OFFICIAL DOCUMENTS

GRANT NUMBER E1150-TD

Financing Agreement

(West Africa Food System Resilience Program Phase 2 under the Multi-Phase Programmatic Approach)

between

REPUBLIC OF CHAD

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER E1150-TD

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF CHAD ("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) apply to and form 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 a grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to seventy seven million eight hundred thousand Special Drawing Rights (SDR 77,800,000) ("Financing"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Payment Dates are March 15 and September 15 in each year.
- 2.05. The Payment Currency is Euro.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objectives of the Project and the MPA Program. To this end, the Recipient shall carry out the Project (except Part 3.1(c)(ii)) in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

4.01. The Additional Events of Suspension consist of the following:

- (a) the CILSS Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the CILSS to perform any of its obligations under the CILSS Financing Agreement;
- (b) the CORAF Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the CORAF to perform any of its obligations under the CORAF Financing Agreement;
- (c) the ECOWAS Revised Treaty has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the ECOWAS to perform any of its obligations under the ECOWAS Financing Agreement; and
- (d) the security situation in any Project implementation area has deteriorated or escalated so as to affect materially and adversely the ability of the Recipient or any of its agencies to carry out any part of the Project.
- 4.02. The Additional Event of Acceleration consists of the following, namely, that any event specified in paragraphs (a), (b), (c) or (d) of Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) the Recipient shall have expanded the scope of: (i) the National Steering Committee; and (ii) UCTF, including the recruitment of one financial management specialist, one senior accountant and one additional accountant, with terms of reference, qualifications and experience satisfactory to the Association; to include this Project, in accordance with Section I.A.3.(a) and Section I.A.1.(b) of Schedule 2 to this Agreement respectively, both with functions, compositions, terms of reference, resources and staffing satisfactory to the Association; and
 - (b) the Recipient shall have adopted the PIM, in form and substance satisfactory to the Association, and in accordance with Section I.B.1. of Schedule 2 to this Agreement.
- 5.02. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (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 Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Recipient's Representative is its minister responsible for economy, development planning and international co-operation.
- 6.02. For purposes of Section 11.01 of the General Conditions:

(a) the Recipient's address is:

Ministry of Economy and Development Planning and International Cooperation B.P. 286 N'Djamena Republic of Chad; and

(b) the Recipient's Electronic Address is:

Facsimile:

(+235) 22 51 51 85 or (+235) 22 51 45 87

6.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association's address is:

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

(b) the Association's Electronic Address is:

Telex: Facsimile:

248423 (MCI)

1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF CHAD

By

Authorized Representative Batrows Krista Name: Title: Ministre de la Pusipentive Éconsindque Date: 16 Octobre 2022 - tomation Date: 16 Octob

INTERNATIONAL DEVELOPMENT ASSOCIATION

Вy

rthorized Representative Name: Boutheina Guermazi Title: Director Regional Intograhm Date: 16 Octobre 2022

SCHEDULE 1

Project Description

The objective of the Project is to increase preparedness against food insecurity and improve the resilience of food systems in Participating Countries.

The Project constitutes Phase 2 of the MPA Program and consists of the following parts:

Part 1. Digital Advisory Services for Agriculture and Food Crisis Prevention and Management

- 1.1 Implementing the following program of activities designed to upgrade food crisis prevention and monitoring systems:
 - (a) Improve national capacities for delivery of reliable information services on vulnerability, nutrition and food security through ECOWAS' *Cadre Harmonisé* and agriculture regional information systems, by, *inter alia*:
 - (i) strengthening information and communication technology infrastructure, data collection, as well as technical capacity at the national level, making data available to all actors in the region;
 - (ii) developing decision support tools and methods for improved, user-targeted agro-advisory services, and early warning and response services for food security; and
 - (iii) introducing innovative technologies for data collection, integration and analysis.
 - (b) Reorganize and improve national pest and disease monitoring and management mechanisms, by, *inter alia*:
 - (i) strengthening phytosanitary data collection and sharing;
 - (ii) developing and operationalizing harmonized phytosanitary data management and forecasting systems;
 - (iii) capacity-building to strengthen skills, including policy and regulatory as needed, in surveillance, data analysis and forecasting; and
 - (iv) training on pest management, disaster risk and good agricultural practices.

- (c) Strengthen regional collaboration for food crisis prevention by, *inter alia*:
 - promoting collaboration and information exchange between regional and national entities by establishing thematic regional working groups and organizing joint capacity-building and events; and
 - (ii) implementing data policies based on open access principles to build the value of data related to agriculture, food security, vulnerability and hydromet services.
- 1.2 Implementing the following program of activities designed to strengthen digital hydromet and agro-advisory services for farmers:
 - (a) Improve the production of climate, hydromet, agromet and impact-based information for use by decision-makers, farmers, pastoralists and other actors in the food system by, *inter alia*:
 - (i) augmenting national hydromet infrastructure and technical capacities, including the use of big data, artificial intelligence and other innovative forecasting digital tools;
 - streamlining the chain of information across regional, national and sub-national levels so as to develop cost-effective regional information systems;
 - (iii) ensuring maximum utility of existing infrastructure and services;
 - (iv) enhancing cooperation between public and private hydromet and agromet service providers;
 - (v) supporting targeted capacity building and Training; and
 - (vi) in the Republic of Chad, developing long-term strategic orientations for the meteorological and the rural development agencies.
 - (b) Support timely delivery and use of essential agro-hydrometeorological information to key users by, *inter alia*, development of multimodal communication channels, supporting co-development of services by users, and targeted outreach.
 - (c) Strengthen the financial and institutional sustainability of national and regional institutions providing climate, hydromet and agromet information by, *inter alia*:

- (i) developing and implementing strategies for long-term financial and institutional sustainability, including technical assistance to leverage public-private agromet and hydromet data collection;
- (ii) creating policy environment conducive to collaboration between the public, private and academic sectors;
- (iii) facilitating open access to relevant hydrological and meteorological data and basic services; and
- (iv) leveraging state-of-the-art technologies and new business models.

Part 2: Sustainability and Adaptive Capacity of the Food System's Productive Base

- 2.1 Implementing the following program of activities designed to consolidate regional agriculture innovation systems:
 - (a) Strengthen the National Centers of Specialization and Regional Centers of Excellence by, *inter alia*:
 - (i) consolidation of National Centers of Specialization and Regional Centers of Excellence; and
 - (ii) investments in capacity improvements, adaptive research and provision of scholarships and Training for undergraduate, graduate and/or PhD level education at the national level, including works and related equipment.
 - (b) Deepen and expand regional research and development networks by, *inter alia*:
 - (i) undertaking regional networking and capacity building activities, including technology exchanges; and
 - (ii) investments in linkages with international research centers, undertaking strategic studies and planning, priority research and exchange of researchers, as well as knowledge sharing and communication.
 - (c) Modernize national extension services by, *inter alia*:
 - (i) investments in modern approaches to extension services, including select relevant tools for e-extension and digital agriculture and facilitate their adoption, improved agricultural extension strategies and/or Training; and

- (ii) upgrading extension services delivery at the national level.
- (d) Promoting technology access and exchange, including *inter alia*: (i) value chain innovation platforms, mechanization services, upgraded national seed systems and soil fertility management capacities, and related outreach; and (ii) rehabilitation of relevant infrastructure.
- 2.2 Implementing the following program of activities designed to strengthen regional food security through integrated landscape management:
 - (a) Establish a participatory integrated landscape management system by, *inter alia*:
 - (i) development of integrated landscape management plans by landscape stakeholders; and
 - (ii) establishment and operationalization of landscape committees and implementation by said committees of said integrated landscape management plans.
 - (b) Enhance the resilience of ecosystem and food system in priority landscapes by, *inter alia*: (i) financing of Sub-Projects; and (ii) additionally for the Republic of Chad, Matching Grants to prepare and invest in integrated landscape management plans, and support to sustainable land and pasture management.
 - (c) Secure resilient ecosystem and food system beyond priority landscapes by, *inter alia*, provision of Matching Grants in the targeted landscapes; and financing of technical assistance, capacity-building, development of business plans, Training and equipment required for the purpose.

Part 3. Regional Food Market Integration and Trade

- 3.1 Implementing the following program of activities designed to facilitate trade across key corridors and consolidate food reserve systems:
 - (a) Develop and implement an ECOWAS agricultural trade and market scorecard mechanism to track national implementation of regional policies and regulations, as well as implement the ECOWAS trade liberalization scheme and ECOWAP.
 - (b) Encourage harmonization of agricultural regional trade policies on critical food system resilience, including reforms on sanitary and phytosanitary standards for food safety and compliance, as well as related outreach and capacity-building.

- (c) Improve the performance of the regional food security reserve to respond to crises, design sustainable mechanisms for financing food storage and crisis management systems as well as providing direct support to the first, second and/or third lines of food security defense through technical assistance and Training for the purpose, including: (i) review and upgrade of storage facilities; and (ii) additionally in Sierra Leone, support to establish a national food reserve authority.
- 3.2 Implementing the following program of activities designed to support the development of strategic and regional value chains:
 - (a) Strengthen value chain organization and financing by, *inter alia*, Participating Countries' provision of Matching Grants to eligible productive alliances to facilitate access to financing, or financing of eligible activities relevant to value chain entrepreneurs to enhance their integration into regional markets, as well as provision of capacity-building support.
 - (b) Support agricultural competitiveness and market access infrastructure by, inter alia: (i) strengthening the capacity of national institutions for development of standards and regulations for improved product quality, sanitary and phytosanitary services, certifications, traceability and quality control and regional agricultural trade digital platforms; (ii) provision of technical assistance, financing of related studies and critical investments to leverage private financing; and (iii) including additionally for the Republic of Chad, development of rural road interconnections and rehabilitation of strategic provincial markets.
 - (c) (i) Strengthen multi-stakeholder coordination and private sector enabling environment, including public-private dialogue and support policy reforms in the agriculture and food sectors; and (ii) support to public entities in the trade and agriculture sector to improve data collection and access, and facilitate transactions and cross-border trade.

Part 4. Contingent Emergency Response

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

Part 5. Project Management

Strengthening the capacity of the Project Implementation Unit for implementation and management of the Project activities and results, including planning, preparation of annual work plans and budgets, preparation of Project progress reports, communication, overall management of procurement and financial management including carrying out of audits, monitoring and evaluation of Project activities and management of environmental and social aspects, all through the provision of consulting services, non-consulting services, Training, Operating Costs and acquisition of goods for the purpose.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Ministry in charge of Agriculture

- The Recipient shall carry out the Project through its Ministry in charge of agriculture, and shall establish and maintain the following functions throughout Project implementation, all with functions, compositions, terms of reference, resources and staffing as further set forth in the PIM:
 - (a) the CCP, to be responsible for, *inter alia*, coordination of the Project, program policies and strategies in the agriculture sector, and communication and knowledge management, as further set forth in the PIM; and
 - (b) the UCTF, to be responsible for, *inter alia*, day-to-day implementation of the Project, including management, coordination, performance monitoring and evaluation, documentation of Project progress and results, and supervision of Project implementation, and Project fiduciary, procurement, financial management, monitoring and evaluation, and environmental and social functions, all as further set forth in the PIM.
- 2. The Recipient shall also maintain throughout Project implementation:
 - (a) the RTSU, with functions, compositions, terms of reference, resources and staffing satisfactory to the Association, to be responsible for, *inter alia*, support to the day-to-day Project implementation at the local level, as further set forth in the PIM;
 - (b) as part of the UCTF, which shall be staffed, without prejudice to any staff listed under the ESCP, *inter alia* with: (i) a Project coordinator; (ii) a technical director; (iii) four regional coordinators; (iv) technical specialists relevant for the Project as further listed in the PIM; (v) a financial management specialist; (vi) a procurement specialist, upon their recruitment for the Project no later than three (3) months after the Effective Date; (vii) an accountant; (viii) a monitoring and evaluation specialist; (ix) an internal auditor; and (x) an external auditor, upon their recruitment for the Project no later than six (6) months after the Effective Date; all with terms of reference, qualifications and experience satisfactory to the Association; and

(c) an installed computerized accounting software capable of correctly recording and automatically generating financial statements (interim and annual) in accordance with modalities and specifications satisfactory to the Association, which shall be acquired and installed by the Recipient no later than three (3) months after the Effective Date.

3. National Steering Committee and Regional Steering Committee

Without limitation upon the provisions of paragraph 1 and 2 immediately above, the Recipient shall, in accordance with the provisions of the PIM and under terms of reference, mandate, staffing and resources acceptable to the Association,

- (a) maintain at all times during the implementation of the Project, a National Steering Committee to provide, *inter alia*, oversight and coordination for the Project and said committee shall meet at least twice each Fiscal Year to undertake, among other tasks, the review and approval of the draft Annual Work Plan and Budget, approve annual report, and review of the status of Project implementation progress; and
- (b) designate and send a representative to the Regional Steering Committee ("RSC"). The RSC shall be chaired by the ECOWAS Commissioner in charge of Agriculture, Environment, and Water Resources (or representative) and will include, among others, representatives of CILSS, CORAF, ECOWAS, and the Participating Countries. The RSC, in accordance with the provisions of the PIM, shall provide overall guidance and oversight for activities under the Project (including advocating for regional collaboration in knowledge development, and act as a liaison between the Project, regional leadership and the public at large), and hold meetings at least once a year to examine and approve annual work plans and budgets and annual implementation reports of Participating Countries, CILSS, CORAF and ECOWAS to ensure the consistency of Project activities and to provide strategic directions and to make recommendations aimed at ensuring better performance, greater sustainability and impact of the Project.

B. Implementation Arrangements

1. **Project Implementation Manual**

- (a) The Recipient shall maintain, in accordance with terms of reference acceptable to the Association and furnish to the Association for review, a Project Implementation Manual (PIM), which shall include provisions on the following matters: (i) capacity building activities for sustained achievement of the Project objectives; (ii) arrangements on financial management, setting forth the detailed policies and procedures for financial management under the Project; (iii) procurement management procedures, including a manual to guide procurement at the national and local levels; (iv) institutional administration, coordination and day to day execution of Project activities; (v) monitoring and evaluation of Project activities and results (including the roles and responsibilities of third party monitoring agents where applicable); (vi) reporting arrangements; (vii) information, education and communication of Project activities and results; (viii) guidelines for assessing and managing environmental and social risks and impacts of Project activities and designing appropriate mitigation, management and monitoring measures in respect of said impacts; (ix) arrangements for the grievance mechanism under the Project including a grievance mechanism for the safe, ethical, effective and confidential handling of complaints related to sexual exploitation and abuse and/or sexual harassment; (x) Personal Data collection and processing under grievance mechanisms in accordance with good international practices where applicable, including a separate and confidential process for handling sexual exploitation and abuse and/or sexual harassment complaints data; (xi) eligibility criteria, policy and procedures for selection of beneficiaries and awarding of scholarships and/or grants to selected beneficiaries under Part 2.1 of the Project; (xii) eligibility criteria, policy and procedures for selection of beneficiaries (including productive alliances) and activities, and awarding of Matching Grants to selected beneficiaries to carry out activities under Parts 2.2(b)(ii), 2.2(c) and 3.2(a) of the Project; (xiii) eligibility criteria, policy and procedures for selection of beneficiaries and activities under Sub-Projects for Part 2.2; (xiv) actions and procedures for the implementation of the gender action plan; (xv) criteria, timing and procedures for conclusion of agreements with implementing partners (such as service agreements or memoranda of understanding), as required, to define respective responsibilities under the Project; and (xvi) such other technical and organizational arrangements and procedures as shall be required for the Project.
- (b) The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on said Project implementation

manual, and thereafter, shall adopt such Project implementation manual, as shall have been approved by the Association.

- (c) The Recipient shall ensure that the Project is carried out in accordance with the PIM; provided, however, that in case of any conflict between the provisions of the PIM and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- (d) Except as the Association shall otherwise agree, the Recipient shall not amend, abrogate or waive any provision of the PIM.

2. Annual Work Plan and Budget

- (a) The Recipient shall prepare and furnish to the Association not later than November 30 of each Fiscal Year during the implementation of the Project, a draft work plan and budget for Project implementation, setting out, *inter alia*: (i) a detailed description of all activities proposed to be included in the Project for the next Fiscal Year; (ii) a proposed financing plan for expenditures required for such activities, including proposed amounts and sources of financing; (iii) environmental and social instruments applicable to such activities in accordance with the provisions of ESCP; (iv) detailed budgeted activities to support the implementation of the gender action plan and; (v) responsibility for execution of said Project activities.
- (b) Each such proposed work plan and budget shall specify any Training activities that may be required under the Project, including: (i) the type of Training; (ii) the purpose of the Training; (iii) the personnel to be trained; (iv) the institution or individual who will conduct the Training; (v) the location and duration of the Training; and (vi) the cost of the Training.
- (c) The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed work plan and budget and thereafter, ensure that the Project is implemented with due diligence during said following Fiscal Year in accordance with such work plan and budget as shall have been approved by the Association ("Annual Work Plan and Budget" or "AWP&B").
- (d) The Recipient shall not make or allow to be made any change(s) to the approved AWP&B without prior approval in writing by the Association.

C. Environmental and Social Standards.

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.

- Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Recipient shall: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
- 4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 5. The Recipient shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and

2.

- (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including those related to the spread of communicable diseases, cases of gender-based discrimination, child and forced labor, exclusion of vulnerable groups (women, youth, people with disabilities, pastoralist, illiterate ethnic/linguistic groups), cases of sexual exploitation and abuse, and/or a complaint management, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 6. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 7. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors and subcontractors to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

D. Contingent Emergency Response under Part 4 of the Project

- 1. In order to ensure the proper implementation of contingent emergency response activities under Part 4 of the Project ("Contingent Emergency Response Part"), the Recipient shall ensure that:
 - (a) a manual ("CERC Manual") is prepared and adopted in form and substance acceptable to the Association, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for

the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;

- (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Association;
- (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
- (d) neither the CERC Manual or the Emergency Action Plan is amended, suspended, abrogated, repealed or waived without the prior written approval by the Association.
- 2. The Recipient shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Association.
- 3. The Recipient shall ensure that:
 - (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Association; and
 - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Association.
- 4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

E. Investments, Activity Areas, Matching Grants and Sub-Projects

- 1. The Recipient shall ensure that investments to be made and areas in which activities are to be implemented under the Project are selected and approved in accordance with criteria and procedures, and under financing terms and conditions, set forth in the PIM.
- 2. Without prejudice to paragraph 1 immediately above or to Section I.B.1 of Schedule 2 to this Agreement, the Recipient shall ensure that any Project activities involving the use or risk of pollution of the waters of an international waterway

will be limited to the rehabilitation or minor additions or alterations of existing schemes or existing installations that will not cause adverse impact to other riparian countries or will not be adversely affected by other riparian's possible water use, as further set forth in the PIM.

- 3. The Recipient shall select beneficiaries and provide Matching Grants under Parts 2.2(b)(ii), 2.2(c) and 3.2(a) in amounts and for purposes, all in accordance with procedures and criteria set out in the PIM.
- 4. The Recipient shall select beneficiaries and activities for Sub-Projects under Part 2.2(b)(i) of the Project, in accordance with procedures and criteria set out in the PIM.

Section II. <u>Project Monitoring, Reporting and Evaluation</u>

The Recipient shall furnish to the Association each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of the Proceeds of the Financing

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

| Category | Amount of the Grant Allocated (expressed in SDR) | Percentage of Expenditures to be Financed (inclusive of Taxes) |
|---|--|--|
| (1) Goods, works, non- consulting services, and consulting services, Operating Costs and Training for the Project (except Part 3.1(c)(ii)) | 26,082,000 | 100% |
| (2) Matching Grants under Parts 2.2(b)(ii), | 21,932,000 | 100% |

| TOTAL AMOUNT | 77,800,000 | |
|--|------------|------|
| (4) Emergency Expenditures under Part 4 of the Project | 0 | 100% |
| (3) Sub-Projects under Part 2.2(b)(i) of the Project | 29,786,000 | 100% |
| 2.2(c) and 3.2(a) of the Project | | |

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date; or
 - (b) under Category (4), until and unless all of the following conditions have been met in respect of said expenditures, namely that: (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw Financing amounts under Category (4); and (ii) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and (iii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.
- 2. The Closing Date is September 30, 2028.

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APPENDIX

Definitions

- 1. "Annual Work Plan and Budget" or "AWP&B" means the work plan and budget prepared annually by the Recipient in accordance with the provisions of Section I.B.2 of Schedule 2 to this Agreement.
- 2. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, 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 and as of July 1, 2016.
- 3. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
- 4. "CCP" means the Recipient's Project Coordination Department under the Ministry in charge of agriculture, referred to in Section I.A.1(b) of Schedule 2 to this Agreement, established pursuant to Decree No.91/PR/PM/MPIEA/SE/SG /2017.
- 5. "CERC Manual" means the manual referred to in Section I.D of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Association, and which will form an integral part of the PIM.
- 6. "CILSS" means the Comité Permanent Inter-Etats de lutte contre la sécheresse dans le Sahel", the Permanent Interstate Committee for Drought Control in the Sahel, established as an international organization pursuant to the Convention portant création du Comité Permanent Inter-Etats de lutte contre la sécheresse dans le Sahel, dated September 12, 1973, and revised on April 22, 1994.
- 7. "CILSS Financing Agreement" means the financing agreement No. D920 entered into between the CILSS and the Association dated December 20, 2021, pursuant to which the Association extends to CILSS a grant to assist in CILSS' implementation of the MPA Program on terms and conditions set forth in said agreement.
- 8. "CILSS Legislation" means Convention portant création du Comite Permanent Inter-Etats de lutte contre la sécheresse dans le Sahel, dated September 12, 1973, and revised on April 22, 1994.
- 9. "Contingent Emergency Response Part" means any activity or activities to be carried out under Part 4 of the Project to respond to an Eligible Crisis or Emergency.
- 10. "CORAF" means the West and Central African Council for Agricultural Research and Development, a regional organization aimed to strengthen national agricultural research system and to promote agricultural productivity and competitiveness.

- 11. "CORAF Financing Agreement" means the financing agreement No. D929 between the CORAF and the Association dated December 20, 2021, pursuant to which the Association extends to CORAF a grant to assist in financing CORAF's implementation of the MPA Program on terms and conditions set forth in said agreement.
- 12. "CORAF Legislation" means collectively the Registration Act *(enregistrement)* of the Republic of Senegal MAE No. 0892 MAESE dated December 20, 1989, CORAF's Statutes dated June 2008, and CORAF's Governance Manual dated June 20, 2008, pursuant to which CORAF has been established and is functioning.
- 13. "ECOWAP" means ECOWAS Agricultural Policy adopted by the Heads of States of the ECOWAS member countries on January 19, 2005.
- 14. "ECOWAS" means the Economic Community of West African States, established and operating pursuant to the ECOWAS Revised Treaty.
- 15. "ECOWAS Financing Agreement" means the financing agreement No. D923 entered into between the ECOWAS and the Association dated January 26, 2022, pursuant to which the Association extends to ECOWAS a grant to assist in financing ECOWAS' implementation of the MPA Program on terms and conditions set forth in said agreement.
- 16. "ECOWAS Revised Treaty" means the establishment treaty of ECOWAS, signed in Cotonou, Benin, on July 24, 1993.
- 17. "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.
- 18. "Emergency Action Plan" means the plan referred to in Section I.D of Schedule 2 to this Agreement, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
- 19. "Emergency Expenditures" means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.D of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
- 20. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated June 16, 2022, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and

measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.

- "Environmental and Social Standards" or "ESSs" means, collectively: 21. (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources"; (vii) "Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities": Social (viii) "Environmental and Standard 8: Cultural Heritage": (ix) "Environmental and Social Standard 9: Financial Intermediaries": (x) "Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure"; effective on October 1, 2018, as published by the Association.
- 22. "Fiscal Year" means the Recipient's twelve-month period starting January 1 and ending December 31 of the same calendar year.
- 23. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020, April 1, 2021, and January 1, 2022).
- 24. "Matching Grants" means the grants to be provided under Parts 2.2(b)(ii), 2.2(c) and 3.2(a) of the Project, in accordance with Section I.E.3 of Schedule 2 to this Agreement.
- 25. "MPA Program" means the multiphase programmatic approach program designed to increase preparedness against food insecurity and improve the resilience of food system actors, priority landscapes and value chains in program areas.
- 26. "National Centers of Specialization" means an entity responsible for conducting research on a specific commodity, the results of which can be adapted by a member of ECOWAS or of the Recipient.
- 27. "National Steering Committee" means the steering committee established under the Financing Agreement No. D302-TD dated June 19, 2018 between the Recipient and the Association for the Climate Resilient Agriculture and Productivity Enhancement Project, in accordance with *arrêté* No. 041/PR/MPIEA/DGM/2018, dated June 1, 2018, as may have been amended, which shall serve as the steering

committee for the Project, as referred to in Section I.A.(3)(a) of Schedule 2 to this Agreement.

28. "Operating Costs" means incremental expenditures incurred by the Recipient on account of Project implementation, management and monitoring, including: dissemination of Project related information, travel costs, lodging and *per diem* for field trips related to Project implementation; vehicle rent and operation, supplies and utilities, salaries of contracted or temporary staff, mail, advertisement costs, translation costs, commercial bank charges, communication costs, office space rental, office equipment and maintenance, hardware and software, as such costs shall be agreed with the Association on an annual basis, but excluding salaries of officials and/or employees of the Recipient's civil service.

- 29. "Participating Countries" means collectively, for Phase 1 of the MPA Program, Burkina Faso, Republic of Mali, Republic of Niger and Republic of Togo, and for Phase 2 of the MPA Program, the Republic of Chad, the Republic of Ghana and the Republic of Sierra Leone, and the term "Participating Country" means any of the Participating Countries.
- 30. "Personal Data" means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
- 31. "Procurement Regulations" means, for purposes of paragraph 85 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated November 2020.
- 32. "Project Implementation Manual" or "PIM" means the Recipient's manual referred to in Section I.B.1 of Schedule 2 to this Agreement.
- 33. "Project Implementation Unit" or "PIU" means UCTF referred to in Section I.A.1(c) of Schedule 2 to this Agreement.
- 34. "Regional Centers of Excellence" means a regional entity, which is oriented towards excellence and organized by national institutions sharing priorities in the fields of agricultural research, innovation, teaching and learning. Such entity may have experimental sites located in several countries of the ECOWAS region or in the Recipient's territory.

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- 35. "Regional Steering Committee" means the committee to be established by ECOWAS and referred to in Section I.A.3 of Schedule 2 to this Agreement.
- 36. "RTSU" means the Recipient's regional and technical support unit, to be established and responsible to support Project implementation at the local level and referred to in Section I.A.2(a)(i) of Schedule 2 to this Agreement.
- 37. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.
- 38. "Sub-Projects" means, for purposes of Part 2.2(b)(i) of the Project, eligible investments focused on *inter alia* land and watershed restoration, agroforestry, floodplain restoration and water mobilization, irrigation schemes rehabilitation, and delivery of appropriate mechanical and biological resources. For the Recipient, this means climate-smart landscape restoration, preparation and financing of agricultural intensification and income-generating activities in selected areas of the Recipient's territory, and climate-smart agriculture activities and non-timber forest goods, as further set out in the PIM.
- 39. "Training" means the reasonable costs for the following expenditures incurred in providing training or workshops: travel by participants and presenters to the training or workshop site, *per diem* allowances of such persons during the training or workshop, honoraria for the presenters, rental of facilities, materials, supplies and translation and interpretation services.
- 40. "UCTF" means the implementation unit for the Project, i.e. the Recipient's technical and fiduciary coordination unit, established under the CCP, responsible for day-to-day management of the Project and referred to in Section I.A.1(c) of Schedule 2 to this Agreement, as established under the Financing Agreement No. D302-TD dated June 19, 2018 between the Recipient and the Association for the Climate Resilient Agriculture and Productivity Enhancement Project, in accordance with arrêté No. 042/PR/MPIEA/DGM/2018, dated June 1, 2018.