Financing Agreement

(Additional Financing for the Land Husbandry, Water Harvesting and Hillside Irrigation Project)

between

REPUBLIC OF RWANDA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated December 30, 2013
FINANCING AGREEMENT

AGREEMENT dated December 30, 2013, entered into between REPUBLIC OF RWANDA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for the Original Project (as defined in the Appendix to this Agreement). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in 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 twenty two million, eight hundred thousand Special Drawing Rights (SDR 22,800,000) (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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%).
2.05. The Payment Dates are March 15 and September 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 Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall implement the Project through the Ministry of Agriculture and Animal Resources 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 — EFFECTIVENESS; TERMINATION

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

4.02. For purposes of Section 8.05 (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 date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is its minister responsible for finance.

5.02. The Recipient’s Address is:

Ministry of Finance and Economic Planning
P. O. Box 158
Kigali
Rwanda

Facsimile:
250-252-57-75-81

5.03. The Association's Address is:

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

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

Washington, D.C.
AGREED at Kigali, Rwanda, as of the day and year first above written.

REPUBLIC OF RWANDA

By

Authorized Representative

Name: CLAVER GATETE
Title: MINISTER

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: CAROLYN
Title: COUNTRY MANAGER
SCHEDULE 1

Project Description

The objective of the Project is to increase the productivity and commercialization of hillside agriculture in Target Areas in the Recipient's country.

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

1. Capacity Development and Institutional Strengthening

   (a) Strengthening of farmer organizations and cooperatives, including organizational diagnoses, capacity building, and institutional development with respect to governance, management, and market orientation.

   (b) (i) Establishment of an implementation framework for an extension delivery system, including participatory extension, farmer-extension agent interactions, evaluation and validation of results of new technologies and practices; participatory crop selection and market-based approaches to input use;

   (ii) carrying out of farmer support activities, including extension activities with respect to land husbandry technologies, pest disease monitoring, identification, and reporting and horticultural production in irrigated command areas, for purposes of meeting external certification standards, and provision of other certification-related support; and

   (iii) provision of institutional, organizational, and human resource support for such farmer support activities, including the use of performance contracts and preparation of training materials.

   (c) (i) Strengthening of marketing infrastructure and capacity building, including: (A) establishment of linkages between entrepreneurs and smallholder organizations; (B) provision of technical assistance with respect to auditing and external certification of horticultural farmers; and (C) development of post-harvest infrastructure, such as packing houses and cold storage rooms; and

   (ii) strengthening of rural access to finance, including (A) product development in savings, leasing, other value chain financing, and index-based weather insurance, including rehabilitation of
ground weather stations, and related capacity building of financial service providers and producers, (B) capacity building of and establishment of linkages between rural communities, community and producer organizations, and rural financial service providers, and (C) promotion of long-term sustainable financial services to rural communities, including product development and capacity building, through the Access to Finance Rwanda Initiative.

(d) Institutional strengthening and capacity building of the Ministry of Agriculture and Animal Resources and related agencies in hillside intensification and sustainable land management, including establishment of a geographic information system-based information framework and provision of support to the regulatory environment for sanitary and phytosanitary implementation.

2. **Infrastructure**

Development of the following infrastructure for hillside intensification:

(a) participatory and comprehensive land husbandry technologies and infrastructure in a sub-watershed setting, including for purposes of soil conservation and downstream reservoir protection;

(b) water harvesting infrastructure, including valley dams and reservoirs; and

(c) water conveyance structures, including primary and secondary water distribution networks and field-level basin or furrow irrigation applications, and command area development of irrigated hillsides.

3. **Support to Sector-Wide Approach Implementation**

Support to the implementation of a Sector-Wide Approach in agriculture, including establishment of monitoring and evaluation and management information systems and inter-ministerial coordination, and provision of support to Project and Program implementation.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

Ministry of Agriculture and Animal Resources

1. The Ministry of Agriculture and Animal Resources shall be responsible for Project implementation, management, and monitoring and evaluation, including administrative and financial management, procurement, and disbursement, in accordance with the following institutional arrangements.

Inter-Ministerial Steering Committee

2. The Recipient shall maintain and assign for the implementation of the Project, the Inter-Ministerial Steering Committee, established pursuant to Section I.A.2 of Schedule 2 of the Original Financing Agreement.

3. The Inter-Ministerial Steering Committee shall be responsible for policy and strategic orientation of the Project.

Single Project Implementation Unit

4. The Recipient shall, throughout Project implementation:(a) maintain within MINAGRI the Single Project Implementation Unit (SPIU) comprising the SPIU Coordinator who shall head said Unit, the Department Heads and such other technical specialists as may be agreed with the Association, all with qualifications and experience satisfactory to the Association; and (b) ensure that the SPIU has adequate resources to carry out its responsibilities under the Project.

5. The SPIU shall be responsible for day today Project management and implementation including financial management, procurement and monitoring and evaluation.

District Implementation Support Teams

6. The Recipient shall: (a) maintain and assign to the implementation of the Project, the District Implementation Support Teams, established pursuant to Section I.A.7 of Schedule 2 of the Original Financing Agreement; and (b) for each such additional District identified during Project implementation, establish, prior to Project implementation in such District, and thereafter maintain throughout Project implementation, such District Implementation Support Team, with mandate and staffing acceptable to the Association.
8. The District Implementation Support Teams shall be responsible for District-level Project implementation.

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:

(a) shall: (i) maintain the Project Implementation Manual, agreed with the Association and setting out implementation, organizational, administrative, monitoring and evaluation, environmental and social monitoring and mitigation, financial management, disbursement, and procurement arrangements for purposes of Project implementation; and (ii) ensure that the Project is carried out in accordance with such Manual; and

(b) may not, except as the Association shall otherwise agree, assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned or any provision thereof.

2. In the event of any conflict between the provisions of the Project Implementation Manual, and those of this Agreement, the latter shall prevail.

D. Safeguards

1. (a) The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Environmental and Social Management Framework, any Environmental Management Plans, the Small Dam Guidelines, any Dam Safety Plans, the Resettlement Policy Framework, any Resettlement Action Plans, Compensation Note, and the Pest Management Plan; and

(b) except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned or any provision thereof.

2. Wherever required in accordance with the provisions of the frameworks referred to in paragraph 1(a) of this Part D, the Recipient shall, for the purposes of any Subproject, and prior to implementation thereof, proceed to have an Environmental Management Plan, Resettlement Action Plan, or Dam Safety Plans in accordance with the provisions of paragraph 8 (b) of this Part D, as the case may be:
(a) prepared in form and substance satisfactory to the Association; and
(b) except as otherwise agreed with the Association, submitted to the Association for review and approval, and thereafter adopted and locally disclosed.

3. Without limitation upon its other reporting obligations under Section II.A.1(a) of this Schedule, the Recipient shall take all measures necessary on its part to regularly collect, compile, and submit to the Association, on a semi-annual basis, reports on the status of compliance with such Frameworks and Plans, giving details of:

(a) measures taken in furtherance of such Frameworks and Plans;
(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Frameworks and Plans; and
(c) remedial measures taken or required to be taken to address such conditions.

4. The SPIU shall be responsible for the preparation, as the case may be, and implementation, and monitoring and evaluation of such Frameworks and Plans.

5. In the event of any conflict between the provisions of any such Framework or Plan, and those of this Agreement, the latter shall prevail.

 Dam Safety

 Small and Large Dams

6. The Recipient shall:

(a) furnish to the Association for review, prior to the issuance of a request for proposals relating to a contract for the provision of technical services relating to the investigation, design, or construction or the commencement of operations of a dam, terms of reference satisfactory to the Association for such contract, and appoint for the provision of such services professionals with qualifications and experience satisfactory to the Association;
(b) furnish to the Association for review, no later than 15 days after the completion or receipt of each such report, all reports relating to dam safety prepared by the Recipient, any independent specialists assessing a dam under construction or targeted under the Project, or professionals appointed by the Recipient to design, construct, fill, and start up a dam; and

(c) furnish to the Association for review, as soon as available, all information relevant to dam safety, including cost estimates, construction schedules, procurement procedures, technical assistance arrangements, environmental and social assessments, along with the dam proposal, technical aspects, inspection reports, and any actions plans relating to dam safety prepared by the Recipient.

7. The Recipient shall furnish to the Association for review, no later than three (3) months prior to the Closing Date, operational procedures with respect to dams constructed or targeted under the Project, including retention of written instructions for flood operations and emergency preparedness at such dams at all times, incorporation of necessary modifications to technical criteria for the evaluation of dam safety further to the advent of new technology or information, and application of such revised criteria to such dams and other dams under the Recipient’s jurisdiction as necessary.

Large Dams

8. The Recipient, for the purposes of any Large Dam Subproject:

(a) (i) shall establish, prior to the investigation phase of the subject Large Dam and in accordance with the provisions of Section III of this Schedule, and provide administrative support to, a Panel comprising at least three (3) experts acceptable to the Association and with terms of reference acceptable to the Association for review of the investigation, design, and construction and the commencement of operations of the subject Large Dam, such terms of reference including review of and provision of advice relating to safety and other critical aspects of the subject Large Dam, its appurtenant structures, the catchment area, the area surrounding the reservoir, and downstream areas;

(ii) (A) shall convene, beginning as early as in Large Dam Subproject preparation as possible, periodic Panel meetings and reviews, which shall continue through the investigation, design, construction, and initial filling and start-up phases of the subject Large Dam. (B) shall inform the Association in advance of each such meeting such that the Association may participate in such
meeting as an observer, and (C) shall furnish to the Association for review, no later than 15 days after the receipt of each such report, a copy of the Panel’s report of its conclusions and recommendations following each such meeting; and

(iii) shall furnish to the Association for review, following the initial filling of the reservoir and the start-up of the subject Large Dam, a copy of the Panel’s report of its findings and recommendations in relation to such filling and start-up, and may disband the Panel in consultation with the Association following such review if no significant difficulties have been encountered in the filling and start-up.

(b) shall submit to the Association for review, and thereafter take all measures required to address the conclusions and recommendations of such review and adopt, Dam Safety Plans, of such scope and detail as the Association shall have reasonably requested and which shall have been reviewed by the Panel and reflect the conclusions and recommendations of such review, as follows:

(i) (A) a Dam Construction Supervision and Quality Assurance Plan, (B) a broad framework Dam Emergency Preparedness Plan and an estimate of funds needed to prepare such Plan in detail, and (C) a preliminary Dam Operation and Maintenance Plan, all along with the annual work plan and budget referred to in Section II. C of this Schedule reflecting the subject Large Dam Subproject,

(ii) a Dam Instrumentation Plan during the design phase of the subject Large Dam, and prior to bid tendering under the Large Dam Subproject,

(iii) a Dam Emergency Preparedness Plan no later than one (1) year prior to the initial filling of the subject Large Dam, and

(iv) a Dam Operation and Maintenance Plan no later than six (6) months prior to the initial filling of the subject Large Dam.

(c) shall prequalify bidders prior to bid tendering under the Large Dam Subproject; and

(d) shall have periodic dam safety inspections performed by independent professionals, with qualifications, experience, and terms of reference satisfactory to the Association and who have not been involved in the
investigation, design, construction, or operation of the subject Large Dam, following the initial filling and start-up of the subject Large Dam.

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 and set out in the Project Implementation Manual. Each Project Report shall cover the period of one calendar year, and shall be furnished to the Association not later than forty-five (45) days 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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, 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. 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.

C. Annual Work Plans and Budgets

1. The Recipient shall prepare and furnish to the Association for its approval, not later than June 1 of each year during the implementation of the Project, an Annual Work Plan and Budget containing all eligible Project activities and expenditures planned for the following Fiscal Year, including a specification of the source or sources of financing for each contract for expenditures eligible for financing from each such source and the percentage of financing of each contract from each such source.

2. The Recipient shall ensure that the Project is implemented in accordance with the Annual Work Plan and Budget approved for the respective Fiscal Year; provided, however, that in case of any conflict between any Annual Work Plan and Budget and the provisions of this Agreement, the provisions of this Agreement shall prevail.
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 the Procurement Guidelines, or 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 table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:
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 table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.
### Procurement Method

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-Based Selection</td>
</tr>
<tr>
<td>(b) Selection under a Fixed Budget</td>
</tr>
<tr>
<td>(c) Least-Cost Selection</td>
</tr>
<tr>
<td>(d) Selection Based on Consultants’ Qualifications</td>
</tr>
<tr>
<td>(e) Single-Source Selection</td>
</tr>
<tr>
<td>(f) Selection of Individual Consultants</td>
</tr>
</tbody>
</table>

### 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 Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category. The Categories have been numbered to align with those of the Original Credit:
<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 and vehicles</td>
<td>65,143</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan</td>
</tr>
<tr>
<td>2. Works</td>
<td>6,840,000</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan</td>
</tr>
<tr>
<td>3. Consultant Services</td>
<td>2,475,429</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan</td>
</tr>
<tr>
<td>4. Training</td>
<td>325,714</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan</td>
</tr>
<tr>
<td>7. Operating Costs</td>
<td>130,286</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan</td>
</tr>
<tr>
<td>8. Non-consultant Services</td>
<td>12,963,429</td>
<td>Such percentage as the Association shall determine and communicate to the Recipient in an Annual Confirmation Letter based on the approved Annual Work Plan</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>22,800,000</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 the Original Financing Agreement.

2. The Closing Date is June 30, 2017.
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 March 15 and September 15:</td>
<td></td>
</tr>
<tr>
<td>commencing March 15, 2024 to and including September 15, 2033</td>
<td>1%</td>
</tr>
<tr>
<td>commencing March 15, 2034 to and including September 15, 2053</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

Definitions

1. "Access to Finance Rwanda Initiative" means the Recipient’s program, established and designed to increase the number of poor people in Rwanda with access to financial services.

2. "Agriculture Sector Working Group" means the Recipient’s entity, established and operating pursuant to the Recipient’s Economic Development and Poverty Reduction Strategy (as hereinafter defined), responsible for the policy and strategic orientation of the agriculture sector.

3. "Annual Confirmation Letter" means a letter from the Association to the Recipient indicating the applicable percentage rate of disbursement for the Project for the year having regard to amount of funding available to the Association from the Co-financiers for the support of the Project.

4. "Annual Work Plan and Budget" means a plan and budget referred to in Section II.C of Schedule 2 to this Agreement.


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


8. "Compensation Note" means the Recipient’s document setting out description of activities and map of route, amount of land affected, type of crop lost, preceding year’s yield of affected area for approximation of maximum potential loss, simple grievance redress mechanism, total budget for compensation, description of related public consultation, and an annex consisting of list of people to be compensated and certificate of compensation.


10. "Dam Construction Supervision and Quality Assurance Plan" means the Recipient’s plan setting out measures, including organization, staffing levels.
procedures, equipment, and supervision qualifications, for supervision and quality assurance of the construction of or work on the Large Dam to be constructed or targeted under a Large Dam Subproject (as hereinafter defined), in accordance with the provisions of the Environmental and Social Management Framework, as the same may be modified from time to time in consultation with the Association, and such term includes any schedules or annexes to such Plan.

11. “Dam Emergency Preparedness Plan” means the Recipient’s plan setting out measures, including clear statements on the responsibility for operations decision making and related emergency communications, maps outlining inundation levels for various emergency conditions, flood warning system characteristics, and procedures for evaluating threatened areas and mobilizing emergency forces and equipment, for when facility failure is considered imminent or when expected operational flow release threatens downstream life, property, or economic operations that depend on river flow levels relating to the Large Dam to be constructed or targeted under a Large Dam Subproject (as hereinafter defined), in accordance with the provisions of the Environmental and Social Management Framework, as the same may be modified from time to time in consultation with the Association, and such term includes any schedules or annexes to such Plan.

12. “Dam Instrumentation Plan” means the Recipient’s plan setting out measures for the installation of instruments to monitor and record the behavior of and the hydro-meteorological, structural, and seismic factors relating to the Large Dam to be constructed or targeted under a Large Dam Subproject (as hereinafter defined), in accordance with the provisions of the Environmental and Social Management Framework, as the same may be modified from time to time in consultation with the Association, and such term includes any schedules or annexes to such Plan.

13. “Dam Operation and Maintenance Plan” means the Recipient’s plan setting out measures, including organizational structure, staffing, technical expertise, and training required, equipment and facilities needed, procedures, and funding arrangements, including long-term maintenance and safety inspections, for the operation and maintenance of the Large Dam to be constructed or targeted under a Large Dam Subproject (as hereinafter defined), in accordance with the provisions of the Environmental and Social Management Framework, as the same may be modified from time to time in consultation with the Association, and such term includes any schedules or annexes to such Plan.

15. "Department Heads" means the Recipient’s staff within SPIU in charge of irrigation and land husbandry, commodity chain development, procurement, finance, information management and administration.


17. "District Implementation Support Team" means the Recipient’s entity, to be established under the supervisory authority of the Ministry of Agriculture and Animal Resources (as hereinafter defined), responsible for District-level implementation of the Program (as hereinafter defined).

18. "Economic Development and Poverty Reduction Strategy" means the Recipient’s strategy, dated September 2007, prepared through a participatory process involving civil society and development partners, setting out its macroeconomic, structural, and social policies and programs to promote growth and reduce poverty, as well as associated external financing needs, for the period from 2008-12.

19. "Environmental and Social Management Framework" means the Recipient’s framework, dated November 2009, agreed with the Association and setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, that have been identified by the Recipient to eliminate any adverse environmental and social impacts of Project activities, offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such Framework.

20. "Environmental Management Plan" means the Recipient’s plan, to be agreed with the Association and setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, that have been identified by the Recipient to eliminate any adverse environmental and social impacts of activities to be implemented under a Subproject (as hereinafter defined), offset them, or reduce them to acceptable levels, or enhance positive impacts, in accordance with the provisions of the Environmental and Social Management Framework, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such Plan.

21. "Fiscal Year" means the 12-month period from July 1 to June 30; provided, however, that, in the case of the first Fiscal Year of the Project ("First Fiscal Year"), the Fiscal Year period shall run from the date of this Agreement to June 30.

23. "Inter-Ministerial Steering Committee" means the Recipient’s entity, under the supervisory authority of its Agriculture Sector Working Group and referred to in Section I.A.2 of Schedule 2 to this Agreement, responsible for the policy and strategic orientation of the Physical Resources and Food Production Program (as hereinafter defined).

24. "Land Husbandry, Water Harvesting and Hillside Irrigation Project" means a project of the Government of Rwanda supported by the International Development Association as detailed in the Financing Agreement between the Recipient and the International Development Association dated February 8, 2010 as amended from time to time (Credit Number 4674-RW).

25. "Large Dam" means a dam: (i) 15 meters or more in height; (ii) between 10 and 15 meters in height and presenting special design complexities; or (iii) under 10 meters in height and expected to reach or exceed 15 meters in height during operation.

26. "Large Dam Subproject" means a Subproject (as hereinafter defined) for purposes of construction of a Large Dam under Part 2(b) of the Project.

27. "Ministry of Agriculture and Animal Resources" means the Recipient’s ministry at the time responsible for agriculture and animal resources.

28. "Non-consulting services" means "Non-consulting services" means services bid and contracted on the basis of the performance of a measurable physical output, and for which performance standards can be clearly identified and consistently applied and includes the provision of technical assistance, supervision and advisory services for the implementation of land husbandry activities for which payments are pegged on the land area (hectares) completed.”

29. "Office of the Permanent Secretary" means the Recipient’s office in the Ministry of Agriculture and Animal Resources responsible for coordination and budget management in the ministry.

30. "Operating Costs" means the expenses incurred on account of Project implementation, based on Annual Work Plans and Budgets approved by the Association pursuant to Section II.C of Schedule 2 to this Agreement, including office equipment and supplies, vehicle operation and maintenance, maintenance of equipment, communication and insurance costs, office administration costs, utilities, rental, consumables, accommodation, travel and per diem, excluding the salaries of the Recipient’s civil service.

32. "Original Project" means the Project described in the Original Financing Agreement.

33. "Panel" means the independent panel of experts referred to in Section I.D.8 (a) (i) of Schedule 2 to this Agreement.

34. "Pest Management Plan" means the Recipient's plan, dated July 2009, agreed with the Association and setting out the measures to be taken for the development and implementation of integrated pest management and safe handling of pesticides in the course of Project implementation, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such Plan.


36. "Procurement Plan" means the Recipient's procurement plan for the Project, dated November 4, 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.

37. "Program" means the program, part of the Physical Resources and Food Production Program, designed to increase the productivity and commercialization of hillside agriculture in Rwanda, and set forth or referred to in the letter dated October 12, 2009 from the Recipient to the Association.

38. "Project Implementation Manual" means the Recipient's manual, referred to in Section I.C.1 of Schedule 2 to this Agreement and dated July 21, 2010, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such Manual.

39. "Resettlement Action Plan" means the Recipient's plan, to be agreed with the Association and setting out the arrangements, including related compensation measures, to be applied in the event of the physical or economic displacement of persons affected by activities to be implemented under a Subproject (as hereinafter defined), in accordance with the provisions of the Resettlement Policy Framework (as hereinafter defined), as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such Plan.
40. “Resettlement Policy Framework” means the Recipient’s framework, dated July 2009, agreed with the Association and setting out the arrangements, including related compensation measures, to be applied in the event of the physical or economic displacement of persons affected by activities to be implemented under the Project, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such Framework.

41. “Sector-Wide Approach” means an approach to development partner investment financing aimed at supporting a country-owned, comprehensive sector program in a flexible and coordinated manner.

42. “Single Project Implementation Unit” or “SPIU” means a department of the Recipient within MINAGRI responsible for implementation of all donor funded projects in the ministry and which will have the responsibility of implementing this Project.

43. “Small Dam” means a dam less than 15 meters in height and which would not otherwise qualify as a Large Dam pursuant to the provisions of paragraph 17(ii) or (iii) of this Section I.

44. “Small Dam Guidelines” means the Recipient’s guidelines, dated May 2012, setting out generic safety measures for the construction supervision and quality assurance, instrumentation, and operation and maintenance of, and emergency preparedness in relation to, Small Dams, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to such Guidelines.

45. “SPIU Coordinator” means the team leader appointed by the Recipient with qualifications and experience acceptable to the Association and responsible for the overall management of the SPIU and the implementation of the Project at national level.

46. “Subproject” means infrastructure activities under Part 1(c) (i) (C), Part 1(c) (ii) (A), and Part 2 of the Project.

47. “Target Areas” means the sub-watersheds in the Recipient’s territory identified as the sites for the Project investments and activities, meeting technical, economic, environmental, and social criteria as defined in the Common Framework for Engagement.

48. “Training” means the costs of training under the Project, based on the annual work plans and budgets referred to in Section II. C of Schedule 2 to this Agreement as approved by the Association, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities,
preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.