



LOAN NUMBER 9314-IN

Loan Agreement

(Rejuvenating Watersheds for Agricultural Resilience through Innovative Development Program)

between

INDIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT



LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between INDIA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank").

WHEREAS, the Borrower has requested the Bank to contribute to the financing of a program to be implemented by the central government and Participating States (as such term is defined in the Appendix to this Agreement) for an overall cost currently estimated at \$410,960,000, including Bank Loan amounting to \$115,000,000.

NOW, THEREFORE, the Borrower and the Bank 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 — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of one hundred and fifteen million Dollars (\$115,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing the program described in Schedule 1 to this Agreement ("Program").
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread; or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are June 1 and December 1 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROGRAM

- 3.01. The Borrower declares its commitment to the objectives of the Program. To this end, the Borrower shall cause the Program to be carried out by DoLR and the Program

Implementing Entities in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement and the Program Agreements.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower's Representative is any one of the following officials: Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary, or Under Secretary of the Department of Economic Affairs in the Ministry of Finance of the Borrower.

5.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower's address is:

Secretary
Department of Economic Affairs
Ministry of Finance
Government of India
North Block
New Delhi 110 001
India; and

(b) the Borrower's Electronic Address is:

Facsimile:	E-mail:
+91-11-23094075	secy-dea@nic.in

5.03. For purposes of Section 10.01 of the General Conditions: (a) the Bank's address is:

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

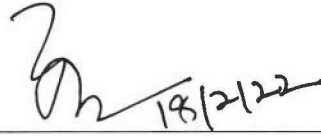
(b) the Bank's Electronic Address is:

Telex:	Facsimile:	E-mail:
248423(MCI) or 64145(MCI)	1-202-477-6391	wbindia@worldbank.org

AGREED as of the Signature Date.

INDIA

By


18/2/22

Authorized Representative

Name: राजत कुमार मिश्रा/Rajat Kumar Mishra
अपर सचिव/Additional Secretary
आर्थिक कार्य विभाग/Deptt. of Economic Affairs
Title: वित्त मंत्रालय/Ministry of Finance
भारत सरकार/Government of India
नई दिल्ली/New Delhi
Date: _____

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By



Authorized Representative

Junaid Kamal Ahmad

Name: _____
Title: Country Director
Date: 11-Feb-2022

SCHEDULE 1

Program Description

The objectives of the Program are to strengthen the capacities of national and state institutions to adopt improved watershed management for increasing farmers' resilience and support value chains in selected watersheds of Participating States.

The Program consists of the following activities:

Result Area 1: Strengthened Institutions and Supportive Policy for Watershed Development

- (a) Strengthening community institutions and local government bodies engaged in watershed management by: (i) developing detailed guidelines for WCs and GPs for each phase of watershed development; (ii) developing and delivering training modules on inclusive participation and governance systems for WCs, GPs and other relevant user/common interest groups, with a special focus on the women representatives in these bodies; (iii) developing and rolling-out a performance assessment tool and incentive system for effective planning, implementation and sustainable watershed management by WCs and GPs; and (iv) capturing data on performance of WCs and GPs.
- (b) Enhancing institutional capacity for watershed management, by: (i) developing a human resources policy for attracting and retaining an adequate number of professionals, including targeting women professionals, with necessary skill sets at various levels; (ii) placing critical human resources at the state, district, block/sub-block levels, especially in the areas of hydrology, agriculture, institution building, social inclusion and gender; (iii) designing and delivering core training modules on operationalizing women's consistent representation and decision-making in WCs, inclusion and social sustainability measures in watershed development at the state, district, block/sub-block levels; (iv) providing equipment, such as information technology and communication systems, and training to support planning and management; and (v) contributing to national and international knowledge events on watershed management.
- (c) Strengthening dissemination of experience and knowledge among states by: (i) establishing a national center of excellence on science based watershed management in Karnataka, drawing on the expertise and experience of key technical partners; (ii) developing the curriculum framework, teaching-learning modules and materials on areas such as climate-resilient land management practices, climate smart agriculture, climate information services, climate-resilient irrigation or drainage services, community water management systems, and science based watershed management; (iii) rolling-out trainings for national and states functionaries; (iv) carrying out action research studies and demonstration pilots on thematic areas relevant to climate-resilient land and agriculture management practices and science based watershed management; (v) identifying technologies and tools for science based watershed management for customization, calibration and testing prior to dissemination for scaling up; and (vi) developing and managing a knowledge portal on climate-resilient and science based watershed management.

- (d) Supporting policy for watershed development, by developing: (i) data and lessons to support national technical standards on science-based watershed development; (ii) strong operation and maintenance policies for states for watershed management; and (iii) a pilot of science-based fertilizer demand and supply policies.
- (e) Strengthening monitoring and evaluation systems at national and state levels, by: (i) developing and deploying a GIS-enabled management information systems platform; and (ii) establishing a scientific assessment and evaluation system.

Result Area 2: Science-based Watershed Development for Climate Resilience and Enhanced Livelihoods

- (a) Developing and implementing science-based watershed development plans, by: (i) developing partnerships between SWDs and scientific and technical institutions in key areas; (ii) developing land resource inventories and hydrology databases; (iii) developing decision support system tools; (iv) developing digital libraries and portals; and (v) developing detailed reporting for select micro-watersheds.
- (b) Empowering farmers with science-based and just-in-time agro-advisories, through information and communication technologies channels in partnership with agriculture extension systems, tailored to meet the requirements of small, marginal and women farmers.
- (c) Enhancing livelihood and COVID-19 recovery by the poorest households and women, by: (i) establishing or strengthening FPOs in select watershed clusters, including FPOs led by women; (ii) providing working capital to FPOs; (iii) establishing partnerships to enhance local and distant market linkages with farmers and FPOs; (iv) developing basic agri-processing infrastructure in the FPOs to reduce losses; and (v) providing inputs to farmers and women agriculture workers linked to FPOs; all with an emphasis on climate mitigation and adaptation opportunities along the value chain.

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Program Institutions

The Borrower shall ensure that the following implementation arrangements are maintained throughout the implementation of the Program.

1. National Level Steering Committee

The Borrower, through DoLR, shall maintain throughout the duration of the Program, the National Level Steering Committee with attributions and composition acceptable to the Bank and in accordance with the provisions of the DoLR-REWARD Program Manual, to, among other things, improve convergence between agriculture, watershed, water resources, rural development and other related ministries and provide high level oversight and guidance for the implementation of the Program. The National Level Steering Committee will be headed by Secretary, DoLR and include senior officers from: DoLR, NRAA, other relevant national departments and research organizations; and SWDs of the Participating States.

2. National Level Technical Committee

The Borrower, through DoLR, shall maintain throughout the duration of the Program, the National Level Technical Committee with attributions and composition acceptable to the Bank and in accordance with the provisions of the DoLR-REWARD Program Manual, to, among other things: (a) review and standardize scientific protocols; (b) develop national technical standards; (c) strengthen the national web-based portal; and (d) provide high level support to the National Level Steering Committee.

3. National Program Management Unit

(a) The Borrower, through DoLR, shall maintain the management unit (the "National Program Management Unit" or "NPMU") with attributions and composition acceptable to the Bank.

(b) Without limitation to the generality of Section I.A.1(a) of this Schedule:

(i) the NPMU shall be chaired by the Joint Secretary of DoLR and have at all times during the implementation of the Program, staff in adequate number and each with qualifications, experience and terms of reference acceptable to the Bank, including a Program Director supported by an additional Program Director, watershed management expert, hydrologist/water resource expert, institution and capacity building expert, monitoring and evaluation expert, financial management expert, and procurement expert; and

(ii) the NPMU shall, among other things, (A) assess and confirm the eligibility of states wishing to become a Participating State prior to requesting the Bank's no objection to their financing from the proceeds of the Loan;

(B) support the DoLR and Program Implementing Entities in the implementation of their Respective Parts of the Program, including mobilizing and providing financial resources, coordinating with national technical agencies, and mainstreaming and disseminating the lessons from the Program.

B. Financial Arrangements

1. To facilitate the carrying out of the Program, the Borrower shall make the proceeds of the Loan available to DoLR and the Participating States as follows:
 - (a) six million Dollars (\$6,000,000) to DoLR in accordance with the Borrower's standard budgetary procedures; and
 - (b) sixty million Dollars (\$60,000,000) to the State of Karnataka; and forty-nine million Dollars (\$49,000,000) to the State of Odisha, in each case in accordance with the Borrower's standard arrangements for developmental assistance to the States of India.
2. Notwithstanding the provisions of the immediately preceding paragraph, in the event of a conflict between the Borrower's standard arrangements for developmental assistance to the States of India and the provisions of or referred to in this Agreement, the latter provisions shall govern.
3. The Borrower shall exercise its rights under its standard arrangements for developmental assistance to the States of India in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive its rights or obligations under said arrangements.

C. DoLR-REWARD Program Manual

1. The Borrower, through DoLR, shall ensure that the DoLR-REWARD Program Manual is adopted in form and substance acceptable to the Bank, and implement its Respective Part of the Program in accordance with the provisions of the DoLR-REWARD Program Manual. The DoLR-REWARD Program Manual shall include, *inter alia*: criteria and procedure for the addition of another state to become a Participating State; a protocol for the application of the Anti-corruption Guidelines to the entities involved in the implementation of the Program and receiving proceeds of the Loan; the verification protocol for the demonstration of the satisfaction of each DLR; the roles and responsibilities of key institutions required for implementation of the Program; and a plan for managing national and international knowledge dissemination.
2. Except as the Bank may otherwise agree in writing, the Borrower shall not amend or waive, or permit to be amended or waived, any provision of the DoLR-REWARD Program Manual. In the event of any conflict between the provisions of the DoLR-REWARD Program Manual and those of this Agreement or any of the Program Agreements, the provisions of this Agreement and the Program Agreements shall prevail, in that order of priority.

D. Additional Program Implementation Arrangements

1. The Borrower shall, and shall ensure that each of the Program Implementing Entity shall:
 - (a) Without limitation on the provisions of Article V of the General Conditions, carry out its Respective Part of the Program in accordance with financial management, procurement and environmental and social management systems acceptable to the Bank and included in the applicable Program Manual which are designed to ensure that:
 - (i) the Loan proceeds for each Respective Part of the Program 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 each Respective Part of the Program are identified, avoided, minimized, or mitigated, as the case may be, all through the agreed environment and social management measures and procedures, as well as through an informed decision-making process.
 - (b) carry out each of the activities under its responsibility included in the Program Action Plan in accordance with the timeline included in such Program Action Plan and in a manner satisfactory to the Bank; and
 - (c) recruit one or more independent verification agents on the basis of terms of reference, qualifications and experience satisfactory to the Bank, for the purpose of implementing the activities included in the verification protocol agreed with the Bank to document satisfaction of the DLRs.

Section II. Excluded Activities

The Borrower shall ensure that the Program excludes any activities which:

- A. in the opinion of the Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
- B. involve the procurement of: (1) works, estimated to cost US\$115 million equivalent or more per contract; (2) goods, estimated to cost US\$75 million equivalent or more per contract; (3) non-consulting services, estimated to cost US\$75 million equivalent or more per contract; or (4) consulting services, estimated to cost US\$30 million equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

The Borrower shall, and shall cause the Program Implementing Entities to, furnish to the Bank each Program Report for its/their Respective Part of the Program, not later than forty-five (45) days after the end of each calendar semester (six-month period), covering the calendar semester.

Section IV. Withdrawal of Loan Proceeds

- A. **General**

1. Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) pay (i) the Front-end Fee; and (ii) each Interest Rate Cap or Interest Rate Collar premium; and (b) finance Program Expenditures (inclusive of Taxes), on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Borrower or the Program Implementing Entities, as measured against specific indicators (“Disbursement Linked Indicators” or “DLIs”); all as set forth or referred to in the table in paragraph 2 of this Part A and Schedule 4 to this Agreement.
2. The following table specifies each category of withdrawal of the proceeds of the Loan (including the Disbursement Linked Indicators as applicable) (“Category”), and the allocation of the amounts of the Loan to each Category:

Category (including Disbursement Linked Indicator as applicable)	Amount of the Loan Allocated (expressed in USD)
(1) DLI #1. Percentage of Watershed Committees (WC) and Gram Panchayats (GP) which demonstrate satisfactory watershed management as measured through a performance rating system (Performance Assessment Tool)	21,593,400
(2) DLI #2. Land area treated with science-based watershed management technologies	40,127,300
(3) DLI #3. Number of farmers who adopt resilient agriculture technologies and practices	16,156,800
(4) DLI #4. Number of FPOs with 25% increase in annual business turnover relative to baseline.	20,850,000
(5) DLI #5. Number of professionals who complete certified training on improved watershed management provided by the National Center for Excellence on Watershed Management	10,000,000
(6) DLI #6. National technical standards for improved watershed management updated by DoLR and directive issued to states.	5,985,000
(7) Front-end Fee to be paid pursuant to Section 2.03 of this Agreement in accordance with Section 2.05 (b) of the General Conditions	287,500
(8) Interest Rate Cap or Interest Rate Collar premium to be paid pursuant to Section 4.05 (c) of the General Conditions	0
TOTAL AMOUNT	115,000,000

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) under Categories (1) to (6), on the basis of DLRs achieved prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed \$13,212,300 may be made on the basis of DLRs achieved prior to this date but on or after September 1, 2021; and/or
 - (b) under Categories (1) to (6), for any DLR in Schedule 4 to this Agreement, until and unless the Borrower has furnished evidence satisfactory to the Bank that said DLR has been achieved, even if before the date by which the said DLR is set to be achieved.
2. Notwithstanding the provisions of Part B.1(b) of this Section, if any of the DLRs set forth in Schedule 4 to this Agreement has not been achieved by the date by which the said DLR is set to be achieved, the Bank may, by notice to the Borrower: (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Loan then allocated to said DLR marked as “scalable” in Schedule 4 to this Agreement which, in the opinion of the Bank, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with the formula set out in Schedule 4 to this Agreement; (b) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR to any other DLR; and/or (c) cancel all or a portion of the proceeds of the Loan then allocated to said DLR.
3. The Closing Date is June 30, 2026.

Section V. Other Undertakings

The Borrower, through DoLR, shall:

- (a) ensure that the Program’s activities involving collection, storage, usage, and/or processing of Personal Data are carried out with due regard to the Borrower’s existing legal framework and appropriate international data protection and privacy standards and practices;
- (b) in the event that, during the implementation of the Program, the approval of any new legislation regarding Personal Data protection may have an impact on the activities financed by the Program, ensure that a technical analysis of said impact is conducted, and that the necessary recommendations concluding the assessment and adjustments deemed necessary to efficiently protect Personal Data, are implemented, as appropriate; and
- (c) except as may otherwise be explicitly required or permitted under this Agreement and/or one or more of the Program Agreements, or as may be explicitly requested by the Bank, in sharing any information, report or document related to the activities described in Schedule 1 to the Loan Agreement, ensure that such information, report or document does not include Personal Data.

SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

Level Principal Repayments

Principal Payment Date	Installment Share
On each June 1 and December 1 Beginning December 1, 2026 through June 1, 2036	4.76%
On December 1, 2036	4.80%

Schedule 4 – Disbursement-Linked Indicators, Disbursement-Linked Results and Funds Allocated to Categories (1) to (6)

DISBURSEMENT-LINKED INDICATORS	DLRS (YEAR OF ACHIEVEMENT OF THE DLRS ARE INDICATIVE EXCEPT WHEN EXPRESSLY INDICATED AS “TIMEBOUND”)				
	DLRS YEAR 1	DLRS YEAR 2	DLRS YEAR 3	DLRS YEAR 4	DLRS YEAR 5
DLI #1. <i>Percentage of Watershed Committees (WC) and Gram Panchayats (GP) which demonstrate satisfactory watershed management as measured through a performance rating system (Performance Assessment Tool)</i>		30% of the WCs in the Program’s science-based micro-watersheds (MWS), that are in or have completed the Preparatory Phase, score more than 50% on the indicators pertaining to Preparatory Phase in the Performance Assessment Tool	30% of the WCs in the Program’s science-based MWS, that are in or have completed the Works Phase, score more than 50% on the indicators pertaining to Works Phase in the Performance Assessment Tool		30% of the WCs and GPs in the Program’s science-based MWS, that are in or have completed the Operation and Maintenance Phase, score more than 50% on the indicators pertaining to Operation and Maintenance Phase in the Performance Assessment Tool
<p><i>Allocated Amount(s) in \$</i></p> <p>21,593,400</p>		<p>7,197,800</p> <p><i>Scalability: Yes</i></p> <ul style="list-style-type: none"> • in Karnataka, \$134,450 per WC up to a maximum allocation capped at \$3,092,350 (23 WCs); in Odisha, \$89,248 per WC up to a maximum allocation capped at \$ 4,105,408 (46 WCs) 	<p>7,197,800</p> <p><i>Scalability: Yes</i></p> <ul style="list-style-type: none"> • in Karnataka, \$134,450 per WC up to a maximum allocation capped at \$3,092,350 (23 WCs); • in Odisha, \$89,248 per WC up to a maximum allocation capped at \$4,105,408 (46 WCs) 		<p>7,197,800</p> <p><i>Scalability: Yes</i></p> <ul style="list-style-type: none"> • in Karnataka, \$134,450 per WC up to a maximum allocation capped at \$3,092,350 (23 WCs); • in Odisha, \$89,248 per WC up to a maximum allocation capped at \$4,105,408 (46 WCs)
DLI #2. <i>Land area treated with science-based watershed management technologies</i>	Partnerships has been formally established between SWD and technical partners for land resource inventory, hydrology and RS/GIS (through signed legal agreements or MoUs) <i>(Prior Result)</i>	Detailed project reports for MWS covering a maximum area of 200,000 hectares have been developed		Project completion reports prepared for MWS covering a maximum area of 100,000 hectares	Additional project completion reports (not including those verified in earlier year) prepared for MWS covering a maximum area of 100,000 hectares

DISBURSEMENT-LINKED INDICATORS	DLRS (YEAR OF ACHIEVEMENT OF THE DLRS ARE INDICATIVE EXCEPT WHEN EXPRESSLY INDICATED AS "TIMEBOUND")				
	DLRS YEAR 1	DLRS YEAR 2	DLRS YEAR 3	DLRS YEAR 4	DLRS YEAR 5
Allocated Amount(s) in \$ 40,127,300	11,727,300 Scalability: No • Karnataka: \$ 5,850,000 • Odisha: \$5,877,300	14,200,000 Scalability: Yes in Karnataka, \$71 per hectare, up to a maximum allocated capped at \$7,100,000 (100,000 ha); in Odisha, \$71 per hectare, up to a maximum allocated capped at \$7,100,000 (100,000 ha)		7,100,000 Scalability: Yes in Karnataka \$71 per hectare, up to a maximum allocated capped at \$3,550,000 (50,000 ha); in Odisha, \$71 per hectare, up to a maximum allocated capped at \$3,550,000 (50,000 ha)	7,100,000 Scalability: Yes in Karnataka, \$71 per hectare up to a maximum allocated capped at \$3,550,000 (50,000 ha); in Odisha, \$71 per hectare up to a maximum allocated capped at \$3,550,000 (50,000 ha)
DI.1 #3. Number of farmers who adopt resilient agriculture technologies and practices			Number of farmers	Number of additional farmers (compared to DLR for previous years):	Number of additional farmers (compared to DLR for previous years):
Allocated Amount(s) in \$ 16,156,800			4,039,200 Scalability: Yes \$374 per farmer, up to a maximum allocation capped at: • Karnataka: \$3,029,400 (8,100 farmers); • Odisha: 1,009,800 (2700 farmers)	6,058,800 Scalability: Yes 374 per farmer, up to a maximum allocation capped at: • Karnataka: 3,534,300 (9,450 farmers); • Odisha: \$2,524,500 (6,750 farmers)	6,058,800 Scalability: Yes 374 per farmer, up to a maximum allocation capped at: • Karnataka: 3,534,300 (9,450 farmers); • Odisha: \$2,524,500 (6,750 farmers)
DLI #4. Number of FPOs with 25% increase in annual business turnover relative to baseline.			Number of FPOs	Number of additional FPOs (compared to DLR for previous years)	Number of additional FPOs (compared to DLR for previous years)
Allocated Amount(s) in \$ 20,850,000			7,645,000 Scalability: Yes	7,645,000 Scalability: Yes	5,560,000 Scalability: Yes

DISBURSEMENT-LINKED INDICATORS	DLRS (YEAR OF ACHIEVEMENT OF THE DLRS ARE INDICATIVE EXCEPT WHEN EXPRESSLY INDICATED AS "TIMEBOUND")				
	DLRS YEAR 1	DLRS YEAR 2	DLRS YEAR 3	DLRS YEAR 4	DLRS YEAR 5
			<p>\$695,000 per FPO, up to a maximum allocation capped at:</p> <ul style="list-style-type: none"> • Karnataka: \$4,170,000 (6 FPOs); • Odisha: \$3,475,000 (5 FPOs) 	<p>\$695,000 per FPO, up to a maximum allocation capped at:</p> <ul style="list-style-type: none"> • Karnataka: \$4,170,000 (6 FPOs) • Odisha: \$3,475,000 (5 FPOs) 	<p>\$695,000 per FPO, up to a maximum allocation capped at:</p> <ul style="list-style-type: none"> • Karnataka: \$2,085,000 (3FPOs); and • Odisha: \$3,475,000 (5 FPOs)
<p><i>DLI #5. Number of professionals who complete certified training on improved watershed management provided by the National Center for Excellence on Watershed Management</i></p>		<p>Number of professionals: 150</p>	<p>Number of professionals (additional compared to DLR for previous year): 325</p>	<p>Number of professionals (additional compared to DLR for previous year): 325</p>	<p>Number of professionals (additional compared to DLR for previous year): 325</p>
<p><i>Allocated Amount(s) in \$ 10,000,000</i></p>		<p>Karnataka: 2,500,000 Scalability: Yes \$16,666.667 per trained person</p>	<p>Karnataka: 2,500,000 Scalability: Yes \$7692.308 per trained person</p>	<p>Karnataka: 2,500,000 Scalability: Yes \$7692.308 per trained person</p>	<p>Karnataka: 2,500,000 Scalability: Yes \$7692.308 per trained person</p>
<p><i>DLI #6. National technical standards for improved watershed management updated by DoLR and directive issued to states</i></p>	<p>National Program Management Unit is established by DoLR and is fully functional (Prior Result)</p>		<p>DoLR prepared a draft of the national technical standards for improved watershed management based on the implementation experience of the Participating States</p>	<p>DoLR completed the consultation process on its draft of the national technical standards</p>	<p>DoLR finalized its national technical standards reflecting inputs from the consultation process and the Government of India issued a directive on the national technical standards for improved watershed management</p>
<p><i>Allocated Amount(s) in \$ 5,985,000</i></p>	<p>DoLR: 1,485,000 Scalability: No</p>		<p>DoLR: 2,000,000 Scalability: No</p>	<p>DoLR: 2,000,000 Scalability: No</p>	<p>DoLR: 500,000 Scalability: No</p>

Schedule 5 – Program Action Plan

Action Description	Source	Responsibility	Timing	Completion Measurement
For Karnataka and Odisha, Public Financial Management System (PFMS) integration with IWMP/MIS portal will be completed for reporting of financial progress	Fiduciary systems assessment	DoLR	Within 18 months after the Effective Date	Bank review confirms completeness, reliability and timeliness of Program financial reports.
Use of PFMS systems mandated; and all program expenditures, including PMKSY [new phase, when it starts] entered in PFMS systems	Fiduciary systems assessment	SWDs of Participating States	Within 6 months after the Effective Date	Bank review confirms completeness, reliability and timeliness of Program financial reports
Preparation of community procurement guidance manual (with provisions for annual social audit and provision for application of Bank's Anti-corruption Guidelines, which ensures economy and efficiency); and its distribution to WCs.	Fiduciary systems assessment	SWDs of Participating States	Within 6 months after the Effective Date	Review of the manual by Bank to assess whether it effectively ensures economy and efficiency.
Planning, monitoring and disclosure of all procurements of value above INR 500,000- Preparation of procurement plans; Reporting on Key Performance Indicators (KPIs); Public disclosure of procurement plans and key information on contract award	Fiduciary systems assessment	DoLR, SWDs of Participating States	Within 2 months after the Effective Date; and thereafter throughout the duration of the Program	After end of each six-month period - KPIs reporting within 15 days; and Contract Award Disclosure within 30 days. Before commencement of next six-month period- Procurement Plan Publication before 15 days.
Establishment of a procurement-related complaint handling mechanism, with an interface to accept complaint; detailed provisions on complaint resolution including	Fiduciary systems assessment	DoLR, SWDs of Participating States	Within 6 months after the Effective Date	Establishment of webpage to receive complaints. Issuance and operationalization of guidelines on complaint resolution, process of decision making, and disclosure of complaint related statistics.

appeal mechanism; and disclosure of complaint related statistics.				
Standard Operating Procedure to be prepared and adopted by Participating States detailing mechanisms for community participation, social inclusion and building community ownership of watershed plans based on science-based data inputs.	Environmental and social systems assessment	SWDs of Participating States	Within 12 months after the Effective Date	Process guideline prepared for participation/ community consultation covering women, tribal, and other marginalized groups during watershed plan preparation and before Gram Sabha approval; and guidance/government order issued for adopting the same.
Adoption/ strengthening of capturing gender-disaggregated data for watershed planning and reporting towards enhancing women participation in local institutions.	Environmental and social systems assessment	SWDs of Participating States	Within 24 months after the Effective Date	Gender disaggregated data collection at watershed level and state-level reporting on a) representation in WCs, b) investments in common assets and c) women-led WCs.
Existing Grievance Redress Mechanism (GRM) system to be further strengthened and streamlined for registering, screening and redressing, monitoring and reporting by each Participating State.	Environmental and social systems assessment	SWDs of Participating States	Within 12 months after the Effective Date	Strengthened Grievance Redress Mechanism (GRM) system developed and implemented by Participating States and periodic reports being generated.

APPENDIX

Definitions

1. "Anti-corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, the Bank's "Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing," dated February 1, 2012, and revised July 10, 2015.
2. "Category" means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
3. "Disbursement Linked Indicator" or "DLI" means in respect of Categories (1) to (6), the indicator as set forth in Schedule 4 to this Agreement.
4. "Disbursement Linked Result" or "DLR" means in respect of Categories (1) to (6), the result as set forth in Schedule 4 to this Agreement, on the basis of the achievement of which, the amount of the Loan allocated to said result may be withdrawn in accordance with the provisions of or referred to in Section IV of Schedule 2 to this Agreement.
5. "DoLR" means the Department of Land Resources of the Borrower's Ministry of Rural Development, or any successor thereto.
6. "DoLR-REWARD Program Manual" means the manual prepared and adopted by DoLR for implementation of its Respective Part of the Program, which may be amended from time to time with prior concurrence of the Bank.
7. "FPO" means, individually, a duly established farmer producer organization, and "FPOs" means, collectively, more than one FPO.
8. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Program-for-Results Financing", dated December 14, 2018 (revised on August 1, 2020, and on December 21, 2020, April 1, 2021 and January 1, 2022).
9. "GIS" means Geographic Information System.
10. "GP" means a gram panchayat, a legally elected local government unit, as mandated by the Constitution of India, for local self-governance at the village level, and "GPs" means more than one GP.
11. "Gram Sabha" means the legal general assembly of all adult persons residing in a village or a group of villages, administered by a GP.
12. "ha" means number of hectares, a unit for measurement of land area.
13. "IWMP" means the Borrower's Integrated Watershed Management Program, which is now called the WDC-PMKSY.
14. "Karnataka Program Agreement" means the Program Agreement entered into in connection with this Agreement between the Bank and the state of Karnataka.

15. "Karnataka Program Manual" means the manual prepared and adopted by Karnataka's SWD for implementation of its Respective Part of the Program, which may be amended from time to time with prior concurrence of the Bank.
16. "Karnataka State Level Nodal Agency" or "KSLNA" means the unit established by the Karnataka SDW via its order dated July 30, 2008 and referred to in Section I.B.1(a) of the Schedule to the Karnataka Program Agreement.
17. "Key Performance Indicator" or "KPI" means any of the key performance indicators agreed between the Bank and the Borrower to assess the performance of procurement systems applicable to the Program.
18. "MIS" means management information system.
19. "MWS" means micro-watershed.
20. "National Program Management Unit" and "NPMU" each means the unit established in DoLR for the management of the Program via an internal approval dated February 25, 2020 and referred to in Section I.A.3 of Schedule 2 to this Agreement.
21. "National Level Steering Committee" means the committee established pursuant to DoLR Order no. S-11027/7/2021-REWARD dated October 18, 2021, and referred to in Section I.A.1 of Schedule 2 to this Agreement.
22. "National Level Technical Committee" means the committee established pursuant to letter no. S-11027/2/2021-REWARD dated December 1, 2021 from the Department of Land Resources (DoLR), Ministry of Rural Development, and referred to in Section I.A.2 of Schedule 2 to this Agreement.
23. "NRAA" means the National Rainfed Areas Authority, an autonomous agency under the Borrower's Ministry of Agriculture and Farmers Welfare.
24. "Odisha Program Agreement" means the Program Agreement entered into in connection with this Agreement between the Bank and the state of Odisha.
25. "Odisha Program Manual" means the manual prepared and adopted by Odisha's SWD for implementation of its Respective Part of the Program, which may be amended from time to time with prior concurrence of the Bank.
26. "Odisha State Level Nodal Agency" or "OSLNA" means the unit established by the Odisha SDW via its order, dated November 13, 2009 and referred to in Section I.B.1(a) of the Schedule to the Odisha Program Agreement.
27. "Participating States" means, collectively, Karnataka and Odisha, and any other State proposed by the Borrower, which the Bank has confirmed in writing, after due diligence in accordance with the Bank's policies and procedures, meets the eligibility criteria referred to in the DoLR-REWARD Program Manual and is an acceptable Program Implementing Entity to the Bank for the implementation of the Program.
28. "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.

29. "PFMS" means public financial management system.
30. "PMKSY" means the Borrower's Pradhan Mantri Krishi Sinchayee Yojana program.
31. "Program Action Plan" means the Borrower's and Project Implementing Entities' plan attached as Schedule 5 to this Agreement, as may be amended from time to time with the agreement of the Bank.
32. "Program Agreements" means collectively, the Karnataka Program Agreement and the Odisha Program Agreement; and "Program Agreement" is defined in the General Conditions and based on the context, refers to the Karnataka Program Agreement and the Odisha Program Agreement, as the case may be.
33. "Program Implementing Entity" means, individually, one of the Participating States as the context may require, and "Program Implementing Entities" means, collectively, all such Participating States.
34. "Program Manual" means, individually, one of the following manuals, namely, the DoLR-REWARD Program Manual, Karnataka Program Manual or Odisha Program Manual, as the context may require, and "Program Manuals" means, collectively, all such manuals.
35. "Respective Part of the Program" means, for the Borrower and for any Program Implementing Entity, the part of the Program specified in the applicable Program Manual to be carried out by it.
36. "RS/GIS" means Remote Sensing/ Geographic Information System.
37. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.
38. "SWD" means, individually, a Participating State's Watershed Department, and "SWDs" means, collectively, more than one such SWD.
39. "WC" means a watershed committee, "WCs" means more than one WC.
40. "WDC-PMKSY" means the watershed development component of the Borrower's Pradhan Mantri Krishi Sinchayee Yojana program.