Financing Agreement

(Additional Financing for the Agricultural Diversification and Market Development Project and Amendment to the Original Financing Agreement)

between

BURKINA FASO

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 1, 2014
FINANCING AGREEMENT

Agreement dated July 1, 2014, entered into between BURKINA FASO ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement).

WHEREAS (A) under an agreement dated June 22, 2006, between the Association and the Recipient, as amended ("the Original Financing Agreement"), the Association agreed to provide to the Recipient a credit in an amount equivalent to forty six millions Special Drawing Rights (SDR 46,000,000) to assist in financing the Agricultural Diversification and Market Development Project described in Schedule I to the Original Financing Agreement;

(B) the Recipient has requested the Association to provide additional financial assistance to scale up the activities described in the Original Financing Agreement by increasing the amount made available under the said agreement; and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing to extend such additional assistance to the Recipient (a) upon the terms and conditions set forth in this Agreement; and (b) the amendments to the Original Project in Section II of the Appendix to this Agreement;

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, in the Original Financing Agreement, or in the Appendix to this Agreement.
ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to thirty two million four hundred thousand Special Drawing Rights (SDR 32,400,000) (variously, “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).

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

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

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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%).

2.05. The Payment Dates are February 1 and August 1 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 Euro.

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 MASA in accordance with the provisions of Article IV of the General Conditions.

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

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

4.02. For purposes of Section 8.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Recipient’s Representative is the Minister of the Recipient at the time responsible for finance.

5.02. The Recipient’s Address is:

Minister of Economy and Finance
Ministry of Economy and Finance
03 BP 7050
Ouagadougou 03
Burkina Faso

Cable: SEEGOOUV
Telex: 5555
Facsimile: (226) 50-31-27-15

5.03. The Association’s Address is:

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

Cable: INDEVAS
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: 1-202-477-6391
AGREED at Ouagadougou, Burkina Faso, as of the day and year first above written.

BURKINA FASO

By

Authorized Representative

Name: Lucien Marie Noel Bambamba
Title: Minister of Economy and Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Mercy Miyang Tombok
Title: Country Manager for Burkina Faso
SCHEDULE 1

Project Description

The objective of the Project is to increase the competitiveness of selected agricultural sub-sectors that target national, sub-regional and international markets, thereby contributing to shared agricultural growth on the Recipient’s territory.

The Project consists of the Original Project, and the description of the Project in Schedule 1 to the Original Financing Agreement is incorporated in this Schedule 1 to the Agreement.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional and Implementation Arrangements.

1. The provisions of Sections 1.1, 1.2 and 1.4 of Schedule 2 to the Original Financing Agreement are incorporated herein and apply to this Agreement, *mutatis mutandis*, and the Recipient hereby undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement.

2. The Recipient shall, within three (3) months of the Effective Date:
   (a) update (i) the Project Manual of Financial, Accounting and Administrative Procedures by, *inter alia*, including therein detailed procedures for the management of Sub-projects, all in a manner acceptable to the Association; and (ii) the Project Implementation Manual.
   (b) employ a qualified internal auditor for the Project Coordination Unit whose terms of reference shall be satisfactory to the Association; and
   (c) employ two (2) additional accountants for the Project Coordination Unit whose terms of reference shall be satisfactory to the Association.

3. The Recipient shall, within three (3) months of the Effective Date:
   (a) enter into a partnership agreement with the *Maison de l’Entreprise du Burkina Faso* pursuant to which the *Maison de l’Entreprise du Burkina Faso* shall provide advisory services to small and medium enterprises involved in the carrying out of a Sub-project in the areas of, *inter alia*, development of business plans, training, and access to financing and to markets;
   (b) enter into a memorandum of understanding with, *inter alia*, each of the Ecobank, the Coris Bank and the Orabank pursuant to which the latter institutions shall finance micro enterprises and small and medium enterprises;
   (c) extend the term of its existing agreement with SOFIGIB;
(d) establish a pool of experts in the field of management of enterprises to support the preparation of micro-projects and the establishment of new micro-enterprises, and to provide advisory support to promoters;

(e) enter into a memorandum of understanding with the Secretariat Permanent of Coordination of Rural Sector Policy to ensure inter-sectorial coordination of the implementation of policy reforms;

(f) enter into suitable arrangements with qualified technical experts pursuant to which said experts shall carry out the technical evaluation of Sub-projects;

(g) enter into a memorandum of understanding with the directorate(s) of MASA and MEAHA for the monitoring of the implementation of irrigation and market infrastructures; and

(h) establish local/decentralized regional branch offices of Project Coordination Unit, with terms of reference and resources acceptable to the Association, supported by qualified and experienced staff in adequate numbers, including, in each office, two (2) specialists in micro-enterprises to coordinate the pool of advisors and oversee the quality of the preparation and monitoring of micro-projects, and an infrastructure specialist in charge of irrigation and market infrastructure development.

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. A Matching Grant shall be eligible for financing out of the proceeds of the Financing if the corresponding proposal for the Sub-project has been prepared and submitted, and the review of the proposal and award of the Matching Grant has been undertaken in accordance with the guidelines, procedures and selection criteria set forth in the Project Implementation Manual.

2. The Recipient shall make each Matching Grant under a Matching Grant Agreement with the respective Beneficiary, on terms and conditions approved by the Association, using the template for such agreement included in the Project Implementation Manual, which shall include the following terms and conditions:

(a) the Matching Grant shall be denominated in CFA; and
(b) the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to:

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

(ii) require each Beneficiary to:

(A) carry out its 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 loan proceeds 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 Matching Grant in accordance with the provisions of this Agreement;

(D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives;

(E) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project; and (2) at the Association’s or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;
enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and

prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.

3. The Recipient shall exercise its rights under each Matching Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Matching Grant Agreement or any of its provisions.

D. Safeguards.

1. The Recipient shall carry out the Project in accordance with the Environment and Social Management Plan, the Pest Management Plan, the Resettlement Policy Framework and any and all Resettlement Plans.

2. Whenever a Resettlement Plan shall be required for any Project activity in accordance with the provisions of the Resettlement Policy Framework, the Recipient shall:

(a) prior to the commencement of such activity, proceed to have such Resettlement Plan: (i) prepared in accordance with the provisions of the Resettlement Policy Framework; (ii) furnished to the Association for review and approval; and (iii) thereafter adopted and disclosed as approved by the Association, in a manner acceptable to the Association; and

(b) thereafter, take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such Resettlement Plan.

3. The Recipient shall not amend, suspend or waive the Environment and Social Management Plan, the Pest Management Plan, the Resettlement Policy Framework or any provision thereof unless the Association has provided its prior approval thereof in writing, and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

4. Without limitation on its other reporting obligations under this Agreement, the Recipient shall collect, compile and submit to the Association on an annual basis (or such other frequency as may be agreed with the Association) consolidated reports on the status of compliance with the Environment and Social
Management Plan, the Pest Management Plan, the Resettlement Policy Framework, and each Resettlement Plan, if any, giving details of: (a) measures taken in furtherance of the said instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

5. In the event of any conflict between the provisions of any of the Environment and Social Management Plan, the Pest Management Plan, the Resettlement Policy Framework or any Resettlement Plan, and the provisions of this Agreement, those of this Agreement shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of one (1) 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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (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 the Procurement Guidelines, or Consultant Guidelines, as the case may be.

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

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

2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding subject to the following additional provisions: the Recipient shall use the Association's standard bidding documents or other bidding documents which shall have been found acceptable to the Association prior to their use</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Community participation in procurement</td>
</tr>
</tbody>
</table>

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

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

2. **Other Methods of Procurement of Consultants' Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection,
which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

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

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

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

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

A. **General**

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

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Credit Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, non-consulting services, consultants' services,</td>
<td>20,200,000</td>
<td>100%</td>
</tr>
<tr>
<td>Operating Costs and Training for the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(2) Matching Grants</td>
<td>12,200,000</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>32,400,000</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 20,000 SDR equivalent may be made for payments made prior to this date but on or after April 17, 2014 for Eligible Expenditures.

2. The Closing Date is June 30, 2016.
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 August 1 and February 1:</td>
<td></td>
</tr>
<tr>
<td>Commencing August 2024 to and including February 1, 2034</td>
<td>1%</td>
</tr>
<tr>
<td>Commencing August 1, 2034 to and including February 1, 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

I. Definitions


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

3. "CFA" means the West African franc.


6. "Displaced Persons" means persons who, on account of the involuntary taking of land and other assets as part of the execution of the Project resulting in a direct economic and social adverse impact, whether or not said Displaced Persons must physically relocate, had or would have their: (i) standard of living adversely affected; (ii) right, title, interest in any house, land (including premises, agricultural and grazing land) or any other physical asset acquired or possessed, temporarily or permanently, adversely affected; (iii) access to productive assets adversely affected, temporarily or permanently; or (iv) business, occupation, work or place of residence or habitat adversely affected; and “Displaced Person” means any of the Displaced Persons.


8. "Environment and Social Management Plan" means the Recipient’s report entitled Etude d’Impact Environnemental et Social and dated January 2006 prepared for the Original Project and updated on March 12, 2014, acceptable to the Association, which sets out the environmental protection measures in respect of the Project, as well as administrative and monitoring arrangements to ensure the implementation of said plan, as said plan may be revised from time to time with the agreement of the Association.


11. "MEAHA" means the Recipient’s Ministry of Water, Hydraulic Planning and Sanitation (Ministère de l'Eau, des Aménagements Hydrauliques et de l'Assainissement), or any successor thereto.

12. "Orabank" means the Orabank Burkina immatriculated in the Commerce Register of Burkina Faso (RCCM) on February 24, 2014 No. BFOUA 2014 B966 or any successor thereto.

13. “Original Financing Agreement” means the financing agreement for an Agricultural Diversification and Market Development Project between the Recipient and the Association, dated June 22, 2006, as amended to the date of this Agreement (Credit No 4195-BUR).

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

15. “Pest Management Plan” means the Recipient’s report entitled Plan de Gestion des Pestes et des Pesticides, dated January 2006, prepared for the Original Project and updated on March 12, 2014, acceptable to the Association, setting forth, inter alia, the assessment of pest management in the Project Area and potential environmental impacts under the Project, recommendations for mitigation of adverse impacts and enhancement of positive impacts based on such assessment, including supporting an integrated approach to pest management focusing, inter alia, on the safe use of agricultural pesticides, non-chemical approaches to pest control, and guidelines for the use of appropriate chemicals, and sets out capacity building measures and monitoring and evaluation procedures, as such plan may be amended from time to time with the prior agreement of the Association.


17. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 17, 2014 and referred to in paragraph 1.18 of the Procurement Plan.
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 Implementation Manual” means the Recipient’s manual for the Original Project to be updated pursuant to Section I.A.2(a) of Schedule 2 to this Agreement.

19. “Project Manual of Financial, Accounting and Administrative Procedures” means the manual for the Original Project to be updated pursuant to Section I.A.2(a) of Schedule 2 to this Agreement which manual includes the Recipient’s guidelines and procedures satisfactory to the Association to be used for the purpose of implementing the Project, including in the areas of administrative, financial management, procurement, monitoring and evaluation, coordination, support eligibility, social and environment, and other provisions related to the institutional organization, as such guidelines and procedures may be amended from time to time in agreement with the Association, and such term includes any schedule to the Project Implementation Manual.

20. “Resettlement Plan” means a resettlement action plan, acceptable to the Association, prepared in accordance with the Resettlement Policy Framework, which sets out the principles and procedures governing the acquisition of land and other assets, and the resettlement, compensation and rehabilitation of Displaced Persons on account of the execution of the Project, as well as monitoring and reporting arrangements to ensure compliance with said plan, as the same may be revised from time to time with the prior agreement of the Association; and “Resettlement Plans means all of said plans.

21. “Resettlement Policy Framework” means the Recipient’s report entitled Plan Cadre de Recasement/Réinstallation and dated January 2006 prepared for the Original Project and updated on March 12, 2014 acceptable to the Association, which sets forth the principles and procedures satisfactory to the Association, governing measures and actions to be taken during the implementation of the Project for the provision of compensation, rehabilitation and resettlement assistance to Displaced Persons, as such framework may be amended from time to time with the prior agreement of the Association.

22. “Secretariat Permanent of Coordination of Rural Sector Policy” means the secretariat comprising representatives of all the Recipient’s ministries active in the rural sector and leads the coordination of the Recipient’s agricultural policy or any successor thereto.

23. “SOFIGIB” means the Société financière de garantie interbancaire du Burkina created on January 6, 2006 by certain financial institutions of the Recipient whose vocation includes facilitating access to credit for very small, small and
medium enterprises and industries through the provision of guaranties to financial institutions extending credit to said enterprises and industries.

II. Amendments to the Original Financing Agreement

1. Section 1.1 of Schedule 2 to the Original Financing Agreement is amended by replacing “Ministry of Agriculture, Water resources and Fisheries (Ministère de l’Agriculture, de l’Hydraulique et des Ressources Halieutiques) (the "MAWRF")” by “MASA”.

2. The Original Financing Agreement is amended by replacing the words “matching grant” throughout the Agreement by the words “Matching Grants”.

3. The table in Section III.B.2. of Schedule 2 is amended by:

   (a) replacing the words “Community Investments” appearing in said table by the words “Community participation in procurement” in paragraph (d); and

   (b) deleting paragraph (e).

4. The Appendix to the Original Financing Agreement is amended by replacing the definitions of Consultant Guidelines and Procurement Guidelines by the following definitions:


5. The Appendix to the Original Financing Agreement is amended by inserting the following definitions in alphabetical order:

   “Beneficiary” means a group of producers or an individual producer, a promoter or other individual who receives a Matching Grant; and “Beneficiaries” means more than one Beneficiary.

   “MASA” means the Recipient’s Ministry of Agriculture and Food Security (Ministère de l’agriculture et de la sécurité alimentaire) or any successor thereto.

   “Matching Grants” means grants provided to Beneficiaries for Subprojects; and Matching Grant means any one of the said grants.
"Operating Costs" means the reasonable cost of goods and non-consulting services required for the day-to-day implementation of the Project, incurred by the Recipient (which expenditures would not have been incurred absent the Project), including consumable materials and supplies, communications services (postage, telephone and internet), media and printing services, translation and interpretation services, office space rental and utilities, leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises, fuel costs, bank and insurance charges required for the Project, administrative support staff, and Project staff travel, lodging and per diems, but excluding salaries (including bonuses, fees and honoraria or equivalent payments) of officials of the Recipient’s civil service.

"Project Coordination Unit" means the Project coordination unit referred to in Section I.1(b) of Schedule 2 of this Agreement which has been established by the Recipient within MASA or any successor thereto.

"Regional Micro-Project Selection Committees" means the committees responsible for approving Subprojects and "Regional Micro-Project Selection Committee" means any of said committees.

"Sub-project" means a micro-project prepared and submitted by a group or an individual for an activity concerning vegetal production, livestock or small scale irrigation.

"Steering Committee" means the committee referred to in Section 1.1(a) of Schedule 2 of this Agreement, or any successor thereto.

"Training" means training, workshops, conferences, study tours, fellowships and scholarships conducted in the territory of the Recipient and abroad, including the reasonable and necessary incremental expenditures incurred on account of organizing or attending learning and knowledge dissemination events, including, fees for educational institutions; fees and allowances for resource persons; travel, board and lodging for resource persons and trainees; logistics and materials associated with conferences, seminars, workshops, study tours, fellowships and scholarships; and other training costs directly associated with the Project but excluding: (a) any costs provided through consulting services contract; and (b) salaries (including bonuses, fees and honoraria or equivalent payments) of officials of the Recipient’s civil service.