

**OFFICIAL
DOCUMENTS**

CREDIT NUMBER 5830-NE

Financing Agreement

(Climate-Smart Agriculture Support Project)

between

REPUBLIC OF NIGER

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 21, 2016

CREDIT NUMBER 5830-NE

FINANCING AGREEMENT

AGREEMENT dated June 21, 2016, entered into between REPUBLIC OF NIGER (“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 — CREDIT

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to seventy eight million eight hundred thousand Special Drawing Rights (SDR 78,800,000) (“Credit” or “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 Credit 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 Credit 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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 February 15 and August 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is 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 the MoA 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 one hundred twenty (120) 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 twenty (20) years after the date of this Agreement.

ARTICLE V— REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its minister responsible for planning.
- 5.02. The Recipient's Address is:

Ministère du Plan
B.P. 862
Niamey
Republic of Niger

- 5.03. The Association's Address is:

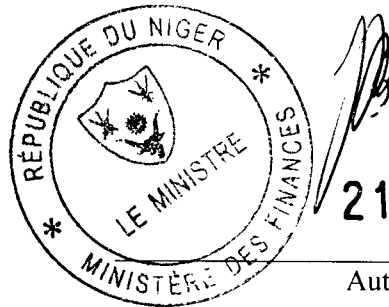
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Telex:	Facsimile:
248423 (MCI)	1-202-477-6391

AGREED at Niamey, Republic of Niger, as of the day and year first above written.

REPUBLIC OF NIGER

By



Authorized Representative

Name: Saidou Sidibé

Title: Minister of Finance

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative

Name: Paul Noumba Um

Title: Country Director for Niger

SCHEDULE 1

Project Description

The objectives of the Project are: (i) to enhance adaptation to climate risks; (ii) to improve agricultural productivity among the Targeted Communities; and (iii) in the event of an Eligible Crisis or Emergency, to provide immediate and effective response to said Eligible Crisis or Emergency.

The Project consists of the following parts:

Part A: Investments for Scaling up Climate-Smart Agriculture

Implementing integrated packages of practices that contribute to CSA's triple outcomes, at scale, by investing at both the commune and private levels, in particular:

1. Provision of grants, Training and technical assistance for CSA communal-integrated Sub-projects, including the preparation of the ICSIP, aimed to create conditions for private investment dedicated to, *inter alia*: (i) improving soil fertility and water management for rainfed crops; (ii) water control and increase in small and medium scale irrigated; (iii) support for livestock integration; (iv) improved market access, and (v) improved agroforestry and natural resource management.
2. Support the inclusive enterprise development for sustainability of CSA through:
 - (i) providing Matching Grants for Sub-projects aiming to compensate for suitable term and investment finance and to stimulate investment activity for: (a) rainfed production systems; (b) irrigation; (c) livestock integration; (d) agro-processing; and (e) input delivery; and
 - (ii) providing business development services support for the Matching Grants Beneficiaries to: (a) build pipeline of potential applicants and provide support to Matching Grants Beneficiaries in refinement of the Matching Grant Sub-project proposal; (b) facilitate access to finance; (c) provide management trainings for Matching Grants Beneficiaries; (d) organize technical trainings with specialized technical institutions; (e) provide technical backstopping and management support to Matching Grants Beneficiaries over a pre-agreed period; and (f) monitoring and evaluation, and reporting.

Part B: Innovative Practices and Improved Service Delivery for Mainstreaming Climate-Smart Agriculture

Providing support for adoption of practices and sustained investments to achieve the triple outcomes of CSA by focusing on improved service delivery by national and local institutions and improving the functioning of the entire service delivery value chain, in particular, through:

1. Technology transfer through Farmer Field School (FFS) Approach to: (i) identify the needs for technology transfer through the development of the Integrated Climate Smart Investment Plans at the commune level; (ii) contract with national and international research institutions to identify and adapt technical packages to address the agricultural sector specific needs; (iii) provide capacity building support, goods and technical assistance to facilitate the first generation of FFS and innovation platform; (iv) development of an institutional set up for the long-terms sustainability of FFS and innovation platform.
2. Improving farmers' access to agricultural related information in particular through: (i) support for commune-level weather forecast and advisory; and (ii) strengthening information delivery to farmers.
3. Support to national institutions for improved service delivery and policy dialogue.
4. Supporting innovation for agriculture development through: (a) piloting of e-vouchers for agricultural input distribution for vulnerable populations in selected communes; and (b) piloting the use of remote sensing, application for monitoring crop performance.

Part C: Contingent Emergency Response

Providing immediate response to an Eligible Crisis or Emergency, as needed.

Part D: Project Coordination and Management

1. Project coordination, management, monitoring and evaluation, including: (i) the operation of the PIU and five RSUs; (ii) establishment and operation of the PSC; and (iii) coordinated implementation support and services provided by national technical entities, consultants, and research institutes.
2. Monitoring and evaluation (M&E), communication, and knowledge production and sharing.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall maintain the following implementation arrangements, as further described in the Project Implementation Manual, throughout the implementation of the Project:

1. The Project Steering Committee

(a) The PSC shall be responsible for the overall strategic guidance and oversight of the Project, in particular: (i) review and approve the Annual Work Plan and Budget prepared by the PIU; (ii) review technical and financial reports, evaluation reports, financial audits, and any other relevant or strategic document for project management; (iii) ensure the consistency of Project activities with the expected objectives; (iv) facilitate coordination of Project activities with various entities involved in implementation; and (v) make recommendations for mitigation of any risk/obstacle to Project implementation.

(b) The Project Steering Committee shall have membership, functions, staffing and resources satisfactory to the Association.

2. The Project Implementation Unit

The Recipient shall maintain throughout the Project implementation the PIU with functions, staffing and resources satisfactory to the Association. The PIU shall be responsible for Project management and implementation, including fiduciary aspects (internal control, procurement, disbursements, accounting, reporting, monitoring and evaluation) and technical coordination.

3. The Regional Approval Committees and the Regional Support Units

(a) For purposes of implementing activities under Parts A.1 and A.2 of the Project, the Recipient shall maintain, throughout the Project implementation, five (5) CRAPs supported by five (5) RSUs in the regions of Tilaberi, Dosso, Tahoua, Maradi and Zinder, each with functions, staffing and resources satisfactory to the Association.

- (b) Without limitation upon the provisions of subparagraph (a) immediately above, the CRAP shall, *inter alia*: (i) check the eligibility of CSA Communal-Integrated Sub-projects and the Matching Grant Sub-projects according to the PIM; (ii) ensure consistency of the CSA communal-integrated Sub-projects and the Matching Grant Sub-projects with the Communal Development Plan and national, regional, or departmental environmental policies; and (iii) ensure technical quality and compliance with the Project's objectives.
- (c) Without limitation upon the provisions of subparagraph (a) above, the RSUs shall to provide support to the Project implementation at the regional level, in particular: (i) screen the applications for CSA communal-integrated Sub-projects and the Matching Grant Sub-projects, and (ii) provide support to CRAPs. Each RSU shall include, *inter alia*, the following staff: (i) a field support coordinator; (ii) a M&E assistant; (iii) a procurement assistant; and (iv) an accountant assistant.

B. Project Manuals

- (a) The Recipient shall ensure that, throughout the implementation of the Project, the Project shall be carried out in accordance with the provisions of the Project Manuals. Without limitation to the foregoing provision, in case of discrepancy or inconsistency between this Agreement on one hand and the Project Manuals on the other hand, the provisions of this Agreement shall prevail.
- (b) Except with the prior written consent of the Association, the Recipient shall not amend or waive any provision of the Project Manuals, in a manner which, in the opinion of the Association, could have a material adverse impact on the implementation of the Project.

C. Anti-Corruption

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

D. Subsidiary Agreements

- 1. To facilitate the carrying out of Part A.2.(i) of the Project, the Recipient, through PIU, shall enter into agreements with payment agencies ("Payment Agency"), under terms and conditions satisfactory to the Association ("Subsidiary Agreement").

2. The Recipient shall obtain rights adequate to protect its interests and those of the Association, which shall include the following:
 - A. The Recipient shall have the right to suspend or terminate the right of the Payment Agency to use the proceeds of the Financing, or obtain a refund of all or any part of the amount of the Financing, then withdrawn, upon the Payment Agency's failure to perform any of its obligations under the Subsidiary Agreement; and
 - B. Each Payment Agency shall be required to: (1) carry out or cause its Part of the Project to be carried out, 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: (a) the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient; and (b) the Safeguard Instruments, including, if applicable, the Supplemental Social and Environmental Safeguard Instrument for any Project activities is required, all measures required to be taken pursuant to such plan prior to the commencement of works are taken as required; (2) provide, promptly as needed, the resources required for the purpose; (3) procure the goods, works and services to be financed out of the Financing in accordance with the provisions of this Agreement; (4) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of its Part of the Project and the achievement of the Project objective; (5) (a) 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 Part of the Project; and (b) 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, but not later than six (6) months after the end of the fiscal year; (6) enable the Recipient and the Association to inspect its Part of the Project, its operation and any relevant records and documents; and (7) 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 the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing, and, except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive, or

permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

E. Matching Grant Sub-projects

For the implementation of Part A.2 (i) of the Project, the Recipient, through a Payment Agency, shall make Matching Grants to Matching Grants Beneficiaries for the financing of Matching Grant Sub-projects in each case in accordance with eligibility criteria and procedures acceptable to the Association, all as set forth in the Project Implementation Manual.

F. CSA Communal-Integrated Sub-projects

1. Terms and conditions for the CSA Communal-Integrated Sub-projects

(a) To facilitate the carrying out of the activities under Part A.1 of the Project, the Recipient, through PIU, shall make part of the proceeds of the Financing allocated from time to time to Category (1) of the table set forth in Section IV.A.2 of this Schedule available to the Targeted *Communes* on a non-reimbursable basis under a contract between the PIU and Targeted *Communes* (“Sub-project Agreement”) under terms and conditions approved by the Association, as further described in the Project Implementation Manual, which shall include, *inter alia*, the following:

(i) The Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (1) suspend or terminate the right of the Targeted *Commune* to use the proceeds of the Financing or obtain a refund of all or any part of the amount of the Financing then withdrawn upon the Targeted *Commune*’s failure to perform any of its obligations under the respective Sub-project Agreement; and (2) require each Targeted *Commune* to: (A) carry out the activities under its respective Sub-project 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, including in accordance with: (AA) the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; and (BB) the Safeguard Instruments, including, if applicable, the Supplemental Social and Environmental Safeguard Instrument for any Project activities is required, all measures required to be taken pursuant to such plan prior to the commencement of works are taken as required; (B) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the activities under respective

Sub-project Agreement and the achievement of its objectives; (C) (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 activities of the respective Sub-project Agreement; 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; (D) procure goods, works and services to be financed out of the Financing in accordance with the provisions of the Agreement; (E) enable the Recipient and the Association to inspect the activities under the Sub-project Agreement, and any relevant records and documents; and (F) 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.

- (ii) The Recipient shall exercise its rights under each Sub-project 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-project Agreement or any of its provisions.
- (b) The Recipient, through PIU, shall ensure that the Targeted *Communes* carry out their respective Sub-project Agreements in accordance with financial management, procurement and environmental and social management systems acceptable to the Association which are designed to ensure that:
- (i) the Financing proceeds are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and
 - (ii) the actual and potential adverse environmental and social impacts of the Targeted *Commune*'s respective Sub-project Agreement are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.

2. Eligibility Criteria and Procedures for CSA Communal-Integrated Sub-projects

No proposed CSA Communal-Integrated Sub-project shall be eligible for financing under a grant out of the proceeds of the Financing unless the Targeted *Commune* has determined, on the basis of an appraisal it has conducted in accordance with this Section and the guidelines set forth in the Project Implementation Manual and the Safeguard Instruments, that the relevant CSA Communal-Integrated Sub-project satisfies the eligibility criteria specified in more detail in the Project Implementation Manual and the Safeguard Instruments, which shall include, *inter alia*, the following:

- (i) the proposed CSA Communal-Integrated Sub-project is compatible with the Recipient's sector policies and standards, as applicable, as confirmed by the results of a technical appraisal by the relevant decentralized technical services of the Recipient;
- (ii) the proposed CSA Communal-Integrated Sub-project is presented for financing under a grant by a Targeted *Commune* which meets the eligibility criteria specified in the Project Implementation Manual;
- (iii) the proposed CSA Communal-Integrated Sub-project shall be for activities such as, but not limited to, the following : (A) socio-economic activities; (B) income generating activities; and (C) land and natural resource management activities, as further detailed in the Project Implementation Manual;
- (iv) the financial or in-kind contribution of the Targeted *Commune* to the investment cost of each proposed CSA Communal-Integrated Sub-project shall not exceed the amount of \$40,000 equivalent, except as previously agreed with the Association;
- (v) the financing of the proposed CSA Communal-Integrated Sub-project shall be fully covered by the sum of the grant (whether it is funded from proceeds of the Financing only), the additional Recipient's contribution, if any, and Targeted *Commune's* contribution; and
- (vi) the proposed CSA Communal-Integrated Sub-project shall comply with the financial, procurement, and environment guidelines and procedures set forth or referred to in the Project Manuals and the Safeguard Instruments.

G. Safeguards

1. The Recipient shall implement the Project in accordance with the relevant Safeguards Instruments, and, to that end, shall:
 - (a) if any activity under the Project would require the adoption of any Supplemental Social and Environmental Safeguard Instrument:
 - (i) prepare: (A) such Supplemental Social and Environmental Safeguard Instrument in accordance with applicable ESMF and RPF; (B) furnish such Supplemental Social and Environmental Safeguard Instrument to the Association for review and approval; and (C) thereafter adopt such Supplemental Social and Environmental Safeguard Instrument prior to implementation of the activity; and
 - (ii) thereafter take such measures as shall be necessary or appropriate to ensure full compliance with the requirements of such Supplemental Social and Environmental Safeguard Instrument; and
 - (b) if any activity under the Project would involve Affected Persons: (i) to ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before resettlement mitigation measures under a Resettlement Action Plan prepared pursuant to the requirements of the RPF, including, in the case of displacement, full payment to Affected Persons of compensation and provision of other assistance required for relocation, have been implemented; and (ii) to provide from its own resources, any financing required for any measures under sub-paragraph (i) above, including any costs associated with land acquisition required for the Project.
2. In the event that any provision of the Safeguard Instruments shall conflict with any provision under this Agreement, the terms of this Agreement shall prevail.

H. Annual Work Plans and Budgets

1. Not later than November 30 in each calendar year, the Recipient shall, for the purpose of forwarding to the Association, submit an annual work plan and budget for the Project (including Training and Operating Costs) for the subsequent calendar year of Project, of such scope and detail as the Association shall have reasonably requested, such plan to include an implementation schedule and budget and financing plan.

2. The Recipient shall afford the Association a reasonable opportunity to review such draft annual work plan and budget, and thereafter shall carry out such annual work plan and budget during such subsequent calendar year as shall have been approved by the Association (“Annual Work Plan and Budgets”). Only those activities that are included in an Annual Work Plan and Budget shall be eligible for financing out of the proceeds of the Financing.
3. The Recipient shall ensure that the Project is carried out in accordance with the Annual Work Plans and Budgets.
4. Annual Work Plans and Budgets may be revised as needed during Project implementation subject to the Association’s prior written approval.

I. Immediate Response Mechanism

In order to ensure the proper implementation of Part C of the Project (“Contingent Emergency Response”) (“IRM Part”), the Recipient, through the MoA, 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 IRM Part, including: (i) designation of, terms of reference for and resources to be allocated to, the entity to be responsible for coordinating and implementing the IRM Part (“Coordinating Authority”); (ii) specific activities which may be included in the IRM Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the IRM Part; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the IRM Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social safeguard management frameworks for the IRM Part, consistent with the Association’s policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the IRM Part;
 - (b) afford the Association a reasonable opportunity to review said proposed operations manual;
 - (c) promptly adopt such operations manual for the IRM Part as shall have been approved by the Association (“IRM Operations Manual”);

- (d) ensure that the IRM Part is carried out in accordance with the IRM Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the IRM Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
 - (e) not amend, suspend, abrogate, repeal or waive any provision of the IRM Operations Manual without prior approval by the Association.
- 2. The Recipient shall, throughout the implementation of the IRM Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.
- 3. The Recipient shall undertake no activities under the IRM Part (and no activities shall be included in the IRM Part) unless and until the following conditions have been met in respect of said activities:
 - (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the IRM Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;
 - (b) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the IRM 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.

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 set forth in the PIM 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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.
4. The Recipient shall: (i) acquire and install, and thereafter maintain through the Project implementation, accounting software acceptable to the Association not later than three (3) months after the Effective Date; (ii) recruit an external auditor whose qualifications, experience and terms of reference shall be acceptable to the Association, not later than six (6) months after Effective Date.

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 Credit 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 Credit 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.

dx

SA

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) Limited International Bidding; (b) National Competitive Bidding subject to the additional provisions provided in section 3 below; (c) Shopping; (d) procurement under Framework Agreements in accordance with procedures which have been found acceptable to the Association; (e) Direct Contracting; (f) Force Account; (g) Procurement from FAO; (h) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; and (i) Community Participation procedures which have been found acceptable to the Association.

3. **Additional Provisions for NCB.** The Additional Provisions for National Competitive Bidding are as follows:
 - (a) Each bidding document and contract financed out of the proceeds of the Financing shall provide that: (A) the bidders, suppliers, contractors, and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Association, at its request, to inspect all accounts, records and other documents relating to the submission of bids and contract performance, and to have said accounts and records audited by auditors appointed by the Association; and (B) the deliberate and material violation of such provision may amount to an obstructive practice as defined in paragraph 1.16 (a)(v) of the Procurement Guidelines.
 - (b) Invitations to bid shall be advertised in national newspapers with wide circulation.
 - (c) The bid evaluation, qualification of bidders, and contract award criteria shall be clearly indicated in the bidding documents.
 - (d) Bidders shall be given adequate response time (at least four weeks) to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later.
 - (e) Eligible bidders, including foreign bidders, shall be allowed to participate.
 - (f) No domestic preference shall be given to domestic contractors and to domestically manufactured goods.
 - (g) Bids are awarded to the bidder with the lowest bid evaluated provided this bidder is qualified.



17

- (h) Fees charged for the bidding documents shall be reasonable and reflect only the cost of their printing and delivery to prospective bidders, and shall not be so high as to discourage qualified bidders.

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) Well-established Private Sector Procurement Methods or Commercial Practices which have been found acceptable to the Association; (g) Selection of FAO; (h) Selection of consultants under Indefinite Delivery Contract or Price Agreement; (i) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (j) 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 Emergency Expenditures under the IRM Part of the Project

Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for the IRM Part of the Project shall be procured in accordance with the procurement methods and procedures set forth in the IRM Operations Manual.

Section IV. Withdrawal of the Proceeds of the Financing

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 Credit ("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:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) CSA Communal-Integrated Sub-projects under Part A.1 of the Project	34,100,000	100% of amounts disbursed
(2) Matching Grants Sub-projects under Part A.2 (i) of the Project	7,100,000	100% of amounts disbursed
(3) Goods, works, non-consulting services, consultants' services, Training and Operating Costs under the Project	37,600,000	100%
(4) Emergency Expenditures under Part C of the Project	0	100%
TOTAL AMOUNT	78,800,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
- (a) for payments made prior to the date of this Agreement; or
 - (b) under Category (4), for Emergency Expenditures under Part C of the Project, unless and until the Association is satisfied, and notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:
 - (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the IRM Part in order to respond to said Eligible

Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;

- (ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said instruments, all in accordance with the provisions of Section I.I of Schedule 2 to this Agreement;
- (iii) the Recipient's Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.I of this Schedule 2 to this Agreement, for the purposes of said activities; and
- (iv) the Recipient has adopted an IRM Operations Manual in form, substance and manner acceptable to the Association and the provisions of the IRM Operations Manual remain - or have been updated in accordance with the provisions of Section I.I of this Schedule 2 so as to be - appropriate for the inclusion and implementation of said activities under the IRM Part.

2. The Closing Date is December 31, 2022.

d

B

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 15 and August 15, commencing August 15, 2022, to and including February 15, 2054	1.5625%

* 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.

d n

APPENDIX

Definitions

1. “Administrative, Financial and Accounting Procedures Manual” means the manual prepared and adopted by the Recipient on April 20, 2016, in form and substance satisfactory to the Association, containing financial, administrative and accounting guidelines and procedures applicable to the Project, as such manual may be amended from time to time with the prior written agreement of the Association.
2. “Affected Person” means a person who as a result of: (i) the involuntary taking of land under the Project is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas suffers adverse impacts on his or her livelihood.
3. “Annual Work Plan and Budgets” means the annual work plan and budget for the Project, as prepared by the Recipient and approved by the Association in accordance with the provisions of Section I.H of Schedule 2 to this Agreement.
4. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011.
5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
6. “Communal Development Plan” (*Plan de développement communal*) means a multi-annual plan prepared by a Targeted *Commune* in accordance with the Recipient’s law no. 2002-012 of June 11, 2002.
7. “*Commune*” means a territorial and administrative subdivision within a Region (as hereinafter defined) as defined by the Recipient’s Law no. 2002-012 of June 11, 2002, and created by the Recipient’s Law no. 2002-014 of June 11, 2002.
8. “Community” means a group of socially cohesive local populations in the Communes.
9. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).

10. “Coordinating Authority” means the entity or entities designated by the Recipient in the IRM Operations Manual and approved by the Association pursuant to Section I.I of Schedule 2 to this Agreement, to be responsible for coordinating the IRM Part of the Project.
11. “CSA” means Climate-Smart Agriculture.
12. “CSA Communal-Integrated Sub-project” means set of activities financed under grants extended to Targeted *Communes* under Part A.1 of the Project.
13. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
14. “Emergency Expenditures” means any of the Eligible Expenditures set forth in the IRM Operations Manual in accordance with the provisions of Section I.I of Schedule 2 to this Agreement and required for the activities included in the IRM Part of the Project.
15. “Environmental and Social Management Framework” or “ESMF”, a document in form and substance acceptable to the Association prepared and approved by the Recipient on January 27, 2016, and published by the Recipient on March 15, 2016, and on InfoShop on March 17, 2016, detailing: (a) the measures to be taken during the implementation and operation of the Project to eliminate or offset adverse environmental and social impacts, or to reduce them to acceptable levels, and (b) the actions needed to implement these measures, including monitoring and institution strengthening.
16. “Environmental and Social Management Plan” or “ESMP” means an environmental and social management plan to be prepared by the Recipient in accordance with the parameters and requirements laid down in the ESMF, and acceptable to the Association, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the Project to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement such measures.
17. “FAO” means Food and Agriculture Organization.
18. “Farmers Field School Approach” or “FFS Approach” means a group-based learning process.
19. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010.



20. “Integrated Climate Smart Investment Plan” or “ICISP” means an integrated climate-smart investment plan developed, for the purposes of a CSA communal-integrated Sub-project, by the local authorities at the communal level in a participatory and inclusive manner with the support of local technical services and private providers (NGOs) to be contracted under the Project and in accordance with the guidelines described in the Project Implementation Manual.
21. “Immediate Response Mechanism Operations Manual” or “IRM Operations Manual” each means the operations manual referred to in Section I.I of this Agreement, to be adopted by the Recipient for the IRM Part of the Project in accordance with the provisions of said Section.
22. “Integrated Pest and Pesticide Management Plan” or “IPPMP” means an integrated pest and pesticide management plan prepared and approved by the Recipient on January 27, 2016, and published by the Recipient on March 15, 2016, and on InfoShop on March 17, 2016, that includes: (i) a survey of local bio-pesticides and agronomic technical practices to reduce the impacts of pests on agriculture value chains in project areas; (ii) appropriate actions to reduce farmers’ groups’ exposure to pesticides used in agricultural production systems; (iii) guidelines to be adopted on the possibility of agrochemical application and disposal; (iv) training sessions to strengthen the capacity of different actors (farmers, local vendors, regional agricultural agents, etc.) on the proper use, storage, and disposal of agrochemical products; and (v) a coherent budget available in the Project financing.
23. “IRM Part of the Project” and “IRM Part” each means Part C of the Project.
24. “Matching Grant Sub-project” means a grant made or proposed to be made by the Recipient to a Matching Grant Beneficiary out of the proceeds of the Financing for the purpose of financing a Matching Grant Sub-project implemented or to be implemented by a Beneficiary under Part A.2(i) of the Project.
25. “Matching Grant” means a grant made or proposed to be made by the Recipient to a Matching Grant Beneficiary out of the proceeds of the Financing for the purpose of financing a Matching Grant Sub-project.
26. “Matching Grant Agreement” means an agreement entered into between the Recipient and a Matching Grant Beneficiary for the provision of a Matching Grant.
27. “Matching Grants Beneficiary” means a person eligible to receive a Matching Grant, to whom the Recipient has provided, or proposes to provide, a Matching Grant in accordance with the guidelines and procedures described in the Project Implementation Manual, pursuant to a Matching Grant Agreement.
28. “MoA” means the Recipient’s Ministry of Agriculture or any successor thereto.

29. “National Coordination Unit” means the unit to be established by the Recipient in accordance with the provisions of Section I.A.2(a) of Schedule 2 to this Agreement, including *inter alia*: (i) a Project coordinator; (ii) an operations manager; (iii) five (5) field support coordinators; (iv) an administrative and financial specialist; (v) a principal accountant; (vi) an accountant; (vii) a procurement specialist; (viii) a communication officer (ix) a monitoring and evaluation officer (x) an environmental safeguards and natural resource management specialist (xi) a social safeguards and gender specialist (xii) a community development and capacity building specialist (xiii) a matching grant specialist (xiv) a CSA specialist (xv) a matching grant specialist (xvi) five (5) regional monitoring and evaluation assistants (xvii) five (5) regional procurement assistants (xviii) five (5) regional accountant assistants (xix) a principal internal auditor and (xx) a junior internal auditor, all with terms of reference, qualifications and experience acceptable to the Association.
30. “NGO” means non-governmental organization.
31. “Operating Costs” means incremental expenses incurred by the PIU, based on the Annual Work Plans and Budgets as approved by the Association, on account of Project implementation, management, and monitoring and evaluation, including the reasonable costs for utilities and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, equipment maintenance, travel and supervision, office rental and salaries of contractual and temporary staff, but excluding salaries, fees, honorariums and bonus of members of the Recipient’s civil service.
32. “Payment Agency” means the agency to carry out the activities under Part A.1(i) of the Project, including procurement, financial management, quality control, and implementation of applicable safeguards instruments under the Project, and to be selected by the Recipient on the basis of eligibility and performance criteria described in the PIM.
33. “Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).
34. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 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.
35. “Project Implementation Manual” or “PIM” means the Recipient’s guidelines and procedures, in form and substance satisfactory to the Association, adopted by the Recipient on March 15, 2016, and used for the purpose of implementing the Project, including in the areas of monitoring and evaluation, coordination, social

and environmental safeguards, guidelines and instructions for grants and Matching Grants, and other provisions related to the institutional organization, as such guidelines and procedures may be amended from time to time with the prior written agreement of the Association, and such term includes any schedule to the Project Implementation Manual.

36. “Project Implementation Unit” means: (i) the TFCU with functions, staffing and resources satisfactory to the Association until a National Coordination Unit is established with staffing, resources and mandate acceptable to the Association; and (ii) a National Coordination Unit replacing the TFCU.
37. “Project Manuals” means, collectively, the Administrative, Financial and Accounting Procedures Manual and the Project Implementation Manual.
38. “Project Steering Committee” or “PSC” means the committee established by the Recipient pursuant to the Recipient’s *Arrêté* no.048 MAG/SG/DEP dated April 1, 2016, or such other committee, with attributions, composition and resources satisfactory to the Association, as shall have been previously agreed in writing by the Association.
39. “Region” means each of the eight administrative regions of the Recipient’s territory established by law no. 2002-012 of June 11, 2002.
40. “Regional Approval Committees” or “CRAP” means the committees established by the Recipient under the Third Community Action Program Support Project financed through the Financing Agreement between the Republic of Niger and the International Development Association dated June 7, 2013, (Grant H855-NE) and in accordance with Section I.A.3 of this Agreement.
41. “Resettlement Action Plan” or “RAP” means a resettlement action plan to be prepared by the Recipient in accordance with the parameters and requirements laid down in the RPF, and acceptable to the Association, for compensation, resettlement and rehabilitation of Project Affected Persons, as such plan may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to each of the resettlement action plan.
42. “Resettlement Policy Framework” or “RPF” means the Resettlement Policy Framework finalized approved by the Recipient on January 27, 2016, and published by the Recipient on March 15, 2016, and at the Association Infoshop on March 17, 2016, which includes the policies and procedures to be implemented in the event that specific activities implemented under the Project have a potentially negative impact on the livelihoods, assets and land of the affected population, as said framework may be amended and/or supplemented from time to time with the prior written agreement of the Association.

43. “Regional Support Unit” or “RSU” means each of the regional support units established by the Recipient through the Recipient’s *Arrêté* no.049 MAG/SG/DEP dated April 1, 2016, and pursuant to Part D.1 (i) of Schedule 1 of this Agreement in the Dosso, Maradi, Tahoua, Tillaberi, and Zinder region in the Recipient’s territory.
44. “Safeguards Instruments” means IPPMP, ESMF, RPF, and any Supplemental Social and Environmental Safeguard Instruments.
45. “Sub-project Agreement” or “Sub-Project Agreements” means an agreement entered into between the Recipient and a Targeted *Commune* for the provision of a grant under Part A.1 of the Project.
46. “Subsidiary Agreement” agreement between the Recipient, through TFCU and each Payment Agency for the purpose of implementing the Project as referred to in Section I.D of Schedule 2 to this Agreement.
47. “Supplemental Social and Environmental Safeguard Instrument” means any ESMP, RAP or other supplemental social and environmental safeguard instrument as may be required under the terms of the ESMF or RPF.
48. “Targeted Communities” means the communities from Targeted *Communes*, located in the bioclimatic zone between 400 mm and 600 mm, highly vulnerable to food insecurity but with huge potential for increasing agro-pastoral productivity and building resilience of agro-silvo-pastoral systems within the regions of Dosso, Maradi, Tahoua, Tillabery and Zinder of the territory of the Recipient, selected or to be selected based on the eligibility criteria described in the Project Implementation Manual, and “Targeted Community” means any of them.
49. “Targeted *Communes*” means the set of *Communes* within the regions of Dosso, Maradi, Tahoua, Tillabery and Zinder of the territory of the Recipient selected to participate in the Project on the eligibility criteria and list of communes described in the Project Implementation Manual, and “Targeted *Commune*” means any of them.
50. “Technical and Fiduciary Coordination Unit” or “TFCU” means the unit established by the Recipient under Agro-Sylvo-Pastoral Exports and Markets Development Project between the Recipient and the Association, dated April 24, 2009, as amended to the date of this Agreement (Credit No. 4552-NE).
51. “Training” means the expenses incurred by the Recipient in connection with seminars, workshops, conference and study tours, and costs associated with such activity, including travel and subsistence costs for Training participants, costs of securing the services of trainers, rental of Training facilities, preparation and

reproduction of Training materials and other costs directly related to course preparation and implementation.

d

10 -