joint venture with a local firm. In cases of joint ventures, they shall confirm joint and several liability.

Prior registration, obtaining a license or agreement shall not be a requirement for any bidder to participate in the bidding process.

Borrower’s government-owned enterprises or institutions shall be eligible to participate in the bidding process only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not dependent agencies of the Borrower.
(c) **Bidding Documents**
Standard bidding documents acceptable to the World Bank shall be used for any procurement process under NCB.

(d) **Preferences**
No domestic preference shall be given for domestic bidders and/or for domestically manufactured goods.

(e) **Applicable Procurement Method Under the Regulation**
Subject to these NCB exceptions, procurement under NCB shall be carried out in accordance with the Regulation’s public competition (*Concurso Público*) method.

(f) **Bid Preparation Time**
Bidders shall be given at least twenty-eight (28) days from the date of the invitation to bid or the date of availability of bidding documents, whichever is later, to prepare and submit bids.

(g) **Bid Opening**
Bids shall be opened in public, immediately after the deadline for their submission in accordance with the procedures stated in the bidding documents.

(h) **Bid Evaluation**
Qualification criteria shall be clearly specified in the bidding documents, and all criteria so specified, and only such criteria so specified shall be used to determine whether a bidder is qualified; the evaluation of the bidder’s qualifications should be conducted separately from the technical and commercial evaluation of the bid. Qualification criteria shall be applied on a pass or fail basis.

Evaluation of bids shall be made in strict adherence to the criteria declared in the bidding documents; criteria other than price shall be quantified in monetary terms.

A contract shall be awarded to the qualified bidder offering the lowest-evaluated and substantially responsive bid.

Bidders shall not be eliminated on the basis of minor, non-substantial deviations.

(i) **Rejection of All Bids and Re-bidding**
All bids shall not be rejected and new bids solicited without the World Bank’s prior concurrence.
(j) **Complaints by Bidders and Handling of Complaints**

The Borrower shall establish an effective and independent complaint mechanism allowing bidders to complain and to have their complaint handled in a timely manner.

(k) **Right to Inspect/Audit**

In accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed from the proceeds of the Loan shall provide that: (i) the bidders, suppliers, and contractors and their subcontractors, agents, personnel, consultants, service providers or suppliers, shall permit the World Bank, at its request, to inspect their accounts, records and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the World Bank; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

(l) **Fraud and Corruption**

Each bidding document and contract financed from the proceeds of the Loan shall include provisions on matters pertaining to fraud and corruption as defined in paragraph 1.16(a) of the Procurement Guidelines. The World Bank may sanction a firm or individual, at any time, in accordance with prevailing World Bank sanctions procedures, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded a World Bank-financed contract; and (ii) to be a nominated sub-contractor, consultant, supplier or service provider of an otherwise eligible firm being awarded an World Bank-financed contract.

(m) **Debarment under National System**

The World Bank may recognize, if requested by the Borrower, exclusion from participation as a result of debarment under the national system, provided that the debarment is for offenses involving fraud, corruption or similar misconduct, and further provided that the World Bank confirms that the particular debarment procedure afforded due process and the debarment decision is final.

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. The Procurement Plan shall specify the circumstances under which such methods may be used: (a) Selection based on Consultants' Qualifications; (b) Least-Cost Selection (c) Quality-Based Selection; (d) Single-Source Selection; (e) Single-source procedures for the Selection of Individual Consultants; and (f) Selection of Individual Consultants.

D. **Review by the World Bank of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the World Bank's Prior Review. All other contracts shall be subject to Post Review by the World Bank.

**Section IV. Withdrawal of the Proceeds of the Loan**

**General**

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the World Bank shall specify by notice to the Borrower (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan (“Category”), the allocations of the amounts of the Loan 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 SCF/PPCR Loan Allocated (expressed in USD)</th>
<th>Amount of the SCF/PPCR Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, works, services, Training and Operating Costs under Part E of the Project</td>
<td>6,500,000</td>
<td>9,250,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>6,500,000</strong></td>
<td><strong>9,250,000</strong></td>
<td></td>
</tr>
</tbody>
</table>
B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made (a) from the Loan Account 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 Loan repayable (expressed as a percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each January 15 and July 15:</td>
<td></td>
</tr>
<tr>
<td>commencing July 15, 2024, to and including July 15, 2033</td>
<td>1%</td>
</tr>
<tr>
<td>commencing January 15, 2034, to and including July 15, 2053</td>
<td>2%</td>
</tr>
</tbody>
</table>
APPENDIX

Section I. Definitions

1. “Additional Credit II” means the additional financing to be provided by the World Bank in support of the additional activities to the Original Project (as hereinafter defined) as fully described and restated in Schedule I to this Agreement.

2. “Affected Persons” means persons who, on account of an involuntary taking of land under the Project, had or would have their: (a) standard of living adversely affected; or (b) 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 (c) access to productive assets adversely affected, temporarily or permanently; or (d) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently; and “Affected Person” means any of the Affected Persons.


4. “Amended and Restated Project Agreement” means the agreement of even date hereof to be entered into the Road Fund and the World Bank for the purpose of implementation of the Project.


7. “ARAP” means the abbreviated resettlement action plan in connection with the carrying out of Part C(a) of the Project, dated February 1, 2011, prepared by ANE and adopted by the Roads Fund (as hereinafter defined) through an administrative order of its chairman also dated February 1, 2011, and disclosed on February 4, 2011, which sets out principles and procedures governing land acquisition, resettlement, compensation and rehabilitation of Affected Persons, as well as administrative, reporting and monitoring arrangements to ensure compliance with said plan, as such plan may be revised from time to time with the written agreement of the World Bank.
8. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


10. "EAs" means "Environmental Assessments", the World Bank's assessments referred to in paragraph C.1 of Section I of Schedule 2 to this Agreement and in paragraph 3 of Section I of the Schedule to the Project Agreement.

11. "FRT" means flood response team as referred under Section I.D of Schedule 2 to this Agreement.

12. "Operating Costs" means the incremental expenditures which would not exist absent the Project, incurred on account of office supplies, vehicle operation and maintenance, communication and insurance costs, rental expenses, office maintenance costs, utilities, and domestic travel cost for Project staff for Project supervision.

13. "PIM" means the project implementation manual referred to in paragraph 2 of Section I of the Schedule to the Project Agreement.


15. "Procurement Plan" means the Borrower's procurement plan for the Project, dated July 26, 2013, 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.

16. "Project Implementing Entity" means the Road Fund as defined here below.


19. "Road Fund" means the Borrower's entity responsible for road sector finance and monitoring established pursuant to the Borrower’s Decree number 22/2003, dated

20. “RPF” means “Resettlement Policy Framework,” the Borrower’s framework referred to in paragraph C of Section I of Schedule 2 to the Amended and Restated Financing Agreement and paragraph 3 of Section I of the Schedule to the Amended and Restated Project Agreement, disclosed in country and the Association’s InfoShop on January 9, 2014.

21. “SCF-PPCR Grant Agreement” means the Strategic Climate Fund (SCF)-Pilot Program for Climate Resilience (PPCR) Grant Agreement, of even date hereof, entered into by the World Bank, acting as an implementing entity of the SCF-PPCR and the Borrower to assist in the financing of the Project.

22. “SCF-PPCR Grant” means the grant in the amount of nine million two hundred and fifty thousand Dollars (USD 9,250,000) provided by the World Bank to assist in the financing of the Project pursuant to the SCF/PPCR Grant Agreement.


24. “Subsidiary Agreement” means the agreement referred to in Section I.A of Schedule 2 to the Amended and Restated Financing Agreement and Section I.A of the Schedule to the Amended and Restated Project Agreement pursuant to which the Borrower shall make the proceeds of the Loan available to the Project Implementing Entity.

25. “Training” means expenditures to be incurred for the purchase of training materials, rental of training facilities, per diem and related travel with respect to the Project.