Financing Agreement

(Rural Connectivity Project)

between

CENTRAL AFRICAN REPUBLIC

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated October 11, 2017
GRANT NUMBER D223-CF

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Dated ______________________ 2017
GRANT NUMBER D223-CF

FINANCING AGREEMENT

AGREEMENT dated ________________, 2017, entered into between the CENTRAL AFRICAN REPUBLIC ("Recipient") and the 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 grant in an amount equivalent to thirty-two million six hundred thousand Special Drawing Rights (SDR 32,600,000) ("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 Payment Dates are 15 March and 15 September in each year.

2.05. The Payment Currency is Euro.

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 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 Conditions of Effectiveness consist of the following:

(a) The Service Agreements, in form and substance satisfactory to the Association, have been executed on behalf of the Recipient and the Service Providers.

(b) The PIM has been adopted by the Recipient, in form and substance satisfactory to the Association.

(c) The Project Steering Committee has been established in form and substance satisfactory to the Association.

(d) The Technical Committees have been established in form and substance satisfactory to the Association.

4.02. The Additional Legal Matter consists of the following:

(a) The Service Agreements have been duly authorized or ratified by the Recipient and the Service Providers and are legally binding upon the Recipient and the Service Providers in accordance with their terms.

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

4.04. 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 fifteen (15) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient's Representative is its minister responsible for economy, planning and cooperation.
5.02. The Recipient's address is:

Ministry of Economy, Planning and Cooperation
Rue Martin Luther King
BP 696, Bangui
Central African Republic

Facsimile:
+236-21-619689

Email:
Cabinet@mepc-rca.org

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 Washington D.C., United States, as of the day and year first above written.

CENTRAL AFRICAN REPUBLIC

By:

Authorized Representative

Name: Felix Mulbuq

Title: Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION

By:

Authorized Representative

Name: Ahmadou M. Ndiaye

Title: Country Director
AGREED at __________________________, __________________________, as of the day and year first above written.

CENTRAL AFRICAN REPUBLIC

By: __________________________

Authorized Representative

Name: __________________________

Title: __________________________

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: __________________________

Authorized Representative

Name: __________________________

Title: __________________________
SCHEDULE 1

Project Description

The objective of the Project is to improve rural road connectivity to markets and social services, and in the event of an Eligible Crisis or Emergency, to provide an immediate and effective response.

The Project consists of the following parts:

1. **Rural Roads Rehabilitation and Maintenance**
   
   Rehabilitating and maintaining rural roads in two selected intervention areas in the North West and North East of the Recipient’s territory, as follows:

   1.1 North West Road Rehabilitation - improving a network of Targeted Rural Roads in the North West basin covering the Ouham and Ouham-Pende prefectures, Labor Intensive Public Works, community based road maintenance activities and the implementation of road safety measures.

   1.2 North East Road Rehabilitation - strengthening emergency works underway on the Kaga Bandoro-Ndele road, carrying out emergency works to the Ndele-Birao section of Route Nationale 8, Labor Intensive Public Works, community based road maintenance activities and the implementation of road safety measures.

2. **Project Implementation, Management and Monitoring**
   
   Support for Project implementation, management and monitoring, through capacity building for the PIU, including Technical Assistance, Training and Operating Costs of the PIU, as well as Project monitoring and evaluation costs and the hiring of a Supervising Entity.

3. **Resettlement**
   
   Provision of Resettlement Compensation, including: (a) cash compensation for land; (b) moving allowances; and (c) compensation for temporary income losses.

4. **Contingency Emergency Response**
   
   Providing an immediate and effective response to an Eligible Crisis or Emergency.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall, throughout Project implementation, maintain the following institutional arrangements, as further described in the Project Manual.

1. The Recipient shall vest overall responsibility for Project implementation in the MTPER.

2. Project Steering Committee

(a) The Recipient shall, throughout Project implementation, maintain a project steering committee (the “Project Steering Committee”) with composition, mandate and resources acceptable to the Association.

(b) The Project Steering Committee shall be chaired by MTPER.

(c) The Project Steering Committee shall be responsible for providing strategic oversight to the Project, ensuring coordination among Recipient government entities, approving Annual Work Plans and Budgets and monitoring Project implementation.

3. Technical Committees

(a) The Recipient shall, throughout Project implementation, maintain two technical committees (“the North-East Technical Committee” and “the North-West Technical Committee”) each with composition, mandate and resources acceptable to the Association.

(b) Each Technical Committee shall be chaired by the PIU.

(c) Each Technical Committee shall be responsible for formulating implementation modalities and coordinating the implementation of activities in the North-East Basin and North-West Basin of the territory of the Recipient, respectively.

4. PIU

(a) The Recipient shall, throughout Project implementation, maintain the MTPER Project Implementation Unit (“the PIU”) with composition, mandate and resources acceptable to the Association.
(b) The Recipient shall ensure that the PIU retains, at all times during Project implementation, the requisite staff, each with adequate terms of reference, qualifications and experience for the Project.

(c) The PIU shall be responsible for the day-to-day management of the Project and all technical aspects of Project activities, including preparation and costing of components, implementation and coordination of individual Project activities, establishing and maintaining links with the relevant government departments and other entities, including international partners as well as monitoring and evaluation ("M&E").

(d) The PIU shall include, inter alia: (i) a project coordinator; (ii) a financial management specialist; (iii) a social safeguards officer; (iv) an environmental safeguards officer; (v) a procurement officer; and (vi) an M&E officer.

(e) The PIU shall hire a Supervising Entity to monitor the quality of works and implementation of Safeguards Documents on all rehabilitation and maintenance activities under Part 1 of the Project and provide reports to both the PIU and the Association.

B. Contractual Arrangements

1. The Recipient shall, for the purposes of carrying out the Project, (a) enter into a Service Agreement ("Service Agreement") with each Service Provider, whose form and substance shall be satisfactory to the Association; (b) ensure that all Project activities to be undertaken by the Service Providers under the Service Agreements shall be carried out with due diligence and efficiency and in accordance with sound technical, financial, procurement and managerial standards and practices acceptable to the Association; and (c) exercise its rights and carry out its obligations under the Service Agreements in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

2. Each Service Agreement shall include the following provisions:

(a) The obligation of the Service Provider to:

   (i) carry out its activities under the Service Agreement with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association;
(ii) carry out its obligations under its Service Agreement in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing;

(iii) maintain policies and procedures, which are adequate to enable it to monitor and evaluate the progress of its activities carried out under the Service Agreement; and

(iv) 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 its activities carried out under the Service Agreement.

(b) The right of the Recipient and the Association to:

(i) request an audit of the financial statements of the Activities carried out under the Service Agreement by independent auditors acceptable to the Association in accordance with consistently applied auditing standards acceptable to the Association and the prompt transmission of the financial statements as so audited to the Recipient and the Association;

(ii) inspect the Activities carried out under the Service Agreement, and any relevant records and documents; and

(iii) obtain all such information as the Recipient or the Association shall reasonably request relating to the foregoing to be prepared and furnished to the Recipient and the Association.

3. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Service Agreement or any provision thereof, or permit to be assigned, amended, abrogated or waived the aforementioned or any provision thereof.

4. In case of any conflict between the terms of the Service Agreement and those of this Agreement, the terms of this Agreement shall prevail.

C. PIM

1. The Recipient shall adopt, and thereafter ensure that the Project is carried out in accordance with, the PIM.

2. The PIM shall contain detailed arrangements, procedures and mechanisms for: (a) institutional coordination and Project implementation; (b) the roles and responsibilities of all involvement stakeholders; (c) Project budgeting, accounting,
disbursement and financial management; (d) procurement; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for purposes of implementing the Project.

3. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate the PIM, or any provision thereof.

4. In the event of any conflict between the provisions of the PIM and those of this Agreement, the provisions of this Agreement shall prevail.

D. Annual Work Plans and Budget

1. Each year, the Recipient shall prepare a draft annual work plan and budget for the Project (including Training and Operating Costs) for each subsequent year of Project implementation, of such scope and detail as the Association shall reasonably request.

2. The Recipient shall furnish to the Association, not later than November 30 of each year, the annual work plans and budgets approved by the Strategic Committee for the Association's review and approval; except for the annual work plan and budget for the Project for the first year of Project implementation, which shall be furnished no later than one (1) month after the Effective Date. Only the activities included in an annual work plan and budget expressly approved by the Association (each an "Annual Work Plan and Budget") are eligible to be financed from the proceeds of the Financing.

3. Training shall be carried out on the basis of Annual Work Plans and Budgets, which shall, inter alia, identify: (a) particulars of the training envisaged; (b) the personnel to be trained; (c) the selection methods and criteria of the institution or individuals conducting such training; (d) the institution conducting such training if identified; (e) the purpose and justification for such training; (f) the location and duration of the proposed training; and (g) the estimate of the cost of such training.

4. The Recipient shall ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets.

5. The Recipient may revise an Annual Work Plan and Budget as needed during Project implementation subject to the Association's prior approval.

E. Anti-Corruption

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

1. The Recipient shall ensure that all terms of reference for any technical assistance or studies carried out under the Project are consistent with the Bank’s social and environmental safeguards policy requirements, as well as the Recipient’s own environmental and social laws and regulations.

2. The Recipient shall thereafter ensure that the Project shall be implemented in accordance with the guidelines, procedures, timetables and other specifications set forth in the Safeguards Documents.

3. The Recipient shall ensure that for each activity under the Project of a type for which the ESSAP provides that an ESMP or ESIA must be prepared:

(a) such ESMP or ESIA shall, within six (6) months of the Effective Date, be prepared, in form and substance satisfactory to the Association;

(b) such ESMP or ESIA shall be disclosed locally and on the Association’s website before the implementation of such activity, in accordance with the provisions of the ESSAP; and

(c) the relevant activity is implemented in accordance with the relevant ESIA or ESMP.

4. The Recipient shall ensure that for each activity of a type for which the ESSAP provides that a RAP must be prepared:

(a) such RAP shall, within six (6) months of the Effective Date, be prepared, in form and substance satisfactory to the Association (including, without limitation to the above, the provision of funds for resettlement compensation when and if required under said RAP);

(b) such RAP shall be disclosed locally and on the Association’s website before the implementation of such activity, in accordance with the provisions of the ESSAP; and

(c) the relevant activity is implemented in accordance with its RAP.

5. Except as the Association shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the Association, the Recipient shall not abrogate, amend, repeal, suspend or waive any provisions of any of the Safeguards Documents, nor shall it permit any other entity participating in the implementation of the Project to do so.

6. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall regularly collect, compile and submit to the Association, on a semi-
annual basis, reports on the status of compliance with the Safeguards Documents, giving details of: (a) measures taken in furtherance of the Safeguards Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Documents; and (c) remedial measures taken or required to be taken to address such conditions.

7. In the event that any provision of either the Safeguards Documents shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.

G. Labor Intensive Public Works

1. In order to carry out Part 1 of the Project, the Recipient shall cause the Service Providers to implement programs of Labor Intensive Public Works.

2. The Recipient shall ensure that each Service Provider, for the purpose of implementing Labor Intensive Public Works, enters into Temporary Employment Agreements with each Eligible Beneficiary, which shall include the following minimum conditions and such other terms and conditions as may be specified in the PIM:

(a) each Eligible Beneficiary shall be a minimum of 18 years of age;

(b) each Eligible Beneficiary shall receive a Stipend of a minimum of 1,500 FCFA per day; and

(c) each Eligible Beneficiary shall be permitted to work a maximum of 40 days over two (2) months.

2. The Recipient shall ensure that the Service Providers enter into Temporary Employment Agreements that are based upon the template included in the PIM.

3. The Recipient shall, through the Service Provider, ensure that each such Temporary Employment Agreement is carried out with due diligence and efficiency and in accordance with sound technical, financial, and managerial standards and practices acceptable to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to the Temporary Employment Agreement.

4. The Recipient shall, through the Service Provider, ensure that payment under each Temporary Employment Agreement is subject to a Verification Process satisfactory to the Association.
H. Contingency Emergency Response

In order to ensure the effective implementation of Part 4 of the Project, the Recipient shall take the following measures.

1. The Recipient shall:

(a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the Contingency Emergency Response ("CER"), including: (i) designation of terms of reference for, and resources to be allocated to, the entity to be responsible for coordinating and implementing the CER ("Coordinating Authority"); (ii) specific activities which may be included in the CER, Eligible Expenditures required thereunder ("Emergency Expenditures"), and any selection procedures for such inclusion; (iii) financial management arrangements for the CER; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CER; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social safeguards management frameworks for the CER, consistent with the Association’s policies on the matter; and (vii) any other arrangements necessary to ensure effective coordination and implementation of the CER;

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

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

(d) ensure that the CER is carried out in accordance with the CER Operations Manual; and

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

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

3. The Recipient shall not undertake any activities under the CER until the following conditions have been met:

(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 CER 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 CER 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 prior to the commencement of any activities.

4. In the event of any inconsistency between the provisions of the CER Operations Manual and 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. Each Project Report shall cover the period of one calendar semester, 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. 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, commencing with the fiscal year in which the first withdrawal was made under the Project. 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.

4. The Recipient shall, not later than three (3) months after the Effective Date, ensure that the PIU recruits, and thereafter retains, a senior accountant with qualifications and experience satisfactory to the Association.
5. The Recipient shall, not later than five (5) months after the Effective Date, ensure that the PIU recruits and thereafter retains, an external auditor with qualifications and experience satisfactory to the Association.

Section III. **Procurement**

All goods, works, non-consulting services and 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 the Procurement Regulations and the provisions of the Procurement Plan.

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 Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consulting services, non-consulting services, Technical Assistance, Training and Operating Costs, for the Project, except Stipends under Part 1 and Resettlement Costs under Part 3 of the Project</td>
<td>26,224,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Stipends under Part 1 of the Project</td>
<td>3,576,000</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.

   (b) under Category (4), unless and until the Association is satisfied that the following conditions have been met, and has notified the Recipient accordingly:

      (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include activities in the CER part of the Project 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 Documents required for activities in the CER part of the Project, and has implemented any actions required pursuant thereto, all in accordance with the provisions of Section I.F of Schedule 2 to this Agreement;

      (iii) the Recipient has ensured that the Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.H.2 of Schedule 2 to this Agreement, for the purposes of activities in the CER part of the Project; and

      (iv) the Recipient has adopted the CER Operations Manual, in form and substance acceptable to the Association, pursuant to Section 1.H.1 of Schedule 2 to this Agreement.

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| (3) Resettlement Compensation under Part 3 of the Project | 200,000 |
| (4) Emergency Expenditures under Part 4 of the Project | 0      |
| (5) Refund of Preparation Advance | 2,600,000 | Amount payable pursuant to Section 2.07 of the General Conditions |
| TOTAL AMOUNT | 32,600,000 |
2. The Closing Date is December 30, 2022.
APPENDIX

Definitions


4. “CER Operations Manual” means the operations manual referred to in Section I.H of Schedule 2 to this Agreement, to be adopted by the Recipient for the CER under the Project in accordance with the provisions of said Section.

5. “Coordinating Authority” means the entity or entities designated by the Recipient in the IRM Operations Manual and approved by the Association to be responsible for coordinating the IRM Part of the Project, pursuant to Section I.H.1 of Schedule 2 to this Agreement.

6. “Displaced Person” means persons who, on account of the execution of Part 1 of the Project suffer direct economic and social impacts resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; (iii) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; and (iv) adverse impacts on the livelihoods of the displaced persons.

7. “Eligible Beneficiary” means an individual selected to participate in the Labor Intensive Public Works, who is retained by a Service Provider for temporary employment under a Temporary Employment Agreement. “Eligible Beneficiaries” means, collectively, all such individuals.

8. “Eligible Crisis or Emergency” means an event such as a natural disaster involving a formal declaration of a national or regional state of emergency that has caused, or is likely to cause, a major adverse economic and/or social impact in the territory of the Recipient.

9. “Emergency Expenditure” means any of the Eligible Expenditures, including goods, works, non-consulting services, consultants’ services, Training, and Operating Costs, set forth in the CER Operations Manual in accordance with the provisions of Section I.G of Schedule 2 to this Agreement and required for the activities included in the CER under Part 3 of the Project.
“ESMP” means Environmental and Social Management Plan, the Recipient’s document prepared and disclosed, pursuant to the ESSAP, in accordance with Section 1.F.3 of Schedule 2 to this Agreement, with respect to an activity included under an Annual Work Program and Budget, that details: (a) the measures to be taken during the implementation and operation of such activity to eliminate or offset adverse environmental or social impacts, or to reduce them to acceptable levels, and (b) the actions needed to implement these measures.

“ESIA” means Environmental and Social Impact Assessment, the Recipient’s document prepared in accordance with the ESSAP assessing ex ante the environmental and social impacts of activities under the Project.

“ESSAP” means Environmental and Social Action Plan, the document prepared and disclosed by the Association to provide guidance on environmental and social safeguards in the processing of this emergency Project, consistent with paragraph 12 of OP/BP 10.00 on Projects in Situations of Urgent Need of Assistance or Capacity Constraints.


“Labor Intensive Public Works” means the activities referred to in Part 1 of the Project consisting of the maintenance of roads (e.g. vegetation clearing, debris removal, side drains cleaning, or minor surface repairs) and carried out using public works technology that maximizes opportunities for the employment of labor rather than machines.


“Operating Costs” means travel expenses, the cost of office supplies, repair and maintenance of office equipment, and the cost of utilities.

“PIM” means Project Implementation Manual.

“Preparation Advance” means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on January 11, 2017, and on behalf of the Recipient on February 7, 2017.

“Procurement Plan” means the Recipient’s procurement plan for the Project, dated June 9, 2017 and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Association.

21. PIU mean the Project Implementation Unit

22. "RAP" means Resettlement Action Plan, plan to be prepared and disclosed pursuant to the ESSAP, in accordance with Section 1.F.4 of Schedule 2 to this Agreement containing the modalities for resettlement and compensation of Displaced Persons under the Project, as the same may be amended from time to time with the agreement of the Association.

23. "Resettlement Compensation" means the financial compensation provided to Displaced Persons under the RAP.

24. "Safeguards Documents" means collectively the ESSAP, an ESMP, an ESIA, and a RAP.

25. "Service Agreement" means the agreement, described in Section I.B of Schedule 2 to this Agreement, to be concluded between the Recipient and each Service Provider for the purposes of implementing the Project.

26. "Service Providers" means AGETIP and UNOPS.

27. "Stipend" means the monetary remuneration paid by the Service Provider to an Eligible Beneficiary participating in the Labor Intensive Public Works Activities. "Stipends" means collectively all such monetary remunerations.

28. "Supervising Entity" means an independent body or firm contracted by the PIU to monitor the quality of works and implementation of safeguards on all rehabilitation and maintenance activities under Part 1 and will provide reports to both the PIU and the Association.

29. "Technical Assistance" means studies, training, or other consulting or non-consulting services intended to strengthen the technical capacities of the PIU or other entities involved in Project implementation.

30. "Temporary Employment Agreement" means a simple employment contract executed between a Service Provider and Eligible Beneficiaries governing the terms of such Eligible Beneficiaries employment under Part 1 of the Project, based on a template to be included in the PIM and to include all relevant criteria and procedures included in the PIM. Such a contract shall also include the Project’s Code of Conduct, which describes required behaviors on the work sites and provides information on the project’s GRM.

31. "Training" means the costs of: (i) reasonable expenditures for national and international travel, room and board and per diem expenditures incurred by trainers and trainees and by non-consultant training facilitators in connection with training provided under the Project; (ii) course fees; (iii) training facility rentals; (iv) training
material preparation, acquisition, reproduction, and distribution expenses; and (v) participating in national and international workshops and conferences.

32. "UNOPS" means United Nations Office for Project Service.

33. "Verification Process" means the process by which a Service Provider shall verify that an Eligible Beneficiary has completed a Worked Day and has been paid his or her Stipend in accordance with the terms of the Temporary Employment Agreement.

34. "Worked Day" means a day worked by an Eligible Beneficiary, verified by the Service Provider and paid for by the Project under a Temporary Employment Agreement.