

OFFICIAL DOCUMENTS

LOAN NUMBER 8858-TN

Loan Agreement

(Irrigated Agriculture Intensification Project)

between

REPUBLIC OF TUNISIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF TUNISIA (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). 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 thirteen million six hundred thousand Euro (EUR 113,600,000) as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 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 March 15 and September 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project through its Ministry of Agriculture, Hydraulic Resources and Fisheries (MARHP) in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date one hundred twenty (120) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Borrower's Representative is its Minister of Development, Investment and International Cooperation.

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

Ministry of Development, Investment and International Cooperation
98, Avenue Mohamed V
Place Pasteur
1002 Tunis
Republic of Tunisia

and

- (b) the Borrower's Electronic Address is:

Facsimile:
216 71 799 069

- 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

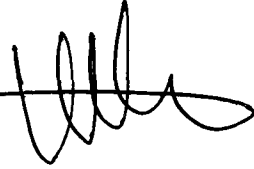
- (b) the Bank's Electronic Address is:

Telex:	Facsimile:
248423(MCI) or 64145(MCI)	1-202-477-6391

AGREED as of the Signature Date.

REPUBLIC OF TUNISIA

By



Authorized Representative

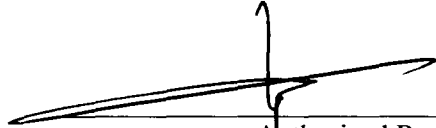
Name: ZIED LADHARI

Title: Ministre du Developpement, de
l'Investissement et de la Cooperation
Internationale

Date: June 7, 2018

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By



Authorized Representative

Name: TONY VERHELJEN

Title: Representant Resident

Date: June 7, 2018

SCHEDULE 1

Project Description

The objectives of the Project are to improve the reliability and efficiency of the irrigation and drainage services and strengthen market linkages for irrigated products in Selected Irrigation Schemes.

The Project consists of the following parts:

Part 1. Institutional Modernization

1. Development of a new irrigation management institutional framework through the carrying out of the following activities, including:
 - (a) the provision of advisory services for the establishment and operationalization of the new water irrigation management entity (Operator), including: (i) the preparation of the regulatory and corporate aspects, including an assessment of required transfer of assets and redeployment of staff resources, if applicable; (ii) the preparation of the contractual terms with the Operator for the operation and maintenance functions, including a revised tariff structure and performance standards applicable to the Operator; (iii) the carrying out of an in-depth irrigation users information and engagement process regarding the proposed new irrigation management institutional framework; (iv) the setting up of the customer relationship function and other key functions within the Operator; and (v) the carrying out of an evaluation of CRDAs and GDAs staff competencies, including an assessment of their training needs;
 - (b) the financing of Operation and Maintenance Subsidies to the Operator on an amount and for a period of time as set forth in the Project Operational Manual;
 - (c) the purchase of operational equipment and software relevant for the operation and maintenance of the Selected Irrigation Schemes; and the rehabilitation of the Operator's office building(s); and
 - (d) the provision of training to the Operator, GDAs and relevant Borrower's entities with oversight functions over the provision of irrigation services (including CRDAs).
2. Provision of support for the following activities, including: (a) the development of a national information system for irrigation; (b) the piloting of in-field water management systems in Selected Irrigation Schemes; (c) the development of an irrigation alert system in Selected Irrigation Schemes; and (d) the establishment of an accountability mechanism to monitor irrigation users' satisfaction.

Part 2. Rehabilitation and Improvement Works

1. (a) the rehabilitation and/or improvement of the following type of works in the Selected Irrigation Schemes (including the preparation or the update, as the case may be, of pertinent engineering studies and the carrying out of engineering supervision), including: (i) renovation/expansion of existing pumping stations, and/or construction of new pumping stations; (ii) renovation and/or construction of reservoirs; (iii) renovation of main pipeline equipment through the replacement of obsolete or undersized sections and the establishment of new main lines; (iv) renovation and reinforcement of distribution network; (v) establishment of remote management systems in Selected Irrigation Schemes (as the case may be); (vi) rehabilitation of feeder roads and service roads and ditches; and (vii) the construction of drainage systems in some parts of the Selected Irrigation Schemes; and (b) the preparation and implementation of the pertinent environmental and social management plan(s)) for the works described under part 2.1(a) of the Project, as determined by the ESMF.
2. (a) Strengthening the capacity of the CRDAs to perform their functions of engineering and construction quality oversight (*assistance à maîtrise d'ouvrage*) through the following activities, including the provision of consulting services for, *inter alia*: (i) reviewing technical designs and tender documents; (ii) preparing technical guides and standard documents for the rehabilitation and modernization of irrigation structures; (iii) establishing a reference list of unit prices and a database for estimating work costs; (iv) contract management; and (v) carrying out technical audits, as needed; and (b) purchasing meters and flow limiters.

Part 3. Support to Agricultural Development and Market Access

1. Strengthening the institutional capacity of producers and their access to market(s) through the following activities, including:
 - (a) the design and implementation of an integrated and participatory agricultural development plan in each of the Selected Irrigation Scheme, including:
 - (i) the provision of training and technical assistance to: (A) form and consolidate farmer organization structures; and (B) improve their marketing and business skills; all based on the recommendations of the participatory agricultural development plans referred to in (a) above; and
 - (ii) the provision of support for the dissemination of research results on relevant issues identified as part of the participatory agricultural development plans to be prepared under Part 3.1 (a) and value chains analysis to be carried out under Part 3.2(a) below, including, demonstration of varietal improvement, certified seeds, water management and soil fertility; and
 - (b) the preparation of an in-depth analysis of the concession holdings of the *organized sector* comprised of *sociétés de mise en valeur et de développement agricole*, the Borrower's *Office des Terres Domaniales*, technicians and young farmers leasing public land.

2. Boosting product marketing and developing competitive value chains through the carrying out of the following activities, including:
 - (a) the preparation of market studies and strategic analysis for selected value chains, including the preparation of business investment plans eligible for financing under Part 3.2(c) below;
 - (b) the implementation of actions to promote the quality of selected products, including certification, labeling, geographical indications, and communication and advertising campaigns; and
 - (c) the establishment of a Matching Grant Scheme (MGS) to assist Matching Grant Beneficiaries in the implementation of the business investment plans prepared under Part 3.2(a) above focused on selected value chains, including: (i) providing support to the Borrower to, *inter alia*: (A) prepare the Matching Grant Manual; (B) design a communication strategy for the MGS; and (ii) providing Matching Grants to Matching Grant Beneficiaries to implement their business improvement plans prepared under Part 3.2 (a) above.

Part 4. Project Management

Provision of support for, *inter alia*: (a) the operation of the Project Implementing Unit (UGO) in the management, monitoring and evaluation of the Project (including handling of technical, administrative, fiduciary, and safeguard-related aspects), through, *inter alia*: (i) the purchase of relevant equipment; (ii) the carrying out of training activities; (iii) provision of consulting services; and (iv) the financing of Incremental Operating Costs; and (b) the carrying out of relevant impact assessment studies.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Borrower shall vest the overall responsibility for the implementation of the Project in MARHP, and to this end, shall, through MARHP:

At the national level:

- (a) no later than four (4) months after the Effective Date, or such later date as agreed by the Bank, establish, and thereafter maintain, throughout Project implementation, the UGO with composition, terms of reference and resources acceptable to the Bank and defined in the Project Operational Manual, to be responsible for day-to-day implementation, management and coordination of the Project, monitoring and evaluation of its activities, including: (i) carrying out of procurement procedures at the national level; (ii) financial management; (iii) management of the monitoring and evaluation system at the national level, including safeguards aspects; (iv) preparation of consolidated annual work programs and budgets; (v) coordination and consolidation of procurement and financial management reporting; and (vi) coordination and consolidation of periodic Project progress reports;
- (b) no later than three (3) months after the Effective Date, or such later date as agreed by the Bank, establish, and thereafter maintain throughout Project implementation, the COPIL with composition acceptable to the Bank and defined in the Project Operational Manual, to provide strategic guidance and oversight of the Project, facilitate overall effective implementation of the Project and ensure its consistency with the Borrower's sectoral policies and other programs;

At the subnational level:

- (c) ensure the participation of the CRDAs (including their CRES) in the implementation of the activities under Part 2.1 of the Project (including, as the case may be, the operation and maintenance of the infrastructure investments under Part 2.1(a) of the Project), at the Governorate-level, including ensuring compliance with financial management, procurement and safeguards provisions set forth in this Schedule and in the Disbursement and Financial Information Letter; and
 - (d) as the case may be, cause the GDAs to carry out their responsibilities in the operation and maintenance of the infrastructure investments to be carried out under Part 2.1(a) of the Project, pursuant to adequate arrangements between the relevant CRDA and the GDA operating in a Selected Irrigation Scheme, under adequate terms and conditions set forth in the Project Operational Manual.
2. When applicable, upon achievement of the withdrawal condition set forth in Section III.B.1(b)(i)(A) of this Schedule, for purposes of the operation and maintenance of the

infrastructure investments to be carried out under Part 2.1(a) of the Project in any given Selected Irrigation Scheme, the Borrower, through MARHP, shall enter into adequate arrangements with the Operator (*Contrat Programme* or Program Agreement) under terms and conditions acceptable to the Bank which shall include:

- (a) the Borrower's obligation to make available a portion of the Loan proceeds, on a grant basis (Operation and Maintenance Subsidy), to the Operator for the carrying out of the operation and maintenance of the infrastructure investments under Part 2.1(a) of the Project; and
 - (b) the Operator's obligation to: (i) operate and maintain said infrastructure investment(s) in compliance with the safeguards provisions set forth in this Schedule and, more generally, in accordance with Article V of the General Conditions; and (ii) enter into a *contrat d'abonnement* with any given irrigation user (Service Contract) under terms and conditions set forth in the Project Operational Manual.
3. The Borrower, through MARHP, shall exercise its rights and carry out its obligations under the Program Agreement 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 the Program Agreement or any of its provisions.

B. Project Operational Manual

The Borrower, through MARHP, shall: (i) carry out the Project in accordance with a manual, acceptable to the Bank (Project Operational Manual or POM); and (ii) not amend, abrogate or waive the POM or any of its provisions without the Bank's prior written consent. In case of conflict between the provisions of the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

C. Matching Grant Scheme

1. For purposes of the implementation of Part 3.2 (c)(ii) of the Project, the Borrower, through MARHP, shall enter into an agreement with the *Agence de Promotion des Investissement Agricoles* (APIA) (APIA Agreement), under terms and conditions acceptable to the Bank which shall include, *inter alia*, APIA's obligation to:
 - (a) (i) prior to the implementation of any activity under Part 3.2(c)(ii), prepare and adopt the Matching Grant Manual in a manner acceptable to the Bank; (ii) immediately thereafter, carry out Part 3.2(c)(ii) of the Project in accordance with the requirements set forth in the Matching Grant Manual, including eligibility criteria, selection procedures and implementation condition; and (iii) not assign, amend, abrogate or waive any provision of the Matching Grant Manual without prior written approval of the Bank. In case of any conflict between the terms of the Matching Grant Manual and those of this Agreement, the terms of this Agreement shall prevail.

- (b) prior to the implementation of any activity under Part 3.2(c)(ii), establish a matching grant selection committee (Matching Grant Selection Committee) with composition acceptable to the Bank and set forth in the Matching Grant Manual; and
 - (c) upon selection of an investment pursuant to the criteria and procedures established in the Matching Grant Manual, enter into a standard agreement with the Matching Grant Beneficiary, under terms and conditions acceptable to the Bank, (the Matching Grant Agreement), including, *inter alia*:
 - (i) the amount to be provided in the form of a Matching Grant to the Matching Grant Beneficiary under a Matching Grant Agreement, its terms and conditions and a disbursement schedule;
 - (ii) an amount of co-financing provided by the Matching Grant Beneficiary and/or evaluation of in-kind contribution to the activity co-financed by the Matching Grant Scheme, as defined in the Matching Grant Manual;
 - (iii) the obligation of the Matching Grant Beneficiary to procure the expenditures to be financed under the Matching Grant Agreement in accordance with the procedures set forth in the Matching Grant Manual;
 - (iv) the obligation of the Matching Grant Beneficiary to carry out its activities in compliance with the Anti-Corruption Guidelines, the PMP and, when applicable, prepare environmental management plans in accordance with the ESMF, in form and substance satisfactory to the Bank, and to implement said activities in accordance with the relevant environmental management plan;
 - (v) the obligation of the Matching Grant Beneficiary to report to APIA on the progress of the implementation of the activity co-financed with the Matching Grant and to enable the APIA, the Borrower and the Bank, if the Bank shall so request, to visit the facilities where the co-financed activities are implemented and administered;
 - (vi) the obligation of the Matching Grant Beneficiary to maintain records and accounts for expenditures incurred and financed with the Matching Grant, and make available such documentation to APIA, the Borrower and the Bank, if the Bank shall so request; and
 - (vii) the right of APIA to suspend, cancel or request a refund of the Matching Grant or a portion thereof in case of the failure of the Matching Grant Beneficiary to perform any of its obligations under the Matching Grant Agreement.
2. The Borrower shall exercise its rights and carry out its obligations under the APIA Agreement 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 the APIA Agreement or any of its provisions.

D. Value Chain Development under Part 3 of the Project

1. When applicable, for purposes of implementing the activities under Parts 3.1 and 3.2(a) and (b) of the Project, the Borrower, through MARPH, shall enter into or maintain, as the case may be, adequate arrangements with CEPEX (*Convention*) under terms and conditions acceptable to the Bank and set forth in the Project Operational Manual.
2. The Borrower shall exercise its rights and carry out its obligations under the *Convention* 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 the *Convention* or any of its provisions.

E. Safeguards

1. The Borrower, through MARHP, shall ensure that the Project is implemented in accordance with the Environmental and Social Management Framework (ESMF), the Pest Management Plan (PMP) and the Resettlement Policy Framework (RPF). Except as otherwise agreed by the Bank, the Borrower shall not amend, abrogate, waive, or fail to enforce the ESMF, PMP or the RPF, or any of their provisions.
2. The Borrower, through MARHP, shall ensure that the terms of reference for any technical assistance provided under the Project, shall be satisfactory to the Bank, and to that end, such terms of reference shall require that the advice conveyed through such technical assistance be consistent with the requirements of the Bank's Safeguards Policies and Procedures.

Section II. Project Monitoring Reporting and Evaluation

The Borrower, through MARHP, shall furnish to the Bank each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Loan Proceeds

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 Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; and (b) pay the Front-end Fee; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Loan Allocated (expressed in EUR)	Percentage of Expenditures to be financed (exclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services and Incremental Operating Costs under Part 1 (but excluding Part 1(b)), Part 2, Part 3.1, Part 3.2 (but excluding Part 3.2(c)(ii)) and Part 4 of the Project	102,316,000	100%
(2) Operation and Maintenance Subsidies under Part 1 (b) of the Project	4,500,000	100%
(3) Matching Grants under Part 3.2(c)(ii) of the Project	6,500,000	100%
(4) Front-end Fee	284,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
TOTAL AMOUNT	113,600,000	

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;
 - (b) under Category (2), until evidence satisfactory to the Bank has been furnished to the Bank that the following conditions have been met:
 - (i) (A) the Operator has been legally established and is operating in a manner acceptable to the Bank; and (B) the Borrower, through MARHP, has entered into a Program Agreement with the Operator under terms and conditions acceptable to the Bank; and
 - (ii) for any given Selected Irrigation Scheme where the operation and maintenance will be transferred to the newly established Operator, a debt resorption plan has been approved by the Borrower in consultation with any given GDA operating in a Selected Irrigation Scheme all under terms and conditions acceptable to the Bank and set forth in the Project Operational Manual; or

- (c) under Category (3), until evidence satisfactory to the Bank has been furnished to the Bank that the following conditions have been met:
 - (i) the Matching Grant Manual has been adopted in a manner acceptable to the Bank; and
 - (ii) the Matching Grant Selection Committee has been established with composition acceptable to the Bank and set forth in the Matching Grant Manual.
2. The Closing Date is December 31, 2024.

SCHEDULE 3

Amortization Schedule

The Borrower shall repay the principal amount of the Loan as follows:

Principal Payment Date	Installment Share (Expressed as a Percentage)
March 15, 2025	1.00%
September 15, 2025	1.00%
March 15, 2026	1.00%
September 15, 2026	1.00%
March 15, 2027	1.00%
September 15, 2027	1.00%
March 15, 2028	1.00%
September 15, 2028	1.00%
March 15, 2029	5.00%
September 15, 2029	5.00%
March 15, 2030	2.00%
September 15, 2030	2.00%
March 15, 2031	2.00%
September 15, 2031	2.00%
March 15, 2032	7.00%
September 15, 2032	7.00%
March 15, 2033	2.00%
September 15, 2033	2.00%
March 15, 2034	5.00%
September 15, 2034	5.00%
March 15, 2035	2.00%
September 15, 2035	2.00%
March 15, 2036	2.00%
September 15, 2036	2.00%
March 15, 2037	2.00%
September 15, 2037	2.00%
March 15, 2038	2.00%
September 15, 2038	2.00%
March 15, 2039	2.00%
September 15, 2039	2.00%
March 15, 2040	2.00%
September 15, 2040	2.00%
March 15, 2041	2.00%
September 15, 2041	2.00%
March 15, 2042	2.00%
September 15, 2042	2.00%
March 15, 2043	2.00%
September 15, 2043	2.00%

March 15, 2044	2.00%
September 15, 2044	2.00%
March 15, 2045	2.00%
September 15, 2045	2.00%
March 15, 2046	2.00%

APPENDIX

Section I. Definitions

1. “*Agence de Promotion des Investissement Agricoles*” or “APIA” means the Borrower’s *Agence de Promotion des Investissement Agricoles* established pursuant to Borrower’s Law No. 82-67, dated August 6, 1982, or any successor thereto.
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. “APIA Agreement” means the agreement referred to in Section I.C.1 of Schedule 2 to this Agreement.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “CEPEX” means the Borrower’s Center for Export Promotion (*Centre de Promotion des Exportations*), an industrial and commercial public enterprise with industrial and commercial character established and operating according to the rules and regulations of the Borrower including under the law establishing the CEPEX and Decree No. 2005-3282 of December 19, 2005, fixing the organization of CEPEX, and such term includes any successor thereto satisfactory to the Bank.
6. “*Contrat Programme*” or “Program Agreement” means the agreement between the Borrower and the Operator referred to in Section I.A.2 of Schedule 2 to this Agreement.
7. “*Convention*” means the agreement referred to in Section I.D.1 of Schedule 2 to this Agreement.
8. “COFIL” means *Comité de Pilotage*, the Steering Committee located within MARHP and referred to in Section I.A.1(b) of Schedule 2 to this Agreement.
9. “CRDA” means *Commisariat Régional pour le Développement Agricole*, each of the MARHP’s regional command center for agricultural development established in each Governorates.
10. “CRES” means *Cellule Régionale d’Exécution et de Suivi*, a regional implementation and monitoring team established within each CRDA.
11. “Environmental and Social Management Framework” or “ESMF” means the Borrower’s Environmental and Social Management Framework, acceptable to the Bank, published on the Borrower’s and the Bank’s external websites on March 15, 2018, which contains, *inter alia*, the environmental and social protection measures in respect of the Project, including: (a) measures for chance findings of physical cultural property; (b) protection of natural habitats and pest management; (c) guidelines for the identification of existing environmental conditions and potential direct and indirect environmental impacts resulting from the carrying out of the Project; (d) guidelines for the carrying out of environmental assessments

and the preparation of environmental management plans, when applicable; (e) the recommendation of mitigation measures for each negative impact identified; (f) measures for enhancing each identified positive impacts; and (g) generic safety dam measures; as may be amended from time to time with the Bank's prior written consent.

12. "GDA" means *Groupe de développement Agricole*, an Agricultural Development Group established pursuant to Borrower's Law No. 2004-24. Dated March 15, 2004, or any successor thereto.
13. "Governorate" means an administrative subdivision of the Borrower.
14. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing", dated July 14, 2017.
15. "Incremental Operating Costs" means the reasonable costs incurred in the account of Project implementation, including: travel expenditures; equipment rental and maintenance; vehicle operation, maintenance and repair; office rental and maintenance, materials and supplies; and utilities, media information campaigns and communications' expenses (including limited incremental operating costs incurred by APIA for the implementation of the activities under Part 3.2 of the Project and by CEPEX through its *Task Force pour le Développement des Chaînes de Valeur* for the implementation of activities under Parts 3.1 and 3.2(a) and (b) of the Project); but excluding the salaries of the Borrower's public servants, as further described in the POM.
16. "Involuntary Resettlement" means the impact of: (a) an involuntary taking of land under the Project, which taking causes affected persons to have their: (i) standard of living adversely affected; or (ii) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (iii) access to productive assets adversely affected, temporarily or permanently; or (iv) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently; or (b) an involuntary restriction of access to legally designated parks and protected areas (including reserves) which causes an adverse impact on the livelihoods of the affected persons.
17. "Matching Grant" means a grant to be provided by the Borrower out of the Matching Grant Scheme to each Matching Grant Beneficiary from the proceeds of the Loan for the purposes of carrying out activities established in the business improvement plan prepared under Part 3.2(a) of the Project.
18. "Matching Grant Agreement" means the agreement to be entered into between APIA and each Matching Grant Beneficiary for the provision of a Matching Grant, and referred to in Section I.C.1(c) of Schedule 2 to this Agreement.
19. "Matching Grant Beneficiary" means any producer/producer organization and/or investor in a value chain in the Borrower's territory selected in accordance with the criteria and procedures established in the Matching Grant Manual, which will benefit from the provision of Matching Grants under Part 3.2(c)(ii) of the Project.

20. “Matching Grant Manual” means the manual setting forth the eligibility criteria, selection process of Matching Grant Beneficiaries and activities to be financed under Part 3.2(c)(ii) of the Project (including a negative list of activities).
21. “Matching Grant Scheme” or “MGS” means the mechanism to provide Matching Grants to Matching Grants Beneficiaries for the purposes of co-financing the activities included in their business investment plans, to be established under Part 3.2 (c) of the Project, under terms and conditions acceptable to the Bank.
22. “Matching Grant Selection Committee” means the committee referred to in Section I.C.1(b) of Schedule 2 to this Agreement.
23. “Ministry of Agriculture, Hydraulic Resources and Fisheries” or “MARHP” means the Borrower’s *Ministère de l’Agriculture, des Ressources Hydrauliques et de la Pêche*, or any successor thereto.
24. “Operator” means any entity vested with legal personality which meets the criteria set forth in the Project Operational Manual and established to carry out the operation and maintenance of the infrastructure investments under Part 2.1 (a) of the Project.
25. “Operation and Maintenance Subsidy” means a grant made out of the proceeds of the Loan, in an amount calculated in accordance with a formula set forth in the Project Operational Manual, to assist the Operator, as applicable, in the carrying out of the operation and maintenance of the infrastructure activities under Part 2.1(a) of the Project under terms and conditions described in the Program Agreement.
26. “Pest Management Plan” or “PMP” means the Borrower’s Pest Management Plan acceptable to the Bank, published in the Borrower’s and the Bank’s external websites on March 15, 2018 describing, *inter alia*: (i) the reasonable use of pesticides (ii) the good agri-environmental practices; and (iii) the management of risks associated with the use of pesticides; as said plan may be amended from time to time with the Bank’s prior written consent.
27. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017.
28. “Project Implementing Unit” or “UGO” means *Unité de Gestion par Objectif*, established within MARHP and referred to in Section I.A.1 of Schedule 2 to this Agreement.
29. “Project Operational Manual” or “POM” means the manual referred to in Section I.B of Schedule 2 to this Agreement, to be adopted by the Borrower, at all times in form and substance acceptable to the Bank, setting forth the details of all operational arrangements for the implementation, monitoring and supervision of the Project, including: (a) the respective roles and responsibilities for the implementation of the Project; (b) the accounting, financial management, auditing and reporting arrangements; (c) the procurement arrangements, including the Procurement Plan; (d) the monitoring and evaluation procedures including the selected indicators for measuring Project performance;

(e) the procedures and eligibility criteria governing the provision of Matching Grants; (f) the formula for the calculation of the Operation and Maintenance Subsidies; (g) the ESMF, RPF and PMP; (h) the model forms of the Service Contract and the Program Agreement; and (i) all other relevant arrangements necessary for the carrying out of the Project.

30. “Resettlement Policy Framework” or “RPF” means the Borrower’s Resettlement Policy Framework, acceptable to the Bank, published on the Borrower’s and the Bank’s external websites on March 15, 2018, outlining general implementation procedures, mitigation measures and monitoring procedures for Involuntary Resettlement under the Project, including the procedures for preparation and implementation of resettlement plans, when applicable, as said framework may be amended from time to time with the Bank’s prior written consent.
31. “Selected Irrigation Schemes” means any of the irrigation schemes located in any of the following Borrower’s Governorates: Beja, Bizerte, Jendouba, Nabeul, Sfax and Siliana, or in any other Governorate as agreed between the Bank and the Borrower; all selected pursuant to the criteria and procedures established in the POM.
32. “Service Contract” means each of the *contrat d’abonnement* to be entered into between the Operator and any given irrigation user and referred to in Section I. A.2(b)(ii) of Schedule 2 to this Agreement.
33. “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.