Financing Agreement

(Cyclone Ian Reconstruction and Climate Resilience Project)

between

KINGDOM OF TONGA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 11, 2014
AGREEMENT dated June 11, 2014, entered into between KINGDOM OF TONGA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS (A) the Recipient, having satisfied itself as to the feasibility and priority of the project described in Schedule 1 to this Agreement ("Project"), has requested the Association to extend a Grant in the amount of three million nine hundred thousand Special Drawing Rights (SDR 3,900,000) as provided in Section 2.01 (a) of this Agreement, and a Credit in the amount of three million nine hundred thousand Special Drawing Rights (SDR 3,900,000) as provided in Section 2.01 (b) of this Agreement, to assist in financing of the Project; and

(B) the Recipient has also requested the Association, acting as administrator of the GFDRR to assist in financing the Project, and the Association, acting in such capacity, has agreed to extend a grant to the Recipient for such purpose in the amount of one million eight hundred thousand United States Dollars ($1,800,000), pursuant to a grant agreement to be signed between the Recipient and the Association ("GFDRR Grant Agreement"); and

NOW THEREFORE, 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 grant and a credit (collectively, "Financing") in the following amounts to assist in financing the project described in Schedule 1 to this Agreement ("Project"): 
(a) an amount equivalent to three million nine hundred thousand Special Drawing Rights (SDR 3,900,000) ("Grant"); and

(b) an amount equivalent to three million nine hundred thousand Special Drawing Rights (SDR 3,900,000) ("Credit").

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 February 15 and August 15 in each year.

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

2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through its Ministry of Infrastructure in accordance with the provisions of Article IV of the General Conditions.

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

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Event of Suspension consists of the following:
The GFDRR Grant Agreement has failed to become effective by December 31, 2014 provided, however, that the provisions of this paragraph shall not apply if the Recipient establishes to the satisfaction of the Association that adequate funds for the Project are available from other sources on terms and conditions consistent with its obligations under the Financing Agreement.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

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

5.02. 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 VI — REPRESENTATIVE; ADDRESSES**

6.01. The Recipient’s Representative is its Minister responsible for Finance and National Planning.

6.02. The Recipient’s Address is:

   Ministry of Finance and National Planning
   Vuna Rd, PO Box 87
   NUKU’ALOFA

   Telephone:
   67623066

6.03. The Association’s Address is:

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

   Cable: Telex: Facsimile:
   INDEVAS 248423 (MCI) 1-202-477-6391
AGREED at District of Columbia, United States of America, as of the day and year first above written.

KINGDOM OF TONGA

By

[Signature]

Authorized Representative

Name: Sundaran Annamalai
Title: Executive Director

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Axel van Trotsenburg
Title: Regional Vice President
SCHEDULE 1

Project Description

The objectives of the Project are to: (a) restore housing, community facilities, and basic services to the affected population of Ha’apai; and (b) strengthen the Recipient’s resilience to natural disasters.

The Project consists of the following parts:

Part 1: Housing and Key Community Facilities Repair, Reconstruction, and Climate Resilience

(a) Housing for vulnerable households

Construction of new climate resilient housing for eligible vulnerable households.

(b) Supported Self-Recovery

(i) Construction of new climate resilient housing for eligible households with destroyed or severely damaged houses.

(ii) Repair of partially damaged houses and retrofitting of partially damaged houses for climate resilience.

(iii) Strengthening existing undamaged houses for climate resilience.

(c) Reconstruction and resilience strengthening of community facilities

(i) Carrying out a program of activities designed to repair and enhance the resilience of community run public facilities through the provision of building supplies.

(ii) Carrying out a program of activities aimed at reconstructing and resilience strengthening of key large public facilities through the provision of building supplies and/or services from Approved Suppliers or Approved Contractors.

(d) Proper disposal of building debris and demolition rubble

(i) Carrying out of specific labor intensive works in Ha’apai, such projects to include, among other things, sorting and assembling for collection of non-hazardous building debris from household premises.

(ii) Carrying out a program of activities designed to support the safe collection of construction and demolition waste and hazardous waste at
the community level, including the transportation and disposal of such waste in an environmentally acceptable manner to the Tapuhia landfill in Nuku’alofa, Tongatapu.

(e) **Household supplementary potable water and sanitation facilities**

Carrying out a program of activities designed to provide critical basic services, including improving potable water supplies and providing appropriately constructed on-site sanitation facilities.

(f) **Logistical support for materials supply**

Acquisition of a barge for transportation of building supplies and advisory and inspectorate personnel to the communities.

**Part 2: Technical Assistance and Training for Enhanced Disaster and Climate Resilience**

(a) **Resilience strengthening for safer homes, communities and Public Facilities**

(i) Carrying out a program of activities designed to build the capacity of the eligible households and communities identified under Parts 1(b) and (c) of the Project for building, rehabilitating, or retrofitting houses, community structures and public facilities that are climate resilient, such program to include: (A) establishment of an on-site one-stop-shop training recovery centre; (B) preparation of pre-approved building plans, home repairs, and retrofitting toolkits; (C) preparation and implementation of a communications strategy, including undertaking public awareness activities on the grievance mechanism procedures; (D) establishment of a database of beneficiary households; and (E) deployment of district mobile units comprising community liaison officers and building liaison officers.

(ii) **Climate resilience training**

Provision of training on construction of climate resilient buildings and infrastructure.

(iii) **Improve building code application**

Updating the Building Code, including carrying out of a public awareness and practices campaigns for self-enforcement.

(iv) **Hazard mapping**

Assessing and mapping of coastal hazards within the Ha’apai affected areas.
(b) **Disaster Recovery and Reconstruction Framework**

(i) Carrying out a program of activities designed to operationalize and institutionalize recovery and reconstruction, such program to include: (A) review and documentation of lessons learned from reconstruction and recovery of past major disasters; (B) review and update of relevant legislation and institutional arrangements; (C) development of an operations manual for disaster recovery and reconstruction, including standard assessment templates and procedures; and (D) conduct of a roadshow and community consultations on the Recipient’s draft recovery and reconstruction policy.

(ii) Carrying out a program of activities designed to enhance the capacity of the Recipient for post-disaster mapping, response and recovery.

**Part 3. Project Support**

Carrying out a program of activities designed to enhance the capacity of the Recipient for Project implementation and management, including procurement, financial management, contract management, social and environmental safeguards oversight, and monitoring and evaluation.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Task Force Group

The Recipient shall, by not later than sixty (60) days after Effective Date, establish and thereafter maintain throughout the Project implementation period a Task Force Group, satisfactory to the Association, comprised of representatives of all Implementation Agencies and the Civil Society Forum, with responsibility for, inter alia, providing policy oversight and coordination of the Project.

2. Ministry of Infrastructure

The Recipient shall vest responsibility for overall implementation of the Project in MOI.

3. Transport Sector Consolidation Project Support Team

The Recipient shall maintain, throughout the Project implementation period, the Transport Sector Consolidation Project Support Team (TSCP-PST) within MOI, with composition, terms of reference, and qualifications acceptable to the Association, to be responsible for procurement, accounting, and financial management under the Project.

4. Task Force Project Management Unit

The Recipient shall, by not later than sixty (60) days after Effective Date, establish and thereafter maintain throughout the Project implementation period a Task Force Project Management Unit (TF-PMU) within the MOI, with adequate resources, staffing, and terms of reference satisfactory to the Association, to be responsible for the day-to-day implementation of the Project in Ha'apai and ensuring compliance of the Project with the Safeguards Instruments.

B. Implementation Covenants

1. Project Manuals

(a) The Recipient shall, by not later than sixty (60) days after Effective Date, prepare and adopt:
(i) a Project Operations Manual, setting forth detailed guidelines and procedures for the implementation of the Project, excluding Part 1(b), including in the areas of monitoring and evaluation, procurement, coordination among Implementation Agencies, social and environmental safeguards, financial, administrative and accounting procedures, corruption and fraud mitigation measures, and such other arrangements and procedures as shall be required for the Project; and

(ii) a Supported Self-Recovery ("SSR Manual") setting forth (A) detailed arrangements and procedures for implementation of Part 1(b) of the Project, including the eligibility criteria and levels of assistance to be provided to eligible beneficiaries and communities; and (B) arrangements for the SSR Vouchers, both in form and substance acceptable to the Association.

(b) The Recipient shall carry out the Project in accordance with the Project Operations Manual and the SSR Manual. Except as the Association shall otherwise agree in writing, the Recipient shall not amend or waive, or permit to be amended or waived, any provision of the Project Operations Manual and the SSR Manual.

(c) In case of a conflict between the provisions of the Project Operations Manual and the SSR Manual on one hand, and this Agreement, those of this Agreement shall prevail.

2. **Building Inspectors**

   The Recipient shall maintain, at all times during Project implementation period, at least six building inspectors with qualifications, experience, and terms of reference acceptable to the Association.

3. **Publication of Selected Beneficiaries**

   To ensure transparency in the selection of beneficiaries under Part 1(a) and (b) of the Project, the Recipient shall: (a) select the eligible beneficiaries to receive either a constructed house under Part 1(a) or an SSR Voucher under Part 1(b) in accordance with eligibility criteria and procedures set forth in the Project Operations Manual and the SSR Manual; and (b) by not later than August 31, 2014, publicly display in all affected villages the list of selected beneficiaries, including the associated levels of assistance to be received by each beneficiary.
4. **Security of Occupancy**

The Recipient shall, by not later than June 30, 2016, take all measures in its powers, and in accordance with RPF, to “Facilitate” the provision of alternative land to any beneficiary for whom a house has been constructed under Parts 1(a) and (b) of the Project but, who has no title to the land. For purposes of this paragraph, the term “Facilitate” means that the measures taken by the Recipient shall result in a Security of Occupancy provided/issued to said beneficiaries for a period of at least 30 years, by not later than said date.

5. **SSR Vouchers**

To facilitate the construction, rehabilitation or retrofitting of houses under Part 1(b) of the Project, and rehabilitation or retrofitting of community infrastructure under Part 1(c) of the Project, the Recipient shall make available SSR Vouchers to selected households or communities in accordance with the procedures elaborated in the SSR Manual, including the following:

(a) the selected beneficiaries or representatives of the communities shall, prior to receiving the SSR Vouchers: (i) sign an application form that will include an undertaking to carry out the activities in accordance with the Community Building Training Guide, Safeguards Instruments, and the applicable laws and regulations of the Recipient; and (ii) dispose of any Project related debris in accordance with paragraph (7) below.

(b) the SSR Voucher shall be used for purchase of building materials and construction services from Approved Suppliers or Approved Contractors;

(c) the SSR Vouchers shall be released to each respective beneficiary or community in tranches, with subsequent tranches issued upon approval of the works built under the earlier tranche by MOI building inspectors and the TF-PMU.

6. **Public Facilities Program**

To facilitate the carrying out of the public facilities program under Part 1(c) of the Project, the Recipient shall ensure that the public facilities program is carried out in accordance with the Project Operations Manual.

7. **Disposal of Debris**

To ensure proper implementation of Part 1(d) of the Project, the Recipient shall:

(a) require all households eligible for SSR Vouchers to collect and dispose of debris from their respective plots of land;
(b) ensure that all such debris removed in connection with the Project, is collected and disposed of by the said households in accordance with the Project Operations Manual, the EMP, and any applicable laws and regulations of the Recipient; and

(c) thereafter, remunerate each such household, in accordance with the terms and conditions set out in the Project Operations Manual, for the disposal of debris.

C. Anti-Corruption

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

D. Safeguards

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Safeguard Instruments.

2. If an ARAP would be required for any Project activities on the basis of the Resettlement Policy Framework, the Recipient shall ensure that: (a) said ARAP has been prepared in accordance with the requirements of the RPF, furnished to the Association for approval, and disclosed locally; and (b) no such activities shall commence until: (i) all measures required to be taken under said ARAP prior to the initiation of said activities have been taken including, unless otherwise agreed with the Association, payment in full of compensation to all Affected Persons prior to the commencement of any related works; (ii) a report, in form and substance satisfactory to the Association, on the status of compliance with the requirement of said ARAP has been prepared and furnished to the Association; and (iii) the Association has confirmed that said activities may be commenced.

3. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, in accordance with terms of reference satisfactory to the Association: (a) monitor the status of compliance with the Safeguards Instruments; and (b) prepare and furnish to the Association, as part of each Project Report, a report on the results of such monitoring activities during the period covered by said Project Report, giving details of:

(a) measures taken in furtherance of the EMP and ARAPs (as the case may be);

(b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the EMP and ARAPs (as the case may be); and
remedial measures taken or required to be taken to address such conditions.

4. The Recipient shall afford the Association a reasonable opportunity to review the reports prepared under paragraph 3 of this Part D, and thereafter shall carry out with due diligence all remedial measures agreed with the Association so as to ensure the proper implementation of the Project in accordance with the Safeguard Instruments.

5. Except as the Association shall otherwise agree in writing, the Recipient shall not amend or waive any provision of the Safeguard Instruments.

6. In the event of a conflict between any provision of the Safeguard Instruments and those of this Agreement, the provisions of this Agreement shall prevail.

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 forth in the Project Operations Manual. Each Project Report shall cover the period of one (1) 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, 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: (a) Shopping; (b) Direct Contracting; (c) Force Account; and (d) Community Participation procedures in accordance with the procedures included in the Project Operations Manual and the SSR Manual, which have been found acceptable to the Association.

C. **Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in
the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants’ Qualifications; (e) Single-source Selection; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. **Review by the Association of Procurement Decisions**

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

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

**A. General**

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

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Amount of the Grant 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, Training and Operating Costs for the Project</td>
<td>3,900,000</td>
<td>3,900,000</td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>3,900,000</td>
<td>3,900,000</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 this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 1,560,000 from the Grant and SDR 1,040,000 from the Credit may be made for payments made prior to this date but on or after January 12, 2014, for Eligible Expenditures.

2. The Closing Date is June 30, 2018.
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, 2024 to and including February 15, 2034</td>
<td>1%</td>
</tr>
<tr>
<td>commencing August 15, 2034 to and including February 15, 2054</td>
<td>2%</td>
</tr>
</tbody>
</table>

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

Section I. Definitions

1. “Abbreviated Resettlement Action Plan” or “ARAP” means a plan to be prepared by the Recipient pursuant to Section I.D of Schedule 2 to this Agreement, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and related assets under the Project, compensation, resettlement, and rehabilitation of Affected Persons, prepared in accordance with the provisions of the Resettlement Policy 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.

2. “Affected Persons” means a person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction to access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons; and “Affected Persons” means more than one Affected Person.


4. “Approved Contractors” means the services providers selected by the Recipient in accordance with the Procurement Guidelines and the Consultant Guidelines to provide goods and services pursuant to Part 1 of the Project.

5. “Approved Suppliers” means the goods providers selected by the Recipient in accordance with the Procurement Guidelines and the Consultant Guidelines to provide goods and services pursuant to Part 1 of the Project.


7. “Community Building Training Guide” means the Recipient’s training guide setting out appropriate methods for re-construction works (under Part 1 of the Project).

8. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
9. “Civil Society Forum” means the Civil Society Forum of Tonga (CSFT), a non-governmental organization established in 2001 to address and co-ordinate the needs and collective roles of civil society organizations.


11. “Environmental Management Plan” or “EMP” means the plan dated April 14, 2014, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental impacts of Project activities, offset them, reduce them, 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 annexes or schedules to such plan.


14. “GFDRR Grant” means an amount of at least one million eight hundred thousand Dollars ($1,800,000) to be provided by the GFDRR to assist in financing the Project.

15. “GFDRR Grant Agreement” means the agreement referred to in Section 4.01 of this Financing Agreement, to be entered into between the Recipient and the Association providing for the GFDRR Grant.

16. “Implementation Agencies” means the office of the governor for Ha’apai, MOI, MLECCNR, MIA and MOH.

17. “MOH” means the Recipient’s Ministry responsible for health, or any successor thereto.

18. “MIA” means the Recipient’s Ministry responsible for internal affairs, or any successor thereto.

19. “MLECCNR” means the Recipient’s Ministry of Lands, Environment, Climate Change and Natural Resources, or any successor thereto.

20. “MOI” means the Recipient’s Ministry of Infrastructure, or any successor thereto.
21. “Operating Costs” means incremental expenses incurred by the Recipient on account of the implementation, management, and monitoring and evaluation of the Project, based on the annual budgets approved by the Association, including rental of office space, bank charges, communications, utilities, stationery, vehicle operation, maintenance, and insurance, transportation costs, taxes incurred on overseas travel, and accommodations and allowances of the Implementation Agencies’ staff, taxes incurred during overseas travel, but excluding salaries, fees, honoraria, bonuses, and any other salary supplements of the Recipient’s civil servants.


23. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 15, 2014 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.

24. “Project Operations Manual” means the manual referred to in Section I.B of Schedule 2 to this Agreement, as the same may be amended and/or supplemented from time to time with the prior written agreement of the Association.

25. “Resettlement Policy Framework” or “RPF” means the framework, dated April 14, 2014, setting out mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to carry out acquisition of land and related assets under the Project, compensation, resettlement, and rehabilitation of Affected Persons, as well as guidelines and procedures for the preparation of Abbreviated Resettlement Action Plans, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such framework.

26. “Security of Occupancy” means a permit or agreement registered in accordance with the Recipient’s Land Act (Chapter 132), providing for security of occupation of the land for a period of not less than 30 years.


28. “Supported Self-Recovery Manual” or “SSR Manual” means the manual referred to in Section I.B.1 of Schedule 2 to this Agreement, as the same may be amended and/or supplemented from time to time with the prior written agreement of the Association.
29. "SSR Voucher" means the voucher referred to in Section I.B.5 of Schedule 2 to this Agreement, to be provided to beneficiaries or communities under Parts 1(b) and (c) of the Project.

30. "Task Force Group" means the group referred in Section I.A.1 of Schedule 2 to this Agreement.

31. "Task Force Project Management Unit" or "TF-PMU" means the unit established pursuant to Section I.A.4 of Schedule 2 to this Agreement, responsible..

32. "Training" means the reasonable costs of training under the Project, based on the annual budgets approved by the Association, and attributable to seminars, workshops, and study tours, along with domestic and international 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.

33. "Transport Sector Project Management Team" or "TSCP-PST" means the existing Project Support Team established in the MOI for administration, procurement, contract, and financial management of the Transport Sector Consolidation Project, Grant No.H4160.