

Public Disclosure Authorized

# OFFICIAL DOCUMENTS

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ARTF GRANT NUMBER TFA8443-AF

## Afghanistan Reconstruction Trust Fund Grant Agreement

(Women's Economic Empowerment Rural Development Project)

between

ISLAMIC REPUBLIC OF AFGHANISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

acting as administrator of Afghanistan Reconstruction Trust Fund

Dated October 23, 2018

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**ARTF GRANT NUMBER TFA8443-AF**

**AFGHANISTAN RECONSTRUCTION TRUST FUND  
GRANT AGREEMENT**

AGREEMENT dated October 23, 2018, entered into between: ISLAMIC REPUBLIC OF AFGHANISTAN ("Recipient"); and INTERNATIONAL DEVELOPMENT ASSOCIATION ("World Bank"), acting as administrator of Afghanistan Reconstruction Trust Fund ("ARTF").

The Recipient and the World Bank hereby agree as follows:

**Article I  
Standard Conditions; Definitions**

- 1.01. The "Standard Conditions for Grants Made by the World Bank Out of Various Funds", dated February 15, 2012 ("Standard Conditions"), constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in this Agreement.

**Article II  
The Project**

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry the Project through its MRRD in accordance with the provisions of Article II of the Standard Conditions.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

**Article III  
The Grant**

- 3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount not to exceed seventy-five million United States Dollars (\$75,000,000) ("Grant") to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the World Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the World Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

**Article IV  
Recipient's Representative; Addresses**

- 4.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Minister of Finance.
- 4.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:
- Ministry of Finance  
Pashtunistan Watt  
Kabul, Islamic Republic of Afghanistan  
Facsimile:  
+93202103259
- 4.03. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

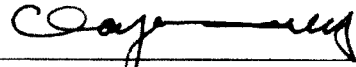
International Development Association  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

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

AGREED at Kabul, Afghanistan, as of the day and year first above written.

**ISLAMIC REPUBLIC OF AFGHANISTAN**

By

  
\_\_\_\_\_  
Authorized Representative

Name: Prof. Mohammad Humayon Qayoumi

Title: Acting Minister of Finance

**INTERNATIONAL DEVELOPMENT  
ASSOCIATION**

acting as administrator of Afghanistan Reconstruction Trust  
Fund

By

  
\_\_\_\_\_  
Authorized Representative

Name: Shebham Chaudhuri

Title: Country Director

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to increase social and economic empowerment of poor rural women in selected communities.

The Project consists of the following parts:

#### **Part 1: Community Mobilization and Institution Development**

- (a) Providing technical assistance to support community mobilization for establishing: (i) SHGs and federating them into VLSAs; and (ii) EGs and federating them into PAs.
- (b) Carrying out a program of activities to strengthen capacity, quality, and financial performance of SHGs, VSLAs, EGs, and PAs, including, *inter alia*, developing capacity building modules, training aids, common accounting and reporting systems, and grading and rating mechanisms.

#### **Part 2: Access to Finance**

- (a) Providing Seed Grants to eligible SHGs and VSLAs to establish long-term revolving funds.
- (b) Facilitating access to financial services for rural women through, *inter alia*: (i) partnerships with micro-finance institutions and commercial banks to promote financial inclusion of women groups; (ii) developing relevant financial products and services with commercial banks and micro-finance institutions; (iii) eliminating institutional constraints on women's access to formal financial services; (iv) exploring feasibility of piloting a system, enabled by information technology, for delivery of financial products; and (v) financial capacity building.

#### **Part 3: Enterprise Development and Market Linkages**

- (a) Providing technical assistance and supporting promotional activities to strengthen the capacity of EGs, PAs, and individual women entrepreneurs to access markets and manage their businesses.

- (b) Providing Catalytic Funds to eligible EGs and PAs in order to finance, inter alia, quality inputs, post-production equipment, and/or small-scale infrastructure.
- (c) Supporting EGs, PAs, and/or individual women entrepreneurs through facilitating: (i) their partnerships with business enterprises to improve the supply of business development services; and (ii) access to market.

**Part 4: Project Management**

Provision of overall Project implementation support to MRRD, including:

- (a) supporting training and technical assistance, acquisition of equipment, and operating costs to improve monitoring and evaluation, management information, financial management, procurement, human resource management, knowledge management and communication systems, and environmental and social safeguards management of the Project;
- (b) providing technical assistance to inform implementation and policy development and strengthening the capacity of relevant staff; and
- (c) promoting partnership arrangements with similar World Bank-funded projects in other countries for overall technical and implementation guidance.

## SCHEDULE 2

### Project Execution

#### Section I. Institutional and Other Arrangements

##### A. Institutional Arrangements.

- I. The Recipient shall vest the overall responsibility for Project implementation in MRRD, and to that end shall:
  - (a) maintain, throughout the period of implementation of the Project, the WEE-NPP Steering Committee, with composition, resources, competencies, and mandate satisfactory to the World Bank, to be responsible for, *inter alia*: providing overall strategic guidance, support and oversight of Project implementation;
  - (b) maintain, throughout the period of implementation of the Project, a Project Implementation Unit ("PIU"), headed by a qualified director and assisted by competent staff, all with experience and qualifications, in numbers and under terms of reference satisfactory to the World Bank; which Project Implementation Unit shall be assigned with such functions and responsibilities, satisfactory to the World Bank, as shall be required for the day-to-day implementation of the Project, including, *inter alia*: (i) managing the overall Project; (ii) coordinating Project core activities with Regional Offices; and (iii) reporting to the WEE-NPP Steering Committee and MRRD on overall Project performance;
  - (c) maintain, throughout the period of implementation of the Project, at the district level, District Offices (one such office in each district covered by the Project), provided with qualified and competent officers, under terms of reference satisfactory to the World Bank, to be responsible for, *inter alia*, managing, coordinating and implementing Project support activities, including administration, finance, human resources and monitoring and evaluation;
  - (d) establish, by not later than March 31, 2019, and maintain throughout the period of implementation of the Project, seven Regional Offices to be responsible for coordinating implementation of the Project across the provinces within the relevant region as covered by the Project;

- (e) appoint, by not later than June 30, 2019, in accordance with the criteria and qualifications requirement set out in the Operations Manual, and maintain throughout the period of implementation of the Project, District Coordinators (one such coordinator for each district), with experience and qualifications and under terms of reference satisfactory to the World Bank, to be responsible for coordinating implementation of the Project in their respective districts;
- (f) appoint, by not later than June 30, 2019, in accordance with the criteria and qualifications requirement set out in the Operations Manual, and maintain throughout the period of implementation of the Project, Facilitating Partners in selected districts, to be responsible for social and economic mobilization of SHGs, VSLAs, EGs and PAs;
- (g) engage the services of an independent third-party verification agency, with qualifications and experience satisfactory to the World Bank and operating under terms of reference acceptable to the World Bank, to review and verify the comprehensive business plan stated in Section I.C.1(b) of this Agreement in terms of feasibility, fiduciary process and inclusion;
- (h) with respect to CDCs covered by the Project, appoint by not later than three months after the establishment of District Offices covering said CDCs, and in accordance with the criteria and qualifications requirement set out in the Operations Manual, and maintain throughout the period of implementation of the Project, Social Organizers to be responsible for, *inter alia*, mobilizing women into Self Help Groups and federating them to VSLA with the support of VFs, the aggregate number of which organizers may be modified in accordance with the Operations Manual; and
- (i) with respect to CDCs covered by the Project, appoint by not later than six months after launching of Project in said CDCs, in accordance with the criteria and qualifications requirement set out in the Operations Manual, and maintain throughout the period of implementation of the Project, Village Facilitators to be responsible for, *inter alia*, providing training support for SHGs, VSLAs, SHGEGs, and PAs, the aggregate number of which facilitators may be modified in accordance with the Operations Manual.

**B. Project Documents**

- 1. The Recipient shall carry out the Project in accordance with the procedures, principles and practices set forth in the Operations Manual, the Safeguards Instruments, Community Procurement Manual, the Financial Management Manual, and the Procurement Manual.



2. The Recipient shall not assign, amend, abrogate or waive the Operations Manual, the Safeguards Instruments, the Community Procurement Manual, the Financial Management Manual, and the Procurement Manual or any provisions thereof if, in the opinion of the World Bank, such assignment, amendment, abrogation or waiver will materially and adversely affect the implementation of the Project. Any amendments to the said documents shall be made with the prior agreement of the World Bank. Without prejudice to the foregoing, if any provision of the Operations Manual, the Community Procurement Manual, the Environmental Social Safeguards Framework, the Financial Management Manual, and the Procurement Manual are inconsistent with this Agreement, the provisions of this Agreement shall prevail.

**C. Catalytic Fund**

1. (a) The Recipient shall provide, through MRRD, Catalytic Funds, from the proceeds of the Financing, to eligible EGs or PAs in accordance with the provisions of this Agreement and the provisions of the Operations Manual.  
  
(b) To be eligible for a Catalytic Fund, an EG or a PA, as the case may be, must submit to the respective Regional Office, a comprehensive business plan and evidence that it meets the eligibility criteria set out in the Operations Manual including compliance with the Safeguard Instruments.
2. The Recipient shall, through MRRD, make the proceeds of the Catalytic Fund available to an EG or a PA under a Catalytic Fund Grant Agreement entered into between the EG and MRRD, or between the PA and MRRD, as the case may be, on terms and conditions approved by the World Bank, which shall include provisions enabling the Recipient to obtain rights adequate to protect its interests and those of the World Bank, including the right to:
  - (a) suspend or terminate the right of the EG or the PA, as the case may be, to access the proceeds of the Catalytic Fund or obtain a refund of all or any part of the Catalytic Fund then withdrawn, upon the EG's or the PA's failure to perform any of its obligations under the Catalytic Fund Grant Agreement; and
  - (b) require each such EG or PA, as the case may be, to:
    - i. manage its Catalytic Fund with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the

World Bank and in accordance with the provisions of the Safeguard Instruments and the Anti-Corruption Guidelines;

- ii. maintain adequate records to reflect the operations, resources and expenditures related to the Catalytic Fund and permit the World Bank, at its request, to inspect their accounts and records;
  - iii. prepare and furnish to the Recipient and the World Bank all such information as the Recipient and World Bank shall request related to the Catalytic Fund;
  - iv. ensure that the activities to be financed out of the proceeds of the Catalytic Fund: (A) are used for enterprise related productive purposes; and (B) will not finance or support the cultivation of poppy, the purchase of military equipment or luxury goods and other items on the negative list set out in the Environment and Social Management Framework; and
  - v. procure the goods, works and services to be financed out of the Catalytic Fund in accordance with the provisions of this Agreement.
3. The Recipient shall exercise its rights under each Catalytic Fund Grant Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Financing. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Catalytic Fund Agreement or any of its provisions.

**D. Seed Grants**

1. (a) The Recipient shall, through MRRD, provide Seed Grants from the proceeds of the Financing to eligible VSLAs and, through VSLAs, to eligible SHGs in accordance with the provisions of this Agreement and the provisions of the Operations Manual.
- (b) To be eligible for a Seed Grant, a VSLA or a SHG, as the case may be, must submit to the respective Regional Office evidence that it meets the eligibility criteria set out in the Operations Manual. In addition to the foregoing, a VSLA must submit: (i) evidence of accumulation of sufficient savings meeting the requirements set out in the Operations Manual; and (ii) its constituent documents.

- (c) In evaluating each VSLA or SHG, consideration shall be given to the VSLA's or SHG's capacity to provide regular lending in conformity with appropriate administrative, financial, technical and managerial standards.
2. The Recipient shall, through MRRD, make the proceeds of the Seed Grant available to a VSLA or a SHG, as the case may be, under a Seed Grant Agreement with any such VSLA on terms and conditions approved by the World Bank, which shall include provisions enabling the Recipient to obtain rights adequate to protect its interests and those of the World Bank, including the right to:
- (a) suspend or terminate the right of the VSLA or the SHG, as the case may be, to access the proceeds of the Seed Grant or obtain a refund of all or any part of the Seed Grant then withdrawn, upon the VSLA's or the SHG's failure to perform any of its obligations under the Seed Grant agreement; and
  - (b) require each such VSLA or SHG, as the case may be, to:
    - i. manage its Seed Grant with due diligence and efficiency and in accordance with sound technical, economic, financial, and managerial standards and practices satisfactory to the World Bank, including compliance with the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient;
    - ii. maintain adequate records to reflect the operations, resources and expenditures related to the Seed Grant and permit the World Bank, at its request, to inspect their accounts and records;
    - iii. prepare and furnish to the Recipient and the World Bank all such information as the Recipient and World Bank shall request related to the Seed Grant; and
    - iv. ensure that the activities to be financed out of the proceeds of the Seed Grant: (A) are used for household consumption, or social safety net purposes as well as for enterprise related productive purposes; and (B) will not finance or support the cultivation of poppy and the purchase of military equipment or luxury goods or other items on the negative list set out in the Environmental and Social Management Framework.

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

**E. Safeguards.**

1. The Recipient shall:

- (a) ensure that the Project is carried out with due regard to appropriate health, safety, social, and environmental standards and practices, and in accordance with the Safeguards Instruments; and
- (b) refrain from amending, suspending, waiving, abrogating, and/or voiding any provision of the Safeguards Instruments, in whole or in part, without the prior written agreement of the World Bank.

2. The Recipient shall:

- (a) take all necessary actions to avoid or otherwise minimize to the extent possible, and to mitigate, any involuntary loss by persons of shelter, productive assets or access to productive assets or income or means of livelihood, temporarily or permanently, and the displacement of said people in the carrying out of the Project or any part thereof;
- (b) by not later than March 31, 2019: (i) prepare a Pest Management Plan, in a manner satisfactory to the World Bank and in accordance with the provisions of the ESMF; (ii) have such plan furnished to the World Bank for review and approval; and (iii) have such plan adopted and disclosed as approved by the World Bank.
- (c) whenever a new or revised ESMP, PMP, or any additional or revised Safeguards Instrument is required for any proposed activity under the Project in accordance with the provisions of the ESMF:
  - (i) prior to the commencement of such activity, proceed to have such ESMP, PMP, or any additional or revised Safeguards Instrument: (A) prepared in accordance with the provisions of the ESMF; (B) furnished to the World Bank for review and approval;

and (C) thereafter adopted and disclosed as approved by the World Bank, in a manner acceptable to the World Bank;

- (ii) thereafter take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP, PMP, or any additional or revised Safeguards Instrument.
- 3. The Recipient shall ensure that each contract for civil works under the Project include the obligation of the relevant contractor to comply with the relevant Safeguards Instruments applicable to such civil works commissioned/awarded pursuant to said contract.
- 4. The Recipient shall maintain, throughout Project implementation, and publicize the availability of, a Project grievance redress mechanism, in form and substance satisfactory to the World Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the World Bank.
- 5. The Recipient shall maintain policies and procedures adequate to enable it to monitor and evaluate, in accordance with guidelines acceptable to the World Bank, the implementation of the Safeguards Instruments. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall take all necessary measures on its part to regularly collect, compile and submit to the World Bank, as part of the Project Reports and promptly in a separate report whenever the World Bank may require, information on the status of compliance with the Safeguards Instruments. Such information shall include:
  - (a) measures taken in furtherance of the Safeguards Instruments;
  - (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and
  - (c) remedial measures taken or required to be taken immediately to address such conditions.
- 6. Except as the World Bank shall otherwise agree, the Recipient shall ensure, and cause to ensure, that none of the provisions of the Safeguard Instruments is abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

**F. Anti-Corruption**

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

**G. Donor Visibility and Visit**

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor's support for the Project.
2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank's request, take all measures required on its part to enable the representatives of the Donor(s) to visit any part of the Recipient's territory for purposes related to the Project.

**Section II. Project Monitoring, Reporting and Evaluation**

**A. Documents; Records**

In addition and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

- (a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient's financial and narrative progress reports submitted to the World Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and
- (b) the representatives of the World Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donor(s).

**B. Project Reports; Completion Report**

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators acceptable to the World Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.
2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six (6) months after the Closing Date.

**C. Financial Management; Financial Reports; Audits**

1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank not later than forty-five (45) after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six (6) months after the end of such period.

**Section III. Procurement**

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in the "World Bank Procurement Regulations for IPF Borrowers" dated July 2016, revised November 2017 and August 2018 ("Procurement Regulations"), and the provisions of the Recipient's procurement plan for the Project ("Procurement Plan") dated September 11, 2018 provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the World Bank.

**Section IV. Withdrawal of Grant Proceeds**

**A. General**

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may specify by notice to the Recipient (including the "Disbursement Guidelines for Investment Project Financing" dated February 2017, as revised from time to time by the World Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

<b>Category</b>	<b>Amount of the Grant Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consulting services, Training, and Incremental Operating Costs for the Project	41,250,000	100%
(2) Seed Grants under Part 2 (a) of the Project	27,000,000	100% as allocated under Section IV.B.1(b) of Schedule 2 to this Agreement
(3) Catalytic Fund under Part 3 (b) of the Project	6,750,000	100% as allocated under Section IV.B.1(b) of Schedule 2 to this Agreement
<b>TOTAL AMOUNT</b>	<b>75,000,000</b>	



**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:
  - (a) for payments made prior to the date of this Agreement; or
  - (b) under Categories (2) and (3) until and unless, to the satisfaction of the World Bank, the Recipient, through MRRD, shall have developed, tested, and verified an integrated management information system.
2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2023.

## APPENDIX

### Definitions

1. "AREDP" means Afghanistan Rural Enterprise Development Project, financed by the Association.
2. "Catalytic Fund" means financial resources provided to eligible EGs and PAs, for the purpose of providing catalytic support for the growth of viable economic activities, to finance common assets of public goods, including, *inter alia*: quality inputs; small-scale primary processing equipment; post-production equipment or small-scale infrastructure, such as drying floors, pack house, milk testing equipment, bulk milk coolers, weighing machines, and moisture meters; marketing infrastructure with cleaning, grading, sorting, cold storage; and other similar facilities.
3. "Catalytic Fund Grant Agreement" means a written agreement for the provision of the Catalytic Fund, to be entered into between MRRD and an eligible EG or PA in accordance with terms and conditions satisfactory to the World Bank.
4. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. "CCAP" means the Citizens' Charter Afghanistan Project, financed by the Association.
6. "Community Development Councils" means a community-based decision-making body responsible for, *inter alia*, preparing and implementing development projects at a local community level.
7. "Community Procurement Manual" means the community procurement manual developed for CCAP, as updated to serve the purpose of the Project, containing detailed provisions and instructions to guide procurement by SHGs, VSLAs, EGs, and PAs when using Seed Grants and Catalytic Funds respectively.
8. "District Coordinator" means a staff member recruited by MRRD, as referred to in Section I.A.1(e), to be responsible for coordinating and supervising the implementation of the Project at the district level.
9. "District Office" means the office established pursuant to the provision of Section I.A(1)(c) of Schedule 2 to this Agreement, to be responsible for

coordinating implementation of the Project in the district level, and “District Offices” means, collectively, more than one District Office.

10. “Enterprise Group” or “EG” means a group established with the facilitation of MRRD and FPs, at the community level, involving between five to fifteen members, formed around a common enterprise activity and usually not for the conduct of financial activities, and “Enterprise Groups” mean, collectively, more than one Enterprise Group.
11. “Environmental and Social Management Framework” or “ESMF” means the environmental and social framework for the Project, prepared by the Recipient, satisfactory to the World Bank, and disclosed on World Bank’s website on August 25, 2018, setting out the principles, rules, guidelines and procedures to screen and assess the environmental and social impacts (including health and safety issues) of the Project activities, including those financed out of the Catalytic Funds, and containing measures and plans to avoid, minimize, mitigate and/or offset adverse impacts and/or reduce said adverse impacts to acceptable levels, and enhance positive impacts, provisions for estimating and budgeting the costs of such measures, and information on the agency or agencies responsible for addressing project impacts, as said instrument may be amended from time to time with the World Bank’s prior written agreement.
12. “Environment and Social Management Plan” or “ESMP” means, individually, each environmental and social management plan, as may be required to be prepared by the Recipient, in accordance with the ESMF and Section I.E.2(c) of Schedule 2 to this Agreement, acceptable to the World Bank, setting forth mitigation, enhancement, monitoring, and institutional measures, to eliminate any adverse environmental impacts of activities to be implemented under the Project, offset them, or reduce them to acceptable levels, or enhance positive impacts, as the same may be modified from time to time with the prior written agreement of the World Bank, and such term includes any annexes or schedules to such plan, and “Environmental and Social Management Plans” and “ESMPs” means, collectively, all such plans.
13. “Facilitating Partners” or “FPs” means international and/or national non-governmental organizations and agencies, as well as United Nations agencies that will assist the Recipient in carrying out the Project, as provided for in Section I.A.1(g) of Schedule 2 to this Agreement.

14. "Financial Management Manual" means the manual prepared by the Recipient on August 27, 2018, containing detailed financial management arrangements necessary for the effective implementation of the Project.
15. "Incremental Operating Costs" means the incremental expenses incurred on account of Project implementation and management, including vehicle rental and other transportation costs, office rental and maintenance, utilities, telecommunications and other incidental costs, office consumable supplies, bank charges and advertising costs and salaries, benefits, travel costs and per diem of staff contracted by MRRD to support the Project, as agreed with the World Bank, but excluding salaries of the officials of the Recipient's civil service.
16. "MRRD" means the Recipient's Ministry of Rural Rehabilitation and Development or any successor entity thereto.
17. "National Solidarity program" means the Recipient's program launched in 2003 for the purpose of providing basic rural infrastructure and expanding outreach to rural communities through a community driven approach.
18. "Operations Manual" means the manual adopted by MRRD, in a manner satisfactory to the World Bank, dated, setting out policies and procedures for the implementation of the Project, including, inter alia, criteria and procedures for: (i) the selection of Village Facilitators, establishment of SHGs, EGs and VSLAs; (ii) management of procurement; and (iii) the provision of Seed Grants and Catalytic Funds, as the same may be updated from time to time.
19. "Part" means a Part of the Project described in Schedule I to this Agreement, and "Parts" means, collectively, more than one Part.
20. "PMP" or "Pest Management Plan" means the pest management plan to be prepared by the Recipient, satisfactory to the World Bank, setting out measures to develop and implement integrated pest management and safe handling of pesticides in the course of Project implementation, as said instrument may be updated from time to time with the prior written agreement of the World Bank.
21. "Procurement Manual" means the procurement manual, developed by the Recipient for AREDP, as updated to serve the purposes of the Project, containing all procurement arrangements necessary for the effective implementation of the Project.

22. "Producer Association" or "PA" means an association of several Enterprise Groups of common value chains, formed, in accordance with provisions of the Operations Manual, to aggregate production, marketing and sales.
23. "Project Implementation Unit" means the unit in MRRD, as referred to in Section I.A(1)(b) of Schedule 2 to this Agreement, that has been established for the purpose of managing the implementation of the Project.
24. "Regional Office" means the office established with MRRD's structure, as referred to in Section I.A(1)(d) of Schedule 2 to this Agreement, to be responsible for coordinating implementation of the Project across the provinces, and "Regional Offices" means, collectively, more than one Regional Office.
25. "Safeguards Instruments" means, collectively, the ESMF, the ESMP(s), the PMP, and "Safeguard Instrument" means any of such Safeguards Instruments.
26. "Seed Grant" means the provision of capital by the Recipient through MRRD to an eligible VSLA or, through such VSLA, to an eligible SHG, for the purpose of providing loans to eligible members of the VSLA, or to eligible members of the SHG, as the case may be, for enterprise related productive purposes, and "Seed Grants" mean, collectively, more than one Seed Grant.
27. "Seed Capital Grant Agreement" means a written agreement for the provision of the Seed Grant, to be entered into between MRRD and an eligible VSLA in accordance with terms and conditions satisfactory to the World Bank.
28. "Self Help Group" or "SHG" means groups promoted by MRRD at the community level to receive training in financial services and start common savings and inter-lending activities, and "Self Help Groups" or "SHGs" means, collectively, more than one Self Help Group.
29. "Signature Date" means the later of the two dates on which the Recipient and the World Bank signed this Agreement and such definition applies to all references to "the date of the Grant Agreement" in the Standard Conditions.
30. "Social Organizer" means a contracted staff hired by MRRD or FPs, as referred to in Section I.A.1(g) of Schedule 2 to this Agreement.
31. "Training" means non-consultant expenditures incurred by MRRD in connection with the carrying out of workshops and the provision of training under the Project.

including training institution fees, logistics, materials, study tours, and the cost of travel and per diem of trainers and trainees.

32. "Village Facilitator" means male or female facilitators selected based on criteria set out in the Operations Manual, responsible for, *inter alia*, facilitating the formation of Enterprise Groups, Self Help Groups, and Village Savings and Loan Associations; and "Village Facilitators" means, collectively, more than one Village Facilitator.
33. "Village Savings and Loan Association" or "VSLA" means an association formed to administer savings of Self Help Groups once the latter has crossed a threshold level, and has had a certain period of internal lending as specified in the Operations Manual, and "Village Savings and Loan Associations" or "VSLAs" means, collectively, more than one Village Saving and Loan Association or VSLA.
34. "WEE-NPP" or "Women Economic Empowerment National Priority Program" means Recipient's national program developed in December 2016 to build poor women's capacity to improve the economy of their households and communities through provision of technical and financial resources.
35. "WEE-NPP Steering Committee" means a steering committee, established under WEE-NPP, composed of on-budget and off-budget implementing agencies of the WEE-NPP, responsible for overall coordination and implementation of the WEE-NPP.