Financing Agreement

(Integrated Dairy Productivity Improvement Project)

between

KYRGYZ REPUBLIC

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated August 10, 2017
FINANCING AGREEMENT

AGREEMENT dated August 10, 2017, entered into between KYRGYZ REPUBLIC ("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 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 one million seven hundred thousand Special Drawing Rights (SDR 1,700,000) ("Grant"); and  

(b) an amount equivalent to two million Special Drawing Rights (SDR 2,000,000) ("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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Payment Dates are March 15 and September 15 in each year.

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

2.07. The Payment Currency is Dollar.

**ARTICLE III — PROJECT**

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project, through its MAFIM and MoF, through ABCC and CLMU, 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, namely, that the Project Operational Manual shall have been amended, suspended, abrogated or waived so as to affect materially and adversely, in the opinion of the Association, the carrying out of the Project.

**ARTICLE V — EFFECTIVENESS; TERMINATION**

5.01. The Additional Condition of Effectiveness consists of the following:

    The Recipient shall have prepared and adopted the Project Operational Manual which shall include the Revolving Fund Operational Manual, both in a form and substance acceptable to the Association.

5.02. The Effectiveness Deadline is the date one hundred and eighty (180) days after the date of this Agreement.
5.03. 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 (20) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient’s Representative is its Minister of Finance.

6.02. The Recipient’s Address is:

Ministry of Finance
58 Erkindik Blvd.
Bishkek City, 720040
Kyrgyz Republic

Telex: 245-156 NUR KH  Facsimile: (996-312) 661645

6.03. The Association’s Address is:

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

Telex: 248423 (MCI)  Facsimile: 1-202-477-6391
AGREED at Bishkek, Kyrgyz Republic, as of the day and year first above written.

KYRGYZ REPUBLIC

By

Authorized Representative

Name: Adylbek Kasymaliev
Title: Ministry of Finance, Minister

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: [Name]
Title: [Title]
SCHEDULE 1

Project Description

The objective of the Project is to enhance dairy animal productivity and milk quality on Beneficiary Farms.

The Project consists of the following parts:

Part 1: Strengthening Public and Private Services in the Dairy Sector

(a) Improvement of public-private dialogue by organizing an inclusive dialogue process, involving key business associations, entrepreneurs, regional government bodies, regional governors and development partners; and implementation of social process to ensure strong awareness about the public-private dialog mechanism and agro-sector reforms among farmers.

(b) Support for cattle identification and registration through financing animal tags, tagging activities, means of communication for animal identifiers, and training of veterinarians in collection and storing the information in the database.

(c) Procurement of high quality semen straws to ensure early breeding improvement in the Project area.

(d) Establishment of veterinary-check points.

Part 2: On-farm Productivity Enhancement

Support for on-farm improvements with respect to:

(a) Fodder production and feeding management.

(b) Animal husbandry and farm management, including: (i) animal housing, general management and handling; (ii) animal health, farm hygiene and clean milk production; (iii) breeding management; and (iv) manure management.

(c) Milk collection, cooling and handling.

Part 3: Farm-level Investments

(a) Provision of Sub-financings to DBGs or DBG Members, as the case may be, to finance eligible Sub-projects aimed at: (i) addressing short-term needs to improve dairy animal productivity, such as financing for seeds,
fertilizer and other inputs for spring and winter planting and harvesting activities and animal feeding; or (ii) herd improvement and other productive assets improvement.

(b) Provision of technical assistance to DBGs, farmers, milk collection agents and dairy processors to enhance their awareness of, and their capacity to gain access to, existing financing programs.

**Part 4: Project Management**

Strengthening the ABCC’s and CLMU’s capacity for Project management, monitoring and evaluation, through provision of goods, consultants’ services, Training, and financing of Incremental Operating Costs.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. For the purposes of overall Project oversight and coordination the Recipient shall establish, not later than sixty (60) days after the Effective Date, and thereafter maintain until completion of the Project, a steering committee with the composition, terms of reference and resources adequate for the implementation of its functions.

2. The Recipient shall maintain, until completion of the Project, ABCC and CLMU, both with functions and responsibilities (including responsibility for Project management and fiduciary functions, and monitoring and evaluation), adequate funds, facilities, services and resources, and with competent staff, in adequate numbers, qualifications, and experience, all acceptable to the Association.

3. The Recipient, through ABCC and CLMU, shall: (a) adopt the Project Operational Manual, including the Revolving Fund Operational Manual, both satisfactory to the Association, and thereafter carry out the Project in accordance with the provisions set out in said Manuals; and (b) not amend, suspend, abrogate, repeal or waive any provision of said Manuals without the prior written approval of the Association, provided, however, that in case of any conflict between the provisions set out in the Project Operational Manual or the Revolving Fund Operational Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail.

4. Not later than sixty (60) days after the Effective Date, CLMU and ABCC shall update its accounting and financial reporting software in accordance with the technical requirements and specifications acceptable to the Association and set forth in the Project Operational Manual.

B. Anti-Corruption

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

C. Sub-projects

1. The Recipient, through CLMU, shall provide Sub-financings to DBGs or DBG Members individually or through their respective DBG in accordance with eligibility criteria and procedures acceptable to the Association, and set forth in the Revolving Fund Operational Manual.
2. The Recipient shall make each Sub-financing under a Sub-financing Agreement on terms and conditions approved by the Association, and set forth in the Revolving Fund Operational Manual, which shall include the following:

(a) The Sub-financing shall be (i) denominated and repayable in Soms; (ii) free of interest; and (iii) repayable over a period not exceeding three (3) years from the date of the Sub-financing Agreement.

(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 DBG or DBG Member, as the case may be, to use the proceeds of the Sub-financing, or declare to be immediately due and payable all or any part of the amount of the Sub-financing then withdrawn, upon the DBG or DBG Member's failure to perform any of its obligations under the Sub-financing Agreement; and (ii) require each DBG or DBG Member, as the case may be, to: (A) carry out its Sub-project 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 proceeds of the Financing other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Sub-financing in accordance with the provisions of this Agreement; (D) enable the Recipient and the Association to inspect the Sub-project activities and any relevant records and documents; and (E) 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 and carry out its obligations under each Sub-financing 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, the Recipient shall not assign, amend, abrogate or waive any Sub-financing Agreement or any of its provisions.

4. For the purposes of each Sub-project the respective DBG or DBG Member, as the case may be, shall prepare an investment plan specifying the purposes of the Sub-project, the activities to be financed by the Sub-financing, and all relevant technical, economic, financial, managerial, environmental and social standards and practices to be applied in the course of implementation of such activities. Each Sub-financing shall be provided to the DBG or the DBG Member, as the case may be, only upon approval of the respective investment plan by CLMU.
D. Safeguards

1. The Recipient shall: (a) implement the Project in accordance with the ESMF; and (b) not amend, suspend, abrogate, repeal or waive any provisions of the ESMF without the prior written approval of the Association.

2. If any activity under a Sub-project would require adoption of an EIA and/or EMP, the Recipient shall cause the respective DBG or the DBG Member, as the case may be: (a) to prepare and adopt such EIA and/or EMP, in accordance with requirements and procedures of the ESMF, prior to implementation of the activity; and (b) to implement the Sub-project in full compliance with the requirements of such EIA and/or EMP.

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 the 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 one month 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. 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) National Competitive Bidding, subject to the additional provisions set forth in the Annex to this Schedule 2; (b) Shopping; (c) Direct Contracting; and (d) Well-established Private Sector Procurement Methods or Commercial Practices 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 of consulting firms; (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.

E. Procurement of Incremental Operating Costs

Expenditures included in the Incremental Operating Costs category may be procured in accordance with the established administrative procedures of the Recipient acceptable to the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

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

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

<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</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services, Training and Incremental Operating Costs for the Project</td>
<td>1,140,000</td>
<td>1,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-financing under Part 3(a) of the Project</td>
<td>860,000</td>
<td></td>
<td>100%</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>2,000,000</td>
<td>1,700,000</td>
<td></td>
</tr>
</tbody>
</table>

### 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.

2. The Closing Date is December 31, 2020.
ANNEX TO SCHEDULE 2

Modifications to National Competitive Bidding Procedures

The procedure to be followed for National Competitive Bidding shall be the “Single-Stage Bidding” method set forth in the Public Procurement Law of the Recipient dated April 3, 2015 № 72 (the “PPL”) provided, however, that such procedure shall be subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of the Procurement Guidelines and the following additional provisions:

1. Procuring entities shall use the appropriate standard bidding documents, including forms of contract acceptable to the Association, which shall be prepared so as to ensure economy, efficiency, transparency and broad consistency with the provisions of Section I of the Procurement Guidelines.

2. The eligibility of bidders shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Association for reasons other than those provided in Section I of the Procurement Guidelines.

3. No restrictions in respect of eligibility to participate in bidding for contracts shall be placed on the basis of nationality of the bidder and/or the origin of goods other than those imposed by primary boycotts.

4. Foreign bidders shall be allowed to participate in National Competitive Bidding procedures without restrictions of any kind.

5. No preference of any kind shall be applied for domestic bidders and/or for domestically manufactured goods.

6. Bidding shall not be restricted to pre-registered firms, and foreign bidders shall not be required to be registered with local authorities as a prerequisite for submitting bids.

7. Foreign firms shall not be required to associate with a local partner in order to bid as a joint venture, and joint venture partners shall be jointly and severally liable for their obligations.

8. Government-owned enterprises in the Recipient’s territory shall be eligible to participate in bidding only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not dependent agencies of the Recipient or sub-recipient. Such enterprises shall be subject to the same bid and performance security requirements as other bidders.
9. Prequalification procedures acceptable to the Association shall be used for large, complex and/or specialized projects.

10. Bidders shall be given at least thirty (30) days from the date of the invitation to bid or the date of availability of bidding documents, whichever is later, to prepare and submit bids.


12. An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the expiration date and for a minimum period required to complete the evaluation or award a contract, but not to exceed thirty (30) days. No further extensions shall be requested without the prior concurrence of the Association.

13. Bids shall be opened in public, immediately after the deadline for their submission in accordance with procedures stated in the bidding documents. No bids should be rejected at bid opening unless they are late/submitted after the stipulated deadline.

14. Evaluation of bids shall be made in strict adherence to the quantifiable criteria declared in the bidding documents. Qualification criteria for bid evaluation shall be applied on a pass or fail basis. Evaluation criteria other than price shall be quantified in monetary terms.

15. Bids that are not substantially responsive to the technical specifications, contract conditions, or other critical requirements in the bidding documents shall be rejected.

16. Bid evaluations shall be confidential, and bidding committee meetings shall not be open to bidders and/or their representatives.

17. Post-qualification criteria shall only pertain to past contract performance, financial and technical capabilities of bidders.

18. Contracts shall be awarded to the bidder who submits the lowest-evaluated, substantially-responsive bid, and who is determined to be qualified to perform the contract in accordance with pre-defined and pre-disclosed evaluation criteria. No negotiation as to the price or substance of the bid shall take place.

19. If the procuring entity fails to conclude a contract with the lowest evaluated bidder, a contract may be awarded to the qualified bidder who is next ranked and whose bid is found substantially responsive. All bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Association’s prior concurrence.
20. Bidders shall be given at least twenty-eight (28) days from the receipt of notification of contract award to submit performance securities.

21. Each bidding document and contract financed out of the proceeds of the Financing shall include provisions stating the Association's policy to sanction firms or individuals, found to have engaged in fraud and/or corruption as defined in the paragraph 1.16(a) of the Procurement Guidelines. The Association will sanction a firm or an individual, at any time, in accordance with prevailing Association sanctions procedures, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded an Association-financed contract; and (ii) to be a nominated sub-contractor, consultant, supplier, or service provider of an otherwise eligible firm being awarded an Association-financed contract.

22. In accordance with the paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that bidders, suppliers and contractors, and their subcontractors, agents, personnel, consultants, service providers, or suppliers, shall permit the Association to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the Association. Acts intended to materially impede the exercise of the Association's inspection and audit rights provided for in the Procurement Guidelines constitute an obstructive practice as defined in the Procurement Guidelines.

23. Complaints related to the procurement process shall be handled in accordance with the provisions of the Procurement Guidelines.
### SCHEDULE 3

**Repayment Schedule**

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each March 15 and September 15 commencing March 15, 2023 to and including September 15, 2054</td>
<td>1.5625%</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. "ABCC" means the Agribusiness Competitiveness Center established pursuant to the Recipient’s Government Resolution No.873 dated November 11, 2004, or any successor thereto.


3. “Beneficiary Farm” means a farm in the Issyk-Kul Region of the Recipient selected for the purposes of the Project in accordance with the criteria and procedures set forth in the Project Operational Manual.

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

5. “CLMU” means the Credit Line Management Unit of the Ministry of Finance of the Recipient, or any successor thereto.


7. “DBG” means a dairy borrowing group consisting of DBG Members, established pursuant to a mutual agreement of its DBG Members under terms and conditions set forth in the Revolving Fund Operational Manual and in accordance with the Recipient’s legislation, as well as any entity as may be selected by the Recipient as a dairy borrowing group on the basis of eligibility criteria described in the Revolving Fund Operational Manual, for the purposes of facilitating the borrowing resources to its respective DBG Members, under Part 3 (a) of the Project for eligible Sub-projects, and “DBGs” means the plural thereof.

8. “DBG Member” means any of the members of a DBG, representing small-scale dairy farmers, milk collection agents, veterinarians and other eligible members, and “DBG Members” means the plural thereof.

9. “EIA” means a Sub-project specific Environmental Impact Assessment prepared by a respective DBG or a DBG Member, as the case may be, in accordance with the ESMF and identifying the potential environmental impacts of the Sub-project, evaluation of potential alternatives, as well as appropriate mitigation, management, and monitoring measures, satisfactory to the Association, and “EIAs” means the plural thereof.
10. “EMP” means a site specific environmental management plan, satisfactory to the Association, to be prepared by a respective DBG or a DBG Member, as the case may be, pursuant to the provisions of the ESMF, and “EMPs” means the plural thereof.

11. “ESMF” means the Environmental and Social Management Framework prepared and adopted by the Recipient for the purposes of the Project and disclosed in the Recipient’s country and in the Association’s Infoshop on March 8, 2016, which contains, inter alia, the analysis of both the Recipient’s legislation and regulations, and the Bank’s safeguard policies, that cover environmental and social assessment procedures and mitigation requirements for the Project, including Sub-projects, and provides details on procedures, criteria and responsibilities for Sub-projects screening, including EIAs and EMPs guidelines and checklist, and guidelines for chance findings of physical cultural property; as such framework may be amended from time to time with the Association’s prior approval.


13. “Incremental Operating Costs” means incremental costs incurred by ABCC and CLMU on account of the Project coordination, implementation and monitoring, including the costs of salaries and Social Charges for ABCC and CMLU staff (excluding salaries of the Recipient’s civil servants, and other miscellaneous costs directly associated with the Project implementation), including expenditures for vehicle operation and maintenance, office supplies and consumables, utilities, communication, translation and interpretation, bank charges, Project related travel, including per diem and accommodation, all based on periodic budgets acceptable to the Association.


15. “MoF” means the Recipient’s Ministry of Finance, or any successor thereto.


17. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated October 20, 2016 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.

18. “Project Operational Manual” or “POM” means the Project Operational Manual which shall include the Revolving Fund Operational Manual and shall be adopted
pursuant to Section 5.01 of this Agreement, as the same may be amended from time to time with the Association’s prior written concurrence.

19. “Revolving Fund Operational Manual” means the manual, included in the POM as its integral part, with sets forth eligibility criteria, terms, conditions and procedures for the selection of Sub-projects and provision of Sub-financings under Part 3 (a) of the Project, as the same may be amended from time to time with the Association’s prior written concurrence.

20. “Social Charges” means any payments or contributions for health benefits, unemployment benefits, disability insurance, workers’ compensation benefits, retirement (pension or social security) benefits, and life insurance, or any other benefits according to the Recipient’s legislation.

21. “Som” means the lawful currency of the Recipient, and “Soms” means the plural thereof.

22. “Sub-financing” means a part of the Financing provided or proposed to be provided to a DBG or a DBG Member individually or through its respective DBG, as the case may be, to finance an eligible Sub-project in accordance with eligibility criteria and procedures acceptable to the Association, and set forth in the Revolving Fund Operational Manual.

23. “Sub-financing Agreement” means an agreement executed or to be executed between MoF and a DBG or a DBG Member, as the case may be, for the purposes of provision of a Sub-financing pursuant to Part C of Section I of Schedule 2 to this Agreement.

24. “Sub-project” means a set of investment activities selected or proposed to be selected for financing under Part 3 (a) of the Project in accordance with eligibility criteria and procedures acceptable to the Association, and set forth in the Revolving Fund Operational Manual.

25. “Training” means Project related expenditures for study tours, training courses, seminars, workshops and other training activities, not included under goods or service providers’ contracts, including costs of training materials, space and equipment rental, travel, per diem costs of trainees, and trainers’ fees, all based on an annual budget agreed with the Association.