Financing Agreement
(Commercial Agricultural Project)

between

REPUBLIC OF CONGO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated 20 Septembre, 2017
FINANCING AGREEMENT

AGREEMENT dated 20 September, 2017, entered into between REPUBLIC OF CONGO (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to seventy-three thousand million Special Drawing Rights (SDR 73,000,000) (variously, “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).

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

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

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are February 15 and August 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 carry out the Project, through its MAEP, and 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 Additional Condition of Effectiveness consists of the following:

(a) The Recipient shall have established, in a form and manner acceptable to the Association, the Steering Committee.

(b) The MAEP shall have adopted, in a form and manner acceptable to the Association, the Project Implementation Manual.

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

4.03. 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 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
B.P. 2083
Brazzaville
Republic of Congo

5.03. The Association’s Address is:

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

Telex: Facsimile:

248423 (MCI)  1-202-477-6391

AGREED at Brazzaville, 20 septembre as of the day and year first above written.

REPUBLIC OF CONGO

By

Authorized Representative

Name: Calixte NGANONGO
Title: Ministre des Finances et du Budget

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Ahmadou Moustapha NDIAYE
Title: Directeur des Opérations
SCHEDULE 1

Project Description

The objective of the Project is to improve productivity of farmers and market access for producer groups and micro, small and medium agribusiness enterprises, in selected zones of the territory of the Recipient, and provide immediate and effective response in the event of an Eligible Crisis or Emergency.

The Project consists of the following parts:

Part 1: Direct Support to Producer Groups and Agribusiness MSMEs

1.1. Sustainable intensification and commercialization of crop and animal production

The provision of support to producer groups to improve crop and animal production and commercialization through Subprojects on a cost-sharing basis.

1.2. Development of agro-industrial activities

The provision of support to agribusiness MSMEs for the development of agro-industrial activities through Subprojects on a cost-sharing basis.

Part 2: Improving Public Infrastructure and the Business Climate for Commercial Agriculture

2.1. Public Infrastructure for the Development of Commercial Agriculture

The provision of support to: (a) rehabilitate and provide maintenance for selected basic infrastructure, including \textit{inter alia}, feeder roads, in selected zones of the territory of the Recipient; and (b) implement the Road Maintenance Strategy.

2.2. Governance and Regulatory Framework for Commercial Agriculture

The provision of support to the improvement of the enabling legal and regulatory framework for commercial agriculture including through: (a) the establishment of platforms for public-private dialogue at the departmental and national levels; (b) technical assistance for the development of the legal and regulatory framework; (c) policy advocacy; and (d) awareness raising, dissemination, consultation and training on proposed policy, legal and regulatory reforms.

Part 3: Strengthening Institutional Capacity to Support the Development of Commercial Agriculture

3.1. Capacity-building of institutions providing support to commercial agriculture
The provision of support to strengthen the capacity of selected public and non-public institutions involved in the development of commercial agriculture in the territory of the Recipient.

3.2. Project Management, coordination and monitoring at national and departmental levels

The provision of support to carry out Project management, coordination, communication, monitoring and evaluation at national and departmental levels.

Part 4: Contingency Emergency Response

The provision of immediate support to respond to an Eligible Crisis or Emergency.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall designate, at all times through Project implementation, the MAEP, to be responsible for prompt and efficient management, implementation and supervision of activities under the Project, and shall take any necessary action, including the provision of funding, personnel and other resources to enable said MAEP to perform the aforesaid functions.

Steering Committee

2. The Recipient shall maintain, at all times throughout Project implementation, a Steering Committee, under terms of reference and composition acceptable to the Association, which shall be responsible for providing strategic guidance, ensuring inter-ministerial coordination and oversight of implementation of the Project, as further detailed in the PIM.

National Project Coordination Unit

3. The Recipient shall maintain within the MAEP, at all times throughout Project implementation, a National Project Coordination Unit (NPCU), with resources, functions and staff in adequate numbers and with experience and qualifications acceptable to the Association, which shall be responsible for, inter alia, overall management, monitoring and evaluation and coordination of the implementation of the activities under the Project, as further detailed in the PIM.

4. No later than three (3) months after the Effective Date, the Recipient, through the NPCU, shall recruit, under terms of reference satisfactory to the Association, and thereafter maintain throughout the implementation of the Project: (a) an additional accountant; and (b) external auditors referred to in Section II.B of Schedule 2 to this Agreement, all in accordance with the provisions of Section III.C. of Schedule 2 to this Agreement.

5. No later than three (3) months after the Effective Date, the Recipient, through the NPCU, shall upgrade the accounting software, in a manner satisfactory to the Association.

Project Coordination Units at the Department Level

6. The Recipient shall ensure that five Project Coordination Units (DPCUs) are established at the department level of the territory of the Recipient, with resources,
functions and staff in adequate numbers and with experience and qualifications acceptable to the Association, which shall be responsible for, *inter alia*, monitoring and evaluation of the implementation of Project activities at the departmental level and follow up on Project-related grievance redress, as further detailed in the PIM.

**Matching Grants Independent Facilitator**

7. For purposes of carrying out Part 1 of the Project, the Recipient shall appoint no later than three (3) months after the Effective Date, and thereafter maintain, at all times throughout Project implementation, an independent facilitator, with experience and qualifications acceptable to the Association, which shall be responsible for, *inter alia*, carrying out the technical and financial evaluation of applications, including reviewing business plans, from producer groups and/or MSMEs to receive Matching Grants for carrying out Subprojects, as further detailed in the PIM.

**Matching Grants Selection Committee**

8. For purposes of carrying out Part 1 of the Project, the Recipient shall appoint no later than six (6) months after the Effective Date, and thereafter maintain, at all times throughout Project implementation, a committee, under terms of reference and composition acceptable to the Association, which shall be responsible for the decision to approve the allocation of a Matching Grant to a producer group and/or MSMEs, as further detailed in the PIM.

**B. Project Implementation Manual**

1. The Recipient shall maintain the Project Implementation Manual, in form and substance satisfactory to the Association, which shall provide details of arrangements and procedures for the implementation of the Project, including, *inter alia*:
   
   (a) the detailed description of Project implementation activities, their sequencing and the prospective timetable;
   
   (b) the institutional arrangements for the implementation of the Project;
   
   (c) the Project administrative, procurement, environmental and social, financial management and disbursement requirements and procedures;
   
   (d) the staffing needs of MAEP at national and departmental levels;
   
   (e) the plan for the monitoring, evaluation and supervision of the Project;
   
   (f) the performance indicators for the Project;
the criteria for the selection of the Beneficiaries of Matching Grants to carry out Subprojects under Part 1 of the Project;

(h) the Matching Grants manual, which shall include, *inter alia*, the terms and conditions of the Matching Grant Agreements, including the level of counterpart funding;

(i) the financial procedures manual; and

(j) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.

2. The Recipient shall carry out the Project in accordance with the Project Implementation Manual. Except as the Association shall otherwise agree in writing, the Recipient shall not amend, abrogate, waive or otherwise fail to implement any provision of the Project Implementation Manual.

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

C. Subprojects

1. In order to ensure the proper implementation of Part 1 of the Project, the Recipient shall, through the MAEP, make Matching Grants to Beneficiaries in accordance with eligibility criteria and procedures set forth in the Project Implementation Manual.

2. Matching Grants under Part 1 of the Project

2.1. For purposes of carrying out Part 1 of the Project, the Recipient shall make a portion of the Financing available as grants (Matching Grants), each Matching Grant to be provided under an agreement (Matching Grant Agreement) with the respective Beneficiary on terms and conditions approved by the Association, which shall include the following:

(a) The Matching Grant shall be made in FCFA on grant terms;

(b) The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to:

(i) suspend or terminate the right of the Beneficiary to use the proceeds of the Matching Grant, or all or any part of the amount of the Matching Grant then withdrawn, upon the Beneficiary's
failure to perform any of its obligations under the Matching Grant Agreement; and

(ii) require each Beneficiary to: (A) carry out its Subproject 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 Financing proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works, non-consulting services and services to be financed out of the Matching Grant 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 Subproject 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 Subproject; 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 Subproject, 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 Matching Grant 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 in writing, the Recipient shall not assign, amend, abrogate or waive any Matching Grant Agreement or any of its provisions.

D. Annual Work Programs and Budget

1. The Recipient shall not later than December 31 in each calendar year during Project implementation, prepare and furnish to the Association for its review and approval, a Steering Committee approved program of activities proposed for inclusion in the Project during the following calendar year, which includes detailed
disbursement forecasts and budgets ("Annual Work Program and Budget") and annual reports of the previous calendar year.

2. The Recipient shall exchange views with and seek approval of the Association on each such proposed annual work program, and shall thereafter carry out such program of activities for such following year as shall have been agreed between the Recipient and the Association.

3. The Annual Work Program and Budget may be amended from time to time to include new activities with the prior and written concurrence of the Association.

E. Safeguards.

1. The Recipient shall ensure that the Project is carried out in accordance with the Safeguard Instruments. To this end, the Recipient shall ensure that the following actions are taken in a prompt manner acceptable to the Association:

   (a) If any Project activity would, pursuant to the ESMF: (i) require the carrying out of an ESIA, the Recipient shall ensure that the ESIA for such activity is: (A) carried out, in accordance with the requirements of the ESMF and furnished to the Association for its prior review and written approval; and (B) disclosed and consulted upon, in a form and manner acceptable to the Association; and (ii) require the preparation of an ESMP, the Recipient shall ensure that such ESMP is: (A) prepared in accordance with the ESMF and furnished to the Association for its review and approval; and (B) disclosed and consulted upon, in a manner acceptable to the Association.

   (b) If any Project activity would, pursuant to the RPF require the preparation of an RAP, the Recipient shall ensure that: (i) such RAP is prepared in accordance with the RPF and furnished to the Association for its prior review and written approval; (ii) such RAP is disclosed and consulted upon, in a manner acceptable to the Association; and (iii) no civil works under said activity shall be commenced until all measures required to be taken under said RAP, including but not limited to prior payment of compensation to all Project affected persons, shall have been taken in a form and manner acceptable to the Association.

   (c) If any Project activity would, pursuant to the IPPF require the preparation of an IPP, the Recipient shall ensure that such IPP is: (i) prepared in accordance with the IPPF and furnished to the Association for its prior review and written approval; and (ii) disclosed and consulted upon, in a form and manner acceptable to the Association.
2. Without limitation to excluded expenditures set forth in the PIM, the following shall not be eligible to be carried out and/or funded under the Project:

(a) Any activities that would lead to conversion or degradation of critical natural habitats or their supporting areas;

(b) Any activities that would lead to conversion or degradation of critical forest areas, related critical natural habitats; and,

(c) any activities that would involve potential pollution of the Congo River Basin.

3. Without limitation to its other reporting obligations under this Agreement and under Section 4.08 of the General Conditions, the Recipient shall:

(a) include in the Project Reports referred to in Section II, Part A, paragraph 1 of this Schedule adequate information on the implementation of the Safeguard Instruments, giving details of:

(i) measures taken in furtherance of such Safeguard Instruments;

(ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of such Safeguard Instruments; and

(iii) remedial measures taken or required to be taken to address such conditions and to ensure the continued efficient and effective implementation of such Safeguard Instruments; and

(b) afford the Association a reasonable opportunity to exchange views with the Recipient on such Project Reports.

4 The Recipient shall ensure that any terms of reference for any consultancies related to technical assistance or capacity building under the Project shall be satisfactory to the World Bank following its review thereof and, to that end, such terms of reference shall duly incorporate the requirements of the Association’s Safeguard Policies then in force, as applied to the advice conveyed through such technical assistance and/or capacity building activities.

5 The Recipient shall maintain, and publicize the availability of, grievance redress mechanisms to hear and determine fairly and in good faith, all complaints raised in relation to the implementation of the Project by Project affected persons, and take all measures necessary to implement the determinations made under such grievance redress mechanisms in a manner acceptable to the Association.
F. Contingent Emergency Response Component arrangements for Part 4 of the Project

1. In order to ensure the proper implementation of Part 4 of the Project ("CERC Part"), the Recipient shall:

   (a) no later than six (6) months after Project effectiveness, 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) designation of terms of reference for, and resources to be allocated to the entity to be responsible for coordinating and implementing the CERC Part ("Coordinating Authority"); (ii) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the CERC Part; (iv) procurement methods and procedures for the CERC Part; (v) documentation requirements for withdrawals of Emergency Expenditures; (vi) environmental and social safeguard management frameworks for the CERC Part, consistent with the Association's policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and 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;

   (e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior approval of the Association.

2. The Recipient shall, through the implementation of the CERC Part, maintain the CERC Coordinating Authority, with adequate staff and resources satisfactory to the Association.

3. The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in 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.

G. Anti-Corruption

The Recipient 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

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of one calendar quarter, 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 as part of the Project Report not later than forty-five (45) days after the end of each calendar quarter interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.
Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. Consultants' Services. All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

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

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Shopping</td>
</tr>
<tr>
<td>(b) Direct Contracting</td>
</tr>
<tr>
<td>(c) National Competitive Bidding (“NCB”)</td>
</tr>
<tr>
<td>(d) Procurement from United Nations Agencies</td>
</tr>
<tr>
<td>(e) Limited International Bidding (LIB)</td>
</tr>
</tbody>
</table>

C. Particular Methods of Procurement of Consultants' Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan:

<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 of consulting firms</td>
</tr>
<tr>
<td>(f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines</td>
</tr>
<tr>
<td>for the Selection of Individual Consultants</td>
</tr>
<tr>
<td>(g) Single-source procedures for the 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.

**E. Procurement of Emergency Expenditures under the CERC Part of the Project**

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 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 “Disbursement Guidelines for Investment Project Financing” dated February 2017, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the 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>53,200,000</td>
<td>100%</td>
</tr>
<tr>
<td>Training and Operating Costs for the Project (excluding Parts 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and 4 of the Project)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consultants' services for</td>
<td>18,300,000</td>
<td>100%</td>
</tr>
<tr>
<td>Subprojects under Part 1 of the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Refund of Preparation Advance</td>
<td>1,500,000</td>
<td>Amount payable pursuant to Section 2.07 of the General</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Conditions</td>
</tr>
<tr>
<td>(4) CERC Part under Part 4 of the Project</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td>73,000,000</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:

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

   (b) Under Category (4), for Emergency Expenditures under Part 4 of the Project, unless and until 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.E.1 of Schedule 2 to this Agreement;

(iii) the Recipient's CERC Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.F.2 and Section III.E of Schedule 2 to this Agreement, for the purposes of said activities; and

(iv) the Recipient has adopted a CERC Operations Manual in form and substance acceptable to the Association and the provisions of the CERC Operations Manual remain, or have been updated in accordance with the provisions of Section I.F.1. of Schedule 2 to this Agreement so as to be appropriate for the inclusion and implementation of said activities under the CERC Part.

2. The Closing Date is July 31, 2022.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15:</td>
<td></td>
</tr>
<tr>
<td>commencing August 15, 2022 to and including February 15, 2042</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing August 15, 2042 to and including August 15, 2047</td>
<td>3.40%</td>
</tr>
</tbody>
</table>
APPENDIX

Section I. Definitions


2. "Annual Work Program and Budget" means the annual work program and budget to be prepared by the NPCU and approved by the Steering Committee, as set forth in Section I.D. of Schedule 2 to this Agreement.

3. "Beneficiary" means a legal person who is either producer group or an agribusiness MSME and to whom the NPCU has extended a Matching Grant under a Matching Grant Agreement for a Subproject.

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

5. "CERC Part" means Part 4 of the Project.

6. "CERC Operations Manual" means the operations manual referred to in Section I.F. of Schedule 2 to this Agreement, to be adopted by the Recipient for the CERC Part of the Project in accordance with the provisions of said Section, as said manual may be revised from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.

7. "CERC Coordinating Authority" means a Recipient institution or agency, satisfactory to the Association, which shall be identified in the CERC Operations Manual, and referred to in Section I.F. of Schedule 2 to this Agreement.


9. "DPCU" means a Project coordination unit at the departmental level referred to in Section I.A.6 of Schedule 2 to this Agreement.

10. "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.

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

12. “Environmental and Social Impact Assessment” or “ESIA” means a site-specific report, to be prepared by the Recipient in accordance with the parameters laid down in the ESMF (as hereinafter defined) and acceptable to the Association, identifying and assessing the potential environmental and social impacts of the activities to be undertaken for the activities under the Project, evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures, and including the actions needed to implement these measures.

13. “Environmental and Social Management Framework” or “ESMF” means the Recipient’s Cadre de Gestion Environnementale et Sociale, dated March 2017, disclosed in-country on March 23, 2017 and at the Association’s Infoshop on March 29, 2017, setting forth the procedures to be used for the preparation and approval of a site-specific Environmental and Social Impact Assessment and/or Environmental and Social Management Plan (as hereinafter defined) for any site where there exists environmental and/or social issues of a type and scale sufficient to trigger the Association’s safeguard policies, as said framework may be revised from time to time with the prior approval of the Association.

14. “Environmental and Social Management Plan” or “ESMP” means a site-specific environmental and social management plan to be prepared by the Recipient in accordance with the parameters laid down in the ESMF (as hereinafter defined) and acceptable to the Association, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the activities under the Project to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.


16. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.

17. “Indigenous Peoples” means, a distinct, vulnerable, social and cultural group in the Recipient’s territory possessing the following characteristics in varying degrees: (i) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (ii) collective attachment to geographically distinct habitats or ancestral territories in the Project Area and to the natural resources in these habitats and territories; (iii) customary cultural,
economic, social, or political institutions that are separate from those of the dominant society and culture; and (iv) an indigenous language, often different from the official language of the Recipient or region.

18. "Indigenous Peoples Plan" or "IPP" means a plan to be prepared by the Recipient in accordance with the parameters laid down in the IPPF (as hereinafter defined) and acceptable to the Association and developed on the basis of a social assessment and in consultation with the affected Indigenous Peoples’ communities present in, or that have a collective attachment to the Project Area, setting out the measures through which the Recipient shall ensure that: (i) Indigenous Peoples affected by the Project receive culturally appropriate social and economic benefits; and (ii) when potential adverse effects on Indigenous Peoples are identified, those adverse effects are avoided, minimized, mitigated, or compensated for.

19. "Indigenous Peoples Planning Framework" and "IPPF" means the Recipient’s framework, dated March 2017, disclosed in country on March 28, 2017 and at the Association’s Infoshop on March 29, 2017, setting forth: (i) the types of activities likely to be proposed for financing under the Project; (ii) the potential positive and adverse effects of such activities on the Indigenous Peoples; (iii) a plan for the carrying out of the social assessment for such activities; (iv) a framework for ensuring free, prior, and informed consultation with the affected Indigenous Peoples’ communities at each stage of Project preparation and implementation; (v) institutional arrangements (including capacity building where necessary) for screening Project-supported activities, evaluating their effects on Indigenous Peoples, preparing IPPs, and addressing any grievances; (vi) monitoring and reporting arrangements, including mechanisms and benchmarks appropriate to the Project; and (vii) disclosure arrangements for IPPs to be prepared under the IPPF, as said framework may be revised from time to time with the prior approval of the Association.

20. “Integrated Pest Management Plan” or “IPMP” means the Recipient’s Cadre de Gestion de Peste et Pesticides (CGPP), dated March 2017, and disclosed in-country on March 23, 2017, and at the Association’s Infoshop on March 29, 2017, which: (i) addresses the concerns relating to the Project risks associated with potential increases in the use of pesticides for agricultural production, intensification and diversification; (ii) sets forth mitigation and monitoring measures to be taken during Project implementation and operation to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels; (iii) recommends institutional measures to strengthen national capacities to implement the mitigation and monitoring measures; and (iv) as part of the implementation arrangements, identifies national agencies and other partners that could play a vital role in the success of the Project, as said Plan may be revised from time to time with the prior approval of the Association.
21. "Matching Grant" means a grant made or to be made by the Recipient, through the MAEP, out of the proceeds of the Financing to a Beneficiary for a Subproject.

22. "Matching Grant Agreement" means an agreement between the Recipient, through the MAEP, and a Beneficiary providing for a Matching Grant.

23. "Ministry of Agriculture, Livestock and Fisheries" or "MAEP" means the Recipient’s ministry in charge of agriculture or any successor thereto satisfactory to the Association.

24. "MSME" means micro, small and medium enterprises.

25. "National Project Coordination Unit" or "NPCU" means the unit within the MAEP in charge of overseeing the day-to-day implementation of the Project, at the national level.

26. "Operating Costs" means the reasonable incremental expenses, based on annual budgets approved by the Association, incurred by the Recipient on account of Project implementation, management, and monitoring, including for office space rental, utilities, and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, building and equipment maintenance, advertising expenses, travel and supervision, salaries and statutory contributions of contractual and temporary staff, but excluding salaries, fees, honoraria, and bonuses of members of the Recipient’s civil service.

27. "Physical Cultural Resources Management Framework" or "PCRMF" means the Recipient’s Cadre de Gestion du Patrimoine Culturel (CGPC), dated March 2017, and disclosed in-country on March 23, 2017, and at the Association’s Infoshop on March 29, 2017, which addresses the concerns relating to the Project risks and potential impacts on physical cultural resources, as said framework may be revised from time to time with the prior approval of the Association.


29. "Procurement Plan" means the Recipient’s procurement plan for the Project, dated May 23, 2017, 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.

30. "Project Implementation Manual" or "PIM" means the manual for the Project referred to in Section I.B. of Schedule 2 to this Agreement.
31. "Resettlement Action Plan" or "RAP" means each site-specific resettlement action plan prepared and to be prepared pursuant to the RPF pursuant to Section I.E.1.(b)of Schedule 2 to this Agreement, for a set of activities included under the Project, giving details of the specific actions, measures and policies required to provide compensation, rehabilitation and resettlement assistance to any Project affected persons, along with the procedural and institutional measures needed to implement such actions, measures and policies; and the term "RAPs" or "Resettlement Action Plans" means, collectively, all such plans.


33. "RPF" means the Recipient's resettlement policy framework for the Project, dated March 2017, and disclosed in country on March 28, 2017 and at the Infoshop on March 29, 2017, containing the guidelines, procedures, timetables, and other specifications for the preparation, adoption, and implementation and monitoring of a Resettlement Action Plan or Plans, and referred to in Section I.E.1(b) of Schedule 2 to this Agreement, for provision of compensation and resettlement assistance for any Project affected persons, as the same may be amended from time to time with the prior written agreement of the Association.

34. "Safeguard Instruments" means collectively or individually the ESMF, the RPF, the IPPF, the IPMP, PCRMF, as well as any ESIA, ESMP, PCRMP, RAP, IPP prepared in connection to the Project, if any.

35. "Safeguard Policies" means, to the extent that they are applicable to the Project activities, the operational policies and procedures OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitats), OP/BP 4.09 (Pest Management), OP/BP 4.10 (Indigenous Peoples), OP/BP 4.11 (Physical Cultural Resources), OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.36 (Forests), and OP/BP 7.50 (International Waterways) contained in the Bank's Operational Manual which can be found on the Bank's website at www.worldbank.org:“

36. "Steering Committee" means the committee referenced in Section I.A.2 of Schedule 2 to this Agreement.

37. "Subprojects" means a specific subproject under Part 1 (a) or Part 1 (b) of the Project to be carried out by a Beneficiary utilizing the proceeds of a Matching Grant.

38. "Training" means the reasonable costs associated with training and workshop participation under the Project, based on annual budgets approved by the Association, consisting of travel and subsistence costs for training participants, costs associated with securing the services of trainers, rental of training facilities,
preparation and reproduction of training materials and other costs directly related to course or workshop preparation and implementation.
Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.02 is modified to read as follows:

"Section 3.02. Service Charge and Interest Charge

(a) Service Charge. The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.

(b) Interest Charge. The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months."

2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the subsequent paragraphs accordingly:

"32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02 (b)."

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by inserting the words "Interest Charges" between the words "Service Charges" and "Commitment Charges".

5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is modified by replacing the reference to Section 3.02 with Section 3.02 (a).