

Public Disclosure Authorized

CONFORMED COPY

CREDIT NUMBER 4751-ML

Financing Agreement

(Fostering Agricultural Productivity Project)

between

REPUBLIC OF MALI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated June 19, 2010

CREDIT NUMBER 4751-ML

FINANCING AGREEMENT

AGREEMENT dated June 19, 2010, entered into between REPUBLIC OF MALI (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to forty six million two hundred thousand Special Drawing Rights (SDR 46,200,000) (variously, “Credit” and “Financing”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are April 15 and October 15 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out Parts B.1 and C of the Project through the MOA, cause Part A of the Project to be carried out by the APCAM and cause Parts B.2, B.3 and B.4 of the Project to be carried out by the ON, all in accordance with the provisions of Article IV of the General Conditions and, as applicable, in accordance with the provisions of the APCAM Project Agreement and the ON Project Agreement respectively.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Events of Suspension consists of the following:
 - (a) The APCAM Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of APCAM to perform any of its obligations under the APCAM Project Agreement.
 - (b) The ON Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of ON to perform any of its obligations under the ON Project Agreement.
 - (c)
 - (i) Subject to subparagraph (ii) of this paragraph, the right of the Recipient to withdraw the proceeds of any grant made to the Recipient for the financing of Parts B.2 (a) and B.2 (d) of the Project shall have been suspended, canceled or terminated in whole or in part, pursuant to the terms of the EU Co-financing Agreement.
 - (ii) Subparagraph (i) of this paragraph shall not apply if the Recipient establishes to the satisfaction of the Association that: (A) such suspension, cancellation or termination is not caused by the failure of the Recipient to perform any of its obligations under such agreement; and (B) adequate funds for Parts B.2 (a) and B.2 (d) of the Project are available to the Recipient from other sources on terms and conditions consistent with the obligations of the Recipient under this Agreement.

- (d) (i) Subject to subparagraph (ii) of this paragraph, the right of the Recipient to withdraw the proceeds of any grant made to the Recipient for the financing of Parts A.1 (c), C.1 (c) and C.2 (b) of the Project shall have been suspended, canceled or terminated in whole or in part, pursuant to the terms of the GEF Co-financing Agreement administered by the World Bank.
 - (ii) Subparagraph (i) of this paragraph shall not apply if the Recipient establishes to the satisfaction of the Association that: (A) such suspension, cancellation or termination is not caused by the failure of Recipient to perform any of its obligations under such agreement; and (B) adequate funds for Parts A.1 (c), C.1 (c) and C.2 (b) of the Project are available to the Recipient from other sources on terms and conditions consistent with the obligations of the Recipient under this Agreement.
 - (e) (i) Subject to subparagraph (ii) of this paragraph, the right of the Recipient to withdraw the proceeds of any grant made to the Recipient for the financing of Part C.3 (c) of the Project shall have been suspended, canceled or terminated in whole or in part, pursuant to the terms of the GEF Co-financing Agreement administered by the UNDP.
 - (ii) Subparagraph (i) of this paragraph shall not apply if the Recipient establishes to the satisfaction of the Association that: (A) such suspension, cancellation or termination is not caused by the failure of Recipient to perform any of its obligations under such agreement; and (B) adequate funds for Part C.3 (c) of the Project are available to the Recipient from other sources on terms and conditions consistent with the obligations of the Recipient under this Agreement.
- (f) (i) Subject to subparagraph (ii) of this paragraph, the right of the Recipient to withdraw the proceeds of any grant made to the Recipient for the financing of Parts A.1 (b), A.2 (b), A.3, B.1 (b), C.1 (b) and C.3 (b) of the Project shall have been suspended, canceled or terminated in whole or in part, pursuant to the terms of the IFAD Co-financing Agreement.

- (ii) Subparagraph (i) of this paragraph shall not apply if the Recipient establishes to the satisfaction of the Association that:
(A) such suspension, cancellation or termination is not caused by the failure of Recipient to perform any of its obligations under such agreement; and (B) adequate funds for Part Parts A.1 (b), A.2 (b), A.3, B.1 (b), C.1 (b) and C.3 (b) of the Project are available to the Recipient from other sources on terms and conditions consistent with the obligations of the Recipient under this Agreement.

4.02. The Additional Events of Acceleration consists of the following:

- (a) Any event specified in paragraphs (a) or (b) of Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Conditions of Effectiveness consists of the following:

- (a) The MOA-APCAM Subsidiary Agreement has been executed on behalf of the Recipient and the APCAM.
- (b) The MOA-ON Subsidiary Agreement has been executed on behalf of the Recipient and the ON.
- (c) The GEF Co-financing Agreement administered by the World Bank and the EU Co-financing Agreement have been executed and delivered and all conditions precedent to their effectiveness or to the right of the Recipient to make withdrawals under such instruments (other than the effectiveness of this Agreement) have been fulfilled.
- (d) The Recipient has adopted a Project Implementation Manual in a form and substance satisfactory to the Association.
- (e) The Recipient has established a financial and management system in form and substance satisfactory to the Association.
- (e) The Recipient has appointed the following staff of the CPS, under terms of reference and with qualifications and experience satisfactory to the Association: a Project planning and management specialist, a financial management specialist, a procurement specialist, and a monitoring and evaluation specialist.

- 5.02. The Additional Legal Matters consist of the following:
- (a) The MOA-APCAM Subsidiary Agreement has been duly authorized or ratified by the Recipient and the APCAM and is legally binding upon the Recipient and the APCAM in accordance with its terms.
 - (b) The ON Subsidiary Agreement has been duly authorized or ratified by the Recipient and the ON and is legally binding upon the Recipient and the ON in accordance with its terms.
- 5.03. The Effectiveness Deadline is the date ninety days (90) days after the date of this Agreement.
- 5.04. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is ten (10) years after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is its minister responsible for finance.

6.02. The Recipient's Address is:

Ministry of Finance
BP 234
Quartier du Fleuve
Bamako, Mali

Facsimile:

223-20-221914 / 20-231654

6.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

248423 (MCI)

1-202-477-6391

AGREED at Bamako, Mali, as of the day and year first above written.

REPUBLIC OF MALI

By /s/ Sanoussi Touré

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Ousmane Diagana

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to increase the productivity of smallholder agricultural and agribusinesses producers in the Targeted Production Systems in Selected Areas of the Recipient's territory.

The Project consists of the following parts:

Part A: Technology transfer and service provision to agricultural producers

1. Provision of technical assistance and equipment to Producers' Organizations of Targeted Production Systems to help them: (a) address key agricultural productivity constraints related to farm and agricultural technique modernization, to livestock production system modernization and to intensification and diversification techniques; (b) develop small scale irrigation intensification techniques, post-harvest operation techniques and demand-driven; and (c) promote sustainable land and water management techniques.
2. (a) Provision of support to refurbish, equip and improve management and functioning of APCAM, CRAs and Producers' Organizations; and (b) carrying out of capacity building activities for APCAM, CRAs and Producers' Organizations.
3. Provision of support to facilitate rural credit development, through the development of financial management and accounting services for small investors in the agribusiness sector.
4. Provision of support to the National Committee for Agricultural Research to facilitate technology generation and to the Regional Committee for Research and Extension to strengthen the linkages between agricultural research, extension services and production systems.

Part B: Irrigation Infrastructure

1. Provision of support for: (a) feasibility and environment studies for small-scale irrigation investments; and (b) the construction of additional small-scale gravity-fed village irrigation schemes and small-scale lowland irrigation schemes.
2. Provision of support for: (a) the development of approximately 1,200 ha of new irrigable land in the Sabalibougou 1 Area and the implementation of the related resettlement action plan; (b) the development of

approximately 1,000 ha of new irrigable land in the Sabalibougou 2 Area; (c) the development of approximately 500 ha of new irrigation schemes in the M'Béwani Area; and (d) the extension of the Kalankorola and Tango drainage systems in the M'Bewani Area.

3. Provision of support to the ON to: (a) improve its modernization, governance structure, and water management and land tenure policy and practices; (b) design and implement a voluntary land consolidation process; (c) improve the efficiency of water management in the areas under the authority of the ON; and (d) provide capacity building and equipment for environment and social safeguards monitoring and for the evaluation of the implementation of mitigation measures for the irrigation schemes developed by the Project.
4. Provision of equipment to replace auscultation instruments and technical assistance to update manuals and emergency plans for the Markala and Selingue dams.

Part C: Programmatic approach, Sectoral Monitoring and Project coordination

1. Provision of technical assistance to enhance coordination among the various stakeholders in the agricultural sector to support: (a) the elaboration of an agricultural investment program; (b) the elaboration and implementation of the agricultural policy; and (c) the promotion of sustainable land management in agricultural investments.
2. Provision of technical assistance and support for: (a) the assessment and monitoring of agricultural sector performances; and (b) the monitoring of the evolution of natural resources and the impact of agricultural investments on the environment.
3. Provision of support to public services to: (a) establish the National Agricultural Advisory Service Council to provide quality control on agricultural and veterinary inputs, advisory services, phyto- and zoo-sanitary surveillance and control, oversee environment and social safeguards, and disseminate information and raise awareness on national legal texts and guides on agriculture, natural resources, water management, forestry and pastoral activities; (b) develop the national strategy for small scale irrigation development; and (c) disseminate information and develop training on sustainable land and water management.
4. Provision of technical assistance and support for the carrying out of the Project, including monitoring and evaluation.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall establish by not later than three (3) months following the Effectiveness Date, and thereafter maintain for the duration of the Project implementation, a National Steering Committee (NSC), with composition and terms of reference acceptable to the Association, to: (a) provide general strategic direction and oversight of the Project implementation; (b) ensure overall coordination of Project implementation; (c) approve Annual Work Plans and related programs and budgets; and (d) review progress reports and audit reports.

2. The Recipient shall be responsible for the overall project supervision and strategic coordination and shall maintain the Planning and Statistics Unit (CPS), within the MOA, throughout the implementation of the Project, under terms of reference and with suitably qualified and experienced staff in adequate numbers and resources satisfactory to the Association, to be responsible for the day-to-day management and coordination of the Project, including: (a) preparation of withdrawal applications for the Financing; (b) preparation of the Annual Work Plans; (c) management of the Designated Account; (d) maintenance of records and accounts related to the Project and arranging for the audit thereof; (e) participation in the administration of bidding procedures and of contracts under the Project; (f) preparation of consolidated quarterly progress reports; (g) monitoring, supervision and evaluation activities related to Project; and (h) organizing consultation workshops and training with the entities involved in the implementation and provision of support to the Project.

3. The Recipient shall establish not later than three (3) months following the Effectiveness Date and thereafter maintain for the duration of the Project implementation, the Technical Execution and Coordination Committee (CECT) with composition and terms of reference acceptable to the Association, to: (a) monitor the implementation of the Project; (b) ensure coordination in the field; and (c) build cooperation among interested stakeholders.

B. Subsidiary Agreements

1. (a) To facilitate the carrying out of the Part A of the Project, the Recipient shall make a portion of the Financing proceeds available on a grant basis to the APCAM (“APCAM Subsidiary Financing”) under a subsidiary agreement between the Recipient, through the MOF, and the APCAM, under terms and conditions approved by the Association, which shall include, *inter alia*: (a) the principal amount of the APCAM Subsidiary Financing shall be denominated in Dollars; (b) the Recipient’s right to suspend, terminate or obtain refund, of the Subsidiary Financing, in the event the APCAM fails to perform its obligations under the APCAM Subsidiary Agreement; (c) the terms of Sub-project Agreements; and (d) the obligation of APCAM to abide by the terms of the Anti-Corruption Guidelines.

(b) The Recipient shall exercise its rights and carry out its obligations under the MOF-APCAM Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the MOF-APCAM Subsidiary Agreement or any of its provisions.

2. (a) To facilitate the carrying out of Parts B.2, B.3 and B.4 of the Project, the Recipient shall make a portion of the proceeds of the Financing available on a grant basis to the ON (“ON Subsidiary Financing”) under a subsidiary agreement between the Recipient, through the MOF, and the ON, under terms and conditions approved by the Association, which shall include, *inter alia*: (a) the principal amount of the ON Subsidiary Financing shall be denominated in Dollars; (b) the Recipient’s right to suspend, terminate or obtain refund, of the ON Subsidiary Financing in the event the ON fails to perform its obligations under the ON Subsidiary Agreement; and (c) the rights and obligations of the ON (including the obligation of ON to abide by the terms of the Anti-Corruption Guidelines).

(b) The Recipient shall exercise its rights and carry out its obligations under the MOF-ON Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the MOF-ON Subsidiary Agreement or any of its provisions.

C. Anti-Corruption

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

D. Annual Work Plans

1. (a) The Recipient shall prepare, through the CPS, under terms of reference acceptable to the Association, and furnish to the Association not later than October 30 in each calendar year during Project implementation, an Annual Work Plan of activities proposed for inclusion in the Project during the following calendar year, together with a budget for such activities and a timetable for their implementation.

(b) The Recipient shall exchange views with the Association on such proposed Annual Work Plan, and shall thereafter adopt by not later than December 15 in each calendar year during Project implementation, and carry out such Annual Work Plan for the next calendar year as shall have been approved by the Association. Except as the Association shall otherwise agree, the Recipient shall not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written agreement of the Association.

3. Only such Annual Work Plan of activities as shall have been approved by the Association shall be eligible for inclusion in the Project and financing out of the proceeds of the Financing.

E. Sub-projects

1. For the purposes of Part A.1 (a) of the Project, the Recipient shall cause the APCAM to make resources available on a Sub-grant basis to Beneficiaries on the following terms and conditions:

(a) To be eligible for a Sub-grant, the proposed Beneficiary shall be required to demonstrate that the eligibility criteria and any such additional criteria as are set forth in the PIM are met.

(b) APCAM shall make APCAM Subsidiary Financing proceeds available on a Sub-grant basis under criteria set forth in the PIM and an agreement between the APCAM and the Beneficiary on terms and conditions satisfactory to the Association (the "Sub-project Agreement"), which terms and conditions shall include the Beneficiary's obligation to abide by the terms of the Anti-Corruption Guidelines.

2. The Recipient shall cause the APCAM to exercise its rights and carry out its obligations under each Sub-project Agreement in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing, and, except as the Association shall otherwise agree in writing, the Recipient shall cause the APCAM not to assign, amend, abrogate or waive any of the Sub-project Agreements, or any provision thereof.

F. Manual

1. Except as the Association shall otherwise agree, the Recipient shall: (a) carry out the Project in accordance with the Project Implementation Manual (PIM) and cause APCAM to carry out Part A of the Project, and ON to carry out Parts B.2, B.3 and B.4 of the Project, in accordance with the Project Implementation Manual; and (b) not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned, or any provision thereof, without the prior written agreement of the Association.

2. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

G. Safeguards

1. The Recipient shall carry out Part B.1 of the Project and cause APCAM and ON to carry out their portions of Parts A, B.2, B.3 and B.4 of the Project, or cause such portions to be carried out (including any activity proposed to be included in an Annual Work Plan or Sub-project), in accordance with the provisions of the Environmental and Social Management Framework (ESMF), the Pest Management Plan (PMP), and the Resettlement Policy Framework (RPF), and, except as the Association shall otherwise agree, the Recipient shall not amend, abrogate, or waive, or permit to be amended, abrogated, or waived, any provision of the aforementioned.

2. The Recipient shall carry out and cause ON and APCAM to carry out the Project in accordance with the provisions of the Environmental Management Plan (EMP), the Environmental and Social Impact Assessment (ESIA), and the Resettlement Action Plan (RAP), as the case may be, under terms and conditions satisfactory to the Association and, except as the Association shall otherwise agree, the Recipient shall not amend, abrogate, or waive, or permit to be amended, abrogated, or waived, any provision of the aforementioned.

3. In the event of any conflict between the provisions of the ESMF, or the RPF, or the PMP, or the EMPs, or the ESIA, or the RAPs, if any, and those of this Agreement, the provisions of this Agreement shall prevail.

4. The Recipient shall ensure that all legal and administrative urban planning and environmental permits and authorizations necessary to carry out the Project are secured in a timely manner and with due diligence in compliance with the laws of the Recipient.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators agreed with the Association. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than forty five days after the end of the period covered by such report.
2. For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six (6) months after the Closing Date.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty five days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, commencing with the Fiscal Year in which the first withdrawal was made under the Project. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method
(a) National Competitive Bidding
(b) Limited International Bidding
(c) Direct Contracting
(d) Shopping
(e) Community participation

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Method
(a) Quality based Selection
(b) Consultant Qualification
(c) Single Source Selection
(d) Least Cost Selection
(e) Individual Consultants

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association’s Prior Review. All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing (“Category”), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, consultants' services and Operating Costs for Parts B.1 (a) and C.1 (a), C.2 (a), C.3 (a) and C.4 of the Project	11,950,000	100%
(2) Goods, works consultants' services, Operating Costs and Training for Parts A.1 (a), A.2 (a) and A.4 of the Project	18,350,000	100%
(3) (a) Goods, works, consultants' services, Operating Costs and Training for Part. B.2 (b) , B.3 and B4 of the Project (b) Goods, works, consultants' services, Operating Costs and Training for Part. B.2 (c) of the Project	7,700,000 3,550,000	100%
(4) Project Preparation Advance	650,000	Section 2.07 of the General Conditions
(5) Unallocated	4,000,000	
TOTAL AMOUNT	46,200,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for (a) payments made prior to the date of this Agreement and (b) for expenditures under Category (3) (b) unless the Recipient has provided evidence satisfactory to the Association that the Environmental and Social Impact Assessment for Part B.2 (c) of the Project has been carried out under terms and conditions satisfactory to the Association.
2. The Closing Date is September 30, 2016.

C. Other Undertakings

1. The Recipient shall ensure that, by not later than December 15, 2010, the GEF Co-financing Agreement administered by the UNDP and the IFAD Co-financing Agreement shall have been executed and delivered and all conditions precedent to their effectiveness or to the right of the Recipient to make withdrawals under such instruments (other than the effectiveness of this Agreement) have been fulfilled.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 15 and October 15:	
commencing October 15, 2020 to and including April 15, 2030	1%
commencing October 15, 2030 to and including April 15, 2050	2%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.

APPENDIX

Section I. Definitions

1. “Annual Work Plan” means each work plan approved by the Association under Section I.D of Schedule 2 to this Agreement for inclusion in the Project.
2. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006.
3. “APCAM” or “*Assemblée Permanente des Chambre d’Agriculture du Mali*” means the Permanent Agriculture Chambers’ Assembly of Mali, the public legal entity representing the interests of the agricultural professionals *vis-à-vis* the Recipient’s authorities, established and operating pursuant to APCAM Legislation (as defined hereinafter) or any successor thereto acceptable to the Association.
4. “APCAM Legislation” means the Recipient’s Law No. 93-044 of August 4, 1993 and Decree No. 93-295/P-RM of August 18, 1993.
5. “APCAM Project Agreement” means the agreement of even date herewith between the Association and the APCAM.
6. “APCAM Subsidiary Financing” means the amount of the Financing allocated from time to time to Category (2).
7. “Beneficiary” means a legal or natural person legally established in the Recipient’s territory which will benefit from financial assistance in kind for the purposes of carrying out a Sub-project (as defined hereinafter).
8. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
9. “Co-financier” or “Co-financiers” means the Global Environmental Fund (GEF; administered by the World Bank or by the UNDP), the European Union and IFAD individually or together, as referred to in paragraph 10 of the Appendix to the General Conditions.
10. “Co-financing” means an amount of funds to be provided by the Co-financier to assist in financing the Project.
11. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.

12. “Designated Account” means the account referred to be opened and maintained by the Recipient in accordance with the provisions of Article II of the General Conditions, Section IV.A.1 of Schedule 2 of this Agreement, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association).
13. “Displaced Person” means any person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person.
14. “Environmental Management Plan” or “EMP” means an environmental management plan required pursuant to the ESMF for an activity proposed to be included in an Annual Work Plan under the Project, which is acceptable to the Association, giving details of measures appropriate or required to maximize the benefits of the Project, eliminate, offset or mitigate any adverse environmental impacts, or reduce such impacts to acceptable levels, together with budget and costs estimates, sources of funding, adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, such Environmental Management Plan, and “EMPs” means all of them collectively.
15. “Environmental and Social Impact Assessment” or “ESIA” means an environmental and social impact assessment of a particular activity proposed to be included in an Annual Work Plan or an activity under the Project, required pursuant to the ESMF, which is acceptable to the Association, giving details of the status of the natural environment, social and potential risks and adverse impacts thereto, which are specific to the activity, along with proposed mitigation measures and “ESIAs” means all of them collectively.
16. “Environmental and Social Management Framework” or “ESMF” means the Recipient’s framework, dated January 13, 2010, setting out the rules, guidelines and procedures to assess environmental and social impacts of the Project’s activities, and measures to reduce, mitigate or offset adverse environmental impacts and enhance positive impacts of said activities, including public consultation, institutional arrangements for the implementation, monitoring and supervision of said measures, and as the same may be amended from time to time with the prior written approval of the Association.
17. “EU Co-financier” means the World Bank acting as administrator of the European Union Food Crisis Rapid Response Facility Trust Fund.

18. “EU Co-financing” means an amount of Euro 14,640,000 to be provided by the EU Co-financier to assist in financing the Project.
19. “EU Co-financing Agreement” means the agreement of even date herewith between the Recipient and the EU Co-financier providing for the EU Co-financing.
20. “Fiscal Year” means the period between January 1 and December 31.
21. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006), with the modifications set forth in Section II of this Appendix.
22. “GEF Co-financier administered by the UNDP” means the UNDP acting as administrator of the Global Environmental Fund (GEF) Trust Fund.
23. “GEF Co-financier administered by the World Bank” means the World Bank acting as administrator of the GEF Trust Fund.
24. “GEF Co-financing administered by the UNDP” means an amount of Dollars 1,900,000 to be provided by the GEF Co-financier administered by the UNDP to assist in financing the Project.
25. “GEF Co-financing administered by the World Bank” means an amount of Dollars 6,200,000 to be provided by the GEF Co-financier administered by the World Bank to assist in financing the Project.
26. “GEF Co-financing Agreement administered by the UNDP” means the agreement to be entered into between the Recipient and the GEF Co-financier administered by the UNDP providing for the GEF Co-financing administered by the UNDP.
27. “GEF Co-financing Agreement administered by the World Bank” means the agreement of even date herewith between the Recipient and the GEF Co-financier administered by the World Bank providing for the GEF Co-financing administered by the World Bank.
28. “IFAD” means the International Fund for Agricultural Development.
29. “IFAD Co-financing” means an amount of US\$32 million to be provided by the IFAD Co-financier to assist in financing the Project
30. “IFAD Co-financing Agreement” means the agreement to be entered into between the Recipient and the IFAD Co-financier providing for the IFAD Co-financing.

31. “M’Bewani Area” means the Recipient’s area within the Commune of Sirifila Boundy in the Ségou Region.
32. “Ministry of Agriculture” or “MOA” means the Recipient’s ministry responsible for agriculture or any successor thereto acceptable to the Association.
33. “Ministry of Finance” or “MOF” means Recipient’s ministry responsible for finance or any successor thereto acceptable to the Association
34. “MOF-APCAM Subsidiary Agreement” means the agreement referred to in Section I.B.1 of Schedule 2 to this Agreement pursuant to which the Recipient, through the MOF, shall make part of the proceeds of the Financing available to the APCAM.
35. “MOF-ON Subsidiary Agreement” means the agreement referred to in Section I.B.2 of Schedule 2 to this Agreement pursuant to which the Recipient, through the MOF, shall make part of the proceeds of the Financing available to the ON (as defined hereinafter).
36. “National Agricultural Advisory Service Council” means the Recipient’s council to be established in accordance with Part C.3 of Schedule 1 to this Agreement in a manner satisfactory to the Association.
37. “National Committee for Agricultural Research” means the Recipient’s council established at the national level to provide agricultural research services pursuant to the Recipient’s Decree No 1-243/P-RM dated June 7, 2001.
38. “National Steering Committee” or “NSC” means the Recipient’s committee to be established pursuant to Section I.A.1 of Schedule 2 to this Agreement, or any successor thereto acceptable to the Association.
39. “*Office du Niger*” or “ON” means the industrial and commercial public legal entity (*Etablissement Public à Caractère Industriel et Commercial*) in charge of the management of hydro-agricultural schemes in the central Nigerian river delta of the Recipient, established pursuant to the ON Legislation (as defined hereinafter).
40. “ON Legislation” means the Ordinance No. 81-3/P-RM, dated April 28, 1981 and operating pursuant to Decree No. 217PG-RM, dated August 31, 1981, of the laws of the Borrower, as amended to the date of this Agreement.
41. “ON Project Agreement” means the agreement of even date herewith between the Association and the ON.
42. “ON Subsidiary Financing” means the amount of the Financing allocated from time to time to Category (3).

43. “Operating Costs” means the incremental expenses, included in an Annual Work Plan, and incurred by the Recipient on account of Project implementation, management, and monitoring, for office space rental, utilities, and supplies, bank charges, communications, vehicle operation, maintenance, and insurance, building and equipment maintenance, advertising expenses, travel and supervision, salaries of contractual and temporary staff, but excluding salaries, fees, *honoraria*, and bonuses of members of the Recipient’s civil service.
44. “Pest Management Plan” or “PMP” means the Recipient’s plan dated January 13, 2010, providing procedures and guidelines for the preparation, adoption, implementation, supervision and monitoring of a pest management plan, as said plan may be amended from time to time with the prior written approval of the Association.
45. “Planning and Statistics Unit” or “CPS” means the *Cellule de Planification et Statistiques* established within the MOA, pursuant to the Recipient’s Decree No. 166/P/P-RM dated may 28, 2007, or any successor thereto acceptable to the Association.
46. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October, 2006.
47. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated April 22, 2010 and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
48. “Producers’ Organizations” means organizations legally established within the Recipient’s territory to provide agricultural extension services to smallholder agricultural and agribusiness producers.
49. “Project Implementation Manual” or “PIM” means the manual which outlines, *inter alia*, the operational, institutional, financial management, procurement, environmental and social safeguards, accounting and disbursement arrangements for the implementation of the Project, referred to in Section I.F of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to the manual.
50. “Regional Chambers of Agriculture” or “CRA” means the *Chambres Régionales d’Agriculture* established within the APCAM pursuant to the Recipient’s Law No. 93-044 of August 4, 1993 and Decree No. 93-295/P-RM of August 18, 1993 or any successor thereto acceptable to the Association.

51. “Regional Committee for Research and Extension” means the Recipient’s committee established within the National Committee for Agricultural Research in charge of providing research and extension services at the regional level pursuant to the Recipient’s Decree No. 1-243/P-RM dated June 7, 2001.
52. “Resettlement Action Plan” or “RAP” means the resettlement action plan for a particular activity proposed to be included in an Annual Work Plan under the Project, required pursuant to the Resettlement Policy Framework (as defined hereinafter), and which is satisfactory to the Association, describing the social impacts of such activity and providing measures for the compensation, resettlement and rehabilitation of Displaced Persons including institutional arrangements for implementation, supervision and monitoring of such measures, budget, environmental protection, participation and consultation of Displaced Persons and grievance processes available to them, as such plan may be amended from time to time with the prior written approval of the Association, and “RAPs” means all of them collectively.
53. “Resettlement Policy Framework” or “RPF” means the Recipient's policy framework, dated January 26, 2010, providing procedures and guidelines for the preparation, adoption, implementation, supervision and monitoring of a Resettlement Action Plan or Plans, as said framework may be amended from time to time with the prior written approval of the Association.
54. “Sabalibougou 1 Area” means the Office du Niger area in the Recipient’s territory in the Commune of Pogo in the Ségou Region.
55. “Sabalibougou 2 Area” means the Office du Niger area in the Recipient’s territory in the Commune of Pogo in the Ségou Region.
56. “Selected Areas” means the area of (i) the Office du Niger zone; (ii) along the Niger River between Ségou and Gao; (iii) in the administrative sub-regions (“*cercles*”) of Douentza, Bankass, Koro, Bla, Macina, Tominian, Kidal, Diré, Kayes, Dilly, Diéma, Nara, Kati, Dioïla, Kita and Bafoulabé; and (iv) the peri-urban areas of Bamako, Kayes, Ségou, Mopti, Sikasso and Koulikoro or any other area agreed with the Association.
57. “Sub-grants” means grants to be made out of the proceeds of the Financing to a Beneficiary to finance a Sub-project under Part A.1 (a) of the Project.
58. “Sub-project” means an activity financed or to be financed by the proceeds of a Sub-grant for the purpose of Part A.1 (a) of the Project.
59. “Sub-project Agreement” means an agreement for the financing of a Sub-project made or proposed to be made by the Recipient, through the CPS, to a Beneficiary to finance a Sub-project.

60. “Targeted Production Systems” means irrigated rice and vegetables, rain-fed cereals, fodder production (pastoral perimeters and fodder crops such as cowpea), and livestock production (such as dairy, sheep fattening and poultry) or any other production system agreed with the Association.
61. “Training” means the training and training-related activities included in an Annual Work Plan, including seminars, workshops and study tours, travel and subsistence allowances for training participants, trainers’ fees, rental of training facilities, preparation and reproduction of training materials and other activities incidental to the preparation and implementation of training activities.
62. “UNDP” means the United Nations Development Program.

Section II. Modifications to the General Conditions

The modifications to the General Conditions for Credits and Grants of the Association, dated July 1, 2005 (as amended through October 15, 2006) are as follows:

1. Section 2.07 is modified to read as follows:

“Section 2.07. Refinancing Preparation Advance

If the Financing Agreement provides for the repayment out of the proceeds of the Financing of an advance made by the Association or the Bank (“Preparation Advance”), the Association shall, on behalf of the Recipient, withdraw from the Financing Account on or after the Effective Date the amount required to repay the withdrawn and outstanding balance of the advance as at the date of such withdrawal from the Financing Account and to pay all accrued and unpaid charges, if any, on the advance as at such date. The Association shall pay the amount so withdrawn to itself or the Bank, as the case may be, and shall cancel the remaining unwithdrawn amount of the advance.”

2. Paragraph (1) of Section 6.02 is modified to read as follows:

“Section 6.02. Suspension by the Association

(1) *Ineligibility.* The Association or the Bank has declared the Project Implementing Entity ineligible to receive proceeds of any financing made by the Association or the Bank or otherwise to participate in the preparation or implementation of any project financed in whole or in part by the Association or the Bank, as a result of a determination by the Association or the Bank that the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by the Association or the Bank.”

3. The following terms and definitions set forth in the Appendix are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:
 - (a) The term “Project Preparation Advance” is modified to read
“Preparation Advance” and its definition is modified to read as follows:
“‘Preparation Advance’ means the advance referred to in the Financing Agreement and repayable in accordance with Section 2.07.”