## FPCR TF GRANT NUMBER TF092980 - GUB

# Food Price Crisis Response Trust Fund Grant Agreement

(Emergency Food Security Support Project)

between

REPUBLIC OF GUINEA-BISSAU

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Acting as Trustee of the Food Crisis Response Trust Fund

Dated October 11, 2008

#### FPCR TF GRANT NUMBER TF092980 - GUB

#### FOOD PRICE CRISIS RESPONSE TRUST FUND

#### **GRANT AGREEMENT**

AGREEMENT dated October 11, 2008, entered into between the REPUBLIC OF GUINEA-BISSAU (the "Recipient"), and the INTERNATIONAL DEVELOPMENT ASSOCIATION, acting as Trustee of the Food Price Crisis Response Trust Fund (the "World Bank"), pursuant to Resolution No. 2008-0004 of May 29, 2008 of the Executive Directors of the IBRD and Resolution No. 2008-0002 of May 29, 2008 of the Executive Directors of IDA establishing the Food Price Crisis Response Trust Fund (the "FPCR TF").

WHEREAS, the Recipient has requested the World Bank that provided the additional assistance towards the financing of Component 1 of the Project and by agreement of even date herewith between the World Bank and the United Nations' World Food Program; and the World Bank is agreeing to provided such assistance in an aggregate amount equal to one million five hundred thousand United States Dollars (US\$1,500,000).

Now, therefore, 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 July 1, 2008 ("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 out Components 2 and 3 of the Project 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 equal to three million five hundred thousand United States Dollars (USD3,500,000) ("Grant") to assist in financing Components 2 and 3 of 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 World Bank has received eighty-five million Dollars (USD85,000,000) as a contribution to the Food Price Crisis Response Trust Fund ("FPCR TF") and expects to receive an additional contribution of one hundred fifteen million Dollars (USD115,000,000) during October 2008. Until such time as the additional contribution is credited to the FPCR TF, no withdrawal shall be made from the Grant Account if, as a result of such withdrawal, the total amount of the Grant withdrawn from the Grant Account would exceed the amount available to the World Bank from the resources provided to it under the FPCR TF for the purposes of the Grant.

#### **Article IV**

#### Effectiveness

4.01 This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank certifying that MoARD has appointed and engaged in functions a Project coordinator to head the TCU to be established pursuant to Section I.A.1.(b) of the Schedule 2 to this Agreement.

#### Article V

## Recipient's Representative; Addresses

- 5.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the Recipient's Minister of Finance.
- 5.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

Ministério das Finanças Avenida Amilcar Cabral s/n C.P. 67 Bissau Guinea-Bissau

Cable: Telex: Facsimile: MEF 257 MEF B1 (245) 3205156

5.03. 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

Cable: Telex: Facsimile:

INDEVAS 248423 (MCI) or 1-202-477-6391

Washington, D.C. 64145 (MCI)

AGREED at District of Columbia, United States of America, as of the day and year first above written.

## REPUBLIC OF GUINEA-BISSAU

By /s/ Issufo Sanhá

**Authorized Representative** 

INTERNATIONAL DEVELOPMENT ASSOCIATION Acting as Trustee of the Food Price Crisis Response Trust Fund

By /s/ McDonald Benjamin

**Authorized Representative** 

#### SCHEDULE 1

#### **Project Description**

The objective of the Project is to improve food security for the most vulnerable population of the Recipient including children, and to increase smallholder rice production in the regions of Bafata, Biombo, Cacheu, Gabu, Oio, and Bissau (the "Selected Areas").

The Project consists of the following parts:

## **Component 1:** Support to the Most Vulnerable Population

- 1. Provision of support to the on-going School Feeding Program for pre-primary and primary school students in the Selected Areas.
- 2. Provision of support to the Food-for-Work Program for the unemployed, intended at rehabilitating dikes for mangrove rice (serving approx. 2,000 ha) and drainage channels for lowland rice (serving approx. 3,000 ha), including the provision of technical assistance and rice seeds to beneficiaries.

## **Component 2:** Support of Increasing Food Production

- 1. Provision of Sub-grants for the financing of community-driven Sub-projects in Selected Areas for small-scale development or rehabilitation of agricultural infrastructure and the improvement of staples crops production, processing and marketing, with particular focus on rice.
- 2. Strengthening of the technical capacity of MoARD to assist small-holders groups and their organizations involved in food production.

## Component 3: Project coordination, Monitoring and Evaluation

Strengthening of the Recipient's institutional capacity for Project implementation, coordination, financial management, monitoring and evaluation, through the establishment and maintenance of a Technical Coordination Unit and the provision of technical support to the CBMP PMU.

# **SCHEDULE 2**

#### **Project Execution**

## **Section I. Institutional and Other Arrangements**

#### A. Overall Project Implementation

#### 1. The Recipient shall

- (a) establish within the MoARD, by no later than 30 days after the effectiveness of this Agreement, and thereafter maintain throughout the period of implementation of the Project, a Project Steering Committee, chaired by the Minister of MoARD, with membership, functions and responsibilities satisfactory to the World Bank, including, among others: (i) the approval of the Annual Action Plans and their related budget for Components 2 and 3 of the Project; (ii) the provision of policy guidance to the TCU; and (iii) the carrying out of the general oversight of Project implementation (including Component 1);
- (b) establish within MoARD's Department of Rural Engineering, by no later than 30 days after the effectiveness of this Agreement, and thereafter maintain throughout the period of implementation of the Project, a Technical Coordination Unit ("TCU") with structure, functions and responsibilities acceptable to the World Bank, and with competent staff in adequate numbers and with qualifications satisfactory to the World Bank, to be responsible for day-to-day coordination of the activities under Components 2 and 3 of the Project, including: (i) project planning and budgeting (annual work plans); (ii) liaison/coordination with the Project Management Unit; (iii) provision of training to Project beneficiaries; (iv) dissemination of information; (v) Project supervision monitoring and evaluation;
- (c) maintain within MoF throughout the period of implementation of the Project, the CBMP Project Management Unit ("CBMP PMU") with structure, functions and responsibilities, and with competent staff in adequate numbers and qualifications satisfactory to the World Bank, including a small coordination team responsible for the financial management and procurement arrangements for the activities under Components 2 and 3 of the Project to be set in place no later than three (3) months after the effectiveness of this Agreement; and

(d) recruit not later than three (3) months after the effectiveness of this Agreement, and thereafter maintain throughout the period of implementation of the Project, at least three (3) regional coordinators with offices at regional level (the "Regional Agriculture Office") reporting to the MoARD, with offices shall have structures, functions and responsibilities acceptable to the World Bank, and have competent staff in adequate numbers and with qualifications satisfactory to the World Bank; each such office to be responsible for facilitating the implementation of activities under Component 2 of the Project in the Selected Areas of its competence/jurisdiction.

## B. Technical Assessment and Operations Manual

- 1. Prior to the implementation of any activities under Components 2 and 3 of the Project, the Recipient shall carry out a technical assessment of the prospective activities under such Component in a manner and substance acceptable to the World Bank, and design, approve and adopt the respective operational procedures, guidelines and criteria for the selection and implementation of Subprojects (the "Technical Assessment and Operations Manual"), in a manner and substance acceptable to the World Bank, including, *inter alia*:
  - (a) the identification of prospective sites for Sub-projects within the Selected Areas, and, when applicable, the determination of suitable staple crops therefor;
  - (b) the criteria for the identification of eligible Sub-projects and Sub-project beneficiaries (the "Sub-project Beneficiaries"), taking into account: (i) cost-sharing requirements ("matching ratios"), whether in cash or in kind; (ii) financial ceilings; (iii) technical, economic, financial, social and environmental capacity and/or feasibility; and (iv) a positive and negative list of eligible activities satisfactory to the World Bank;
  - (c) the procurement arrangements and financial management provisions for the flow of funds (in the event of Sub-grants), including coordination between TCU and the CBMP PMU;
  - (d) the design of a community mobilization and sensitization strategy; and
  - (e) the capacity need assessment of the TCU to carry out the selection, evaluation, monitoring and supervision of Sub-projects, including the development of a monitoring and evaluation system and procedures for

the Project, and the carrying out of a baseline survey of prospective Subproject Beneficiaries.

2. The Recipient shall not, suspend, amend, abrogate or waive, whether in whole or in part, any of the criteria, guidelines, and procedures set forth in the Technical Assessment and Operations Manual, in a manner which, in the opinion of the World Bank may materially and adversely affect the implementation of Components 2 and 3 of the Project.

#### C. Sub-project Agreements

- 1. In the carrying out of Sub-projects, the Recipient shall conclude an agreement with each Sub-project Beneficiary (or the appropriate representative thereof), whereby the Recipient shall agree to provide to each Sub-project Beneficiary goods, works, services and/or a Sub-grant, as the case may be, from the proceeds of the Grant, on a non-reimbursable basis, and on terms and conditions satisfactory to the World Bank (the "Sub-project Agreement"), including the eligibility criteria set forth in Technical Assessment and Operations Manual, the details of disbursement schedules and procurement procedures as set forth in Section III of this Schedule, the details of any further environmental and social safeguards as may be needed, and the following additional terms and conditions:
  - (a) require the TCU to ensure the execution of the Sub-projects by the Sub-project Beneficiaries with due diligence and efficiency and in accordance with sound technical, financial, managerial and environmental standards and practices, and maintain adequate records thereof;
  - (b) ensure the right of the Recipient to inspect by itself, or jointly with the World Bank, if the World Bank shall so request, the goods, works, sites, plants and the operations thereof, and any relevant records and documents related to the Sub-projects;
  - (c) obtain from the Sub-project Beneficiaries all such information, as the World Bank shall reasonably request relating to the implementation of their respective Sub-projects (including their implementation performance);
  - (d) suspend or terminate the right of any Sub-project Beneficiary to benefit from the use of the goods, works or services, and/or its right to any amounts under the respective Sub-grant, upon failure by such Sub-project Beneficiary to perform its obligations under the Sub-project Agreement; and

- (e) promptly inform the Recipient and the World Bank of any condition which interferes or threatens to interfere with the progress of any Subproject, or the performance by the relevant Sub-project Beneficiary of its obligations under the relevant Sub-project Agreement.
- 2. The Recipient shall exercise its rights under each Sub-project Agreement in such a manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant, and, except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any of the Sub-project Agreement, or any provision thereof.

#### D. Environmental and Social Management Framework (ESMF)

- 1. (a) Within three (3) months as of the effectiveness of this Agreement, the Recipient shall have prepared, approved, adopted and publicly disclosed an environmental and social management framework (ESMF) setting out the environmental and social guidelines, rules and procedures applicable to the Sub-projects' eligibility screening processes, as well as the mitigation measures to be applied during the implementation thereof, including: (i) guidelines for the appropriate use and management of pesticides; (ii) a pest management plan; and (ii) generic dam safety measures that might be required; and
  - (b) The Recipient undertakes not to amend, suspend, waive, or abrogate, whether in whole or in part, the ESMF in a manner which, in the opinion of the World Bank may materially and adversely affect the implementation of the Project.
- 2. Except as the World Bank shall otherwise agree, the Recipient shall carry out or cause the Sub-project to be carried out in accordance with the environmental and social guidelines, rules and procedures defined in the ESMF.
- 3. The Recipient shall ensure that: (a) all measures necessary for the carrying out of the ESMF mitigation measures with respect to Sub-projects are taken in a timely manner; and (b) the Project Reports referred to in Section II of this Schedule will include adequate information on monitoring the measures defined in the ESMF with respect to each such Sub-project.

# 4. The Recipient shall:

- (a) prior to commencing any Sub-project and when required under the ESMF, carry out an environmental and social impact assessment in form and substance satisfactory to the World Bank;
- (b) in the event that an environmental and social impact assessment of a Sub-project determines that such a Sub-project, if carried out, would have in the opinion of the World Bank a potential for adverse environmental impact, not approve such a Sub-project until an appropriate action under the ESMF has been discussed and agreed upon by the Recipient and the World Bank to mitigate such potential adverse impact; and
- (c) thereafter, cause the relevant Sub-project Beneficiary to carry out the agreed mitigation actions referred to in sub-paragraph (b) above.

#### E. Communication Strategy and Annual Action Plan

- 1. In carrying out Components 2 and 3 of the Project, the Recipient shall:
  - (a) by no later than October 31, 2008, prepare a strategy for the communication to stakeholders and the enhancement of public awareness regarding the objectives of and activities under the Project, including a time bound action plan therefore;
  - (b) provide said strategy to the World Bank for its review and comments;
  - (c) thereafter, take all necessary actions to implement said strategy taking into consideration the World Bank's view thereon.

#### 2. The Recipient undertakes to:

(a) prepare, by no later than October 31 each year, commencing on October 31, 2008, and furnish to the Project Steering Committee for approval and the World Bank for review and comments, a draft annual action plan (the "Annual Action Plan") for the following calendar year, which plan shall identify Project activities by component and sub-component, and their related expenditures and financing sources; and

(b) thereafter, implement the project activities during the respective calendar year pursuant to such plan as so discussed with the World Bank, and agreed and approved by the Project Steering Committee.

# F. Anti-Corruption

The Recipient shall ensure that the Components 2 and 3 of the Project are 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 ("Anti-Corruption Guidelines").

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

#### A. Project Reports; Completion Report

- 1. (a) 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 the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the World Bank not later than forty five (45) days after the end of the period covered by such report.
  - (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
    - (i) fourteen thousand (14,000) students under school feeding program for one year;
    - (ii) one hundred and sixty thousand (160,000) days of rations distributed to rural producers under the Food-for-Work Program; and
    - (iii) seven thousand tons (7,500 tn) of paddy rice produced in the new rehabilitated areas under the project.
- 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.

## B. 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 Component 2 and 3 of the Project are prepared and furnished to the World Bank not later than forty five (45) days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank, which reports shall:
  - (a) set forth sources and uses of funds for Components 2 and 3 of the Project, both cumulative and for the period covered by said report, showing separately funds provided under the Grant, and explains variances between the actual and planned uses of such funds; and
  - (b) describe the use of funds by activity/components, both cumulative and for the period covered by said report, and explains variances between the actual and planned Project implementation.
- 3. The Recipient shall have its Financial Statements for Components 2 and 3 of 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

#### A. General

- 1. **Procurement and Consultant Guidelines.** All goods, works and 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:
  - (a) Section I of the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the World Bank in May 2004 and revised in October 2006 ("Procurement Guidelines") in the case of goods and works, and Sections I and IV of the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the

- World Bank in May 2004 and revised in October 2006 ("Consultant Guidelines") in the case of consultants' services; and
- (b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines ("Procurement Plan").
- 2. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank 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 methods, other than International Competitive Bidding, may be used for procurement of goods and works for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) National Competitive Bidding; (c) Shopping; and (d) Community Participation procedures which have been found acceptable to the World Bank.

#### 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. For purposes of paragraph 2.7 of the Consultant Guidelines, the short list of consultants for consulting services estimated to cost less than US\$75,000 equivalent, per contract, may include only consultants from the country of the Recipient.
- 2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those assignments which are specified in the Procurement Plan: (a) Least Cost Selection; (b) Selection based on Consultants' Qualifications; (c) Single-source Selection; (d) Established Private or Commercial Practices which have been found acceptable to the World Bank;

(e) Selection of Service Delivery Contractors which have been found acceptable to the World Bank; and (f) Selection of Individual Consultants.

#### D. Review by the World Bank of Procurement Decisions

Except as the World Bank shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the World Bank: (a) each contract for goods estimated to cost the equivalent of US\$150,000 or more, each contract for works estimated to cost the equivalent of US\$250,000 or more, and each contract for non-consultants' services estimated to cost the equivalent of US\$50,000 or more procured on the basis of International Competitive Bidding; and (b) each contract for consultants' services provided by a firm estimated to cost the equivalent of US\$100,000 or more, each contract for consultants' services provided by individual consultants estimated to cost the equivalent of US\$50,000 or more, and all contracts procured under Sole-source Selection All other contracts shall be subject to Post Review by 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 "World Bank Disbursement Guidelines for Projects" dated May 2006, 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:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, consultants' services, Sub- grants under Subcomponent 2.1 of the Project	2,000,000	100%
(2) Goods, consultants' services and/or training and workshops under Subcomponent 2.2 of the Project	500,000	100%
(3) Goods, consultants' services and Incremental Operating Costs under Component 3 of the Project	500,000	100%
(4) Unallocated	500,000	
TOTAL AMOUNT	3,500,000	

# 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 Category (1) until:
    - (i) the ESMF has been prepared, approved and adopted, in accordance with the provisions of Section I.D.1(a) of this Schedule; and

- (ii) the Recipient has prepared, approved, adopted and filed with the World Bank a Technical Assessment and Operations Manual, in accordance with the provisions of Section I.B.1 of this Schedule.
- 2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is September 30, 2011.

#### **APPENDIX**

#### **Definitions**

- 1. "Annual Action Plans" means the plan to be prepared by the Recipient through the TCU setting out the activities to be carried out on each calendar year of Project implementation in accordance with the provision of Section I.E.2 (a) of Schedule 3 to this Agreement.
- 2. "CBMP Project Management Unit" and the acronym "CBMP PMU" mean the project management unit established within the MoF pursuant to the provisions of Section A.1(a) of Schedule 4 to the Development Credit Agreement entered between the Recipient and the International Development Association, dated December 15, 2004, for purposes of financing the Coastal and Biodiversity Management Project (Credit No. 3997-GUB).
- 3. "ESMF" means the environmental and social management framework to be prepared, approved and adopted by the Recipient in terms satisfactory to the World Bank, pursuant to Section I.D.1 of the Schedule 2 to this Agreement, for purposes of screening selecting and implementing Sub-projects, which document shall describe the environmental and social planning, Sub-projects' review and approval procedures, environmental and social mitigation measures, monitoring and training requirements, and any other technical and institutional arrangements as may be required.
- 4. "Food-for-Work Program" means the activities under the Recipient's PRRO program implemented by the WFP, aimed at providing food assistance to the unemployed in exchange/compensation of their community work for the rehabilitation of rice fields and/or irrigation infrastructure therefor.
- 5. "Incremental Operating Costs" means the incremental expenditures for office supplies, vehicle operation and maintenance, maintenance of equipment, communications costs, office rental expenses and utilities, consumables, transport, accommodation and per diems, and banking costs, incurred by the TCU and/or the CBMP PMU in connection with the management and coordination of the Project, which expenditures would not have been incurred absent the Project, but excluding salaries, benefits and overheads of civil servants.
- 6. "Ministry of Agriculture and Rural Development" or the acronym "MoARD" mean the Recipient's Ministry of Agricultural and Rural Development and/or any successor thereto.

- 7. "Ministry of Finance" and the acronym "MoF" mean the Recipient's Ministry Finance and/or any successor thereto.
- 8. "PRRO" means the Recipient's Protracted Relief and Recovery Operation (PRRO) implemented by WFP pursuant to the Memorandum of Understanding dated July 21, 2006, entered into by and among the Recipient, on the one hand, and WFP, the United Nation's Food and Agriculture Organization (FAO) and the United Nations Children's Fund (UNICEF), on the other hand, for purposes of: (i) increasing enrolment and attendance rates at pre-primary and primary schools in the most vulnerable areas of the country; (ii) improving household food security in target areas through the rehabilitation of land and creation of community assets; and (iii) strengthening capacities of government and local non-governmental organizations to establish and manage food-assistance and hunger-reduction programs.
- 9. "Selected Areas" means the Recipient's administrative regions of Bafata, Biombo, Cacheu, Gabu, Oio, and the Recipient's autonomous sector of Bissau, as well as any other areas, sectors or regions that the World Bank may agree from time to time.
- 10. "School Feeding Program" means the activities under the Recipient's PRRO program implemented by the WFP, aimed at providing daily nutrition assistance (two meals a day) to primary and pre-primary student.
- 11. "Standard Conditions" means the Standard Conditions for Grant Made by the World Bank Out of Various Funds, dated July 1, 2008.
- 12. "Sub-grant" means each of the grants to be made available to the Sub-project Beneficiaries out of the Grant funds pursuant to the Sub-project Agreements for the financing of Sub-projects under subcomponent 1 of Component 2 of the Project; and the term "Sub-grants" means collectively all such grants.
- 13. "Sub-project Agreement" means each of the agreements to be entered into by a Sub-project Beneficiary and the TCU, pursuant to the term, conditions and procedures set forth in Section I.C of Schedule 2 to this Agreement, and the Technical Assessment and Operations Manual. The term "Sub-project Agreements" means collectively one or more of such agreements.
- 14. "Sub-projects" means the development activities to be carried out by a Sub-project Beneficiaries under Subcomponent 1 of Component 2 of the Project, which satisfy the eligibility criteria set our in the Technical Assessment and

- Operations Manual for the financing under Sub-grants. The term "Sub-project" means, individually, each of such developmental activities.
- 15. "Sub-project Beneficiary" means a community, farmer organization and/or individual selected on the basis of the eligibility criteria defined in the Technical Assessment and Operations Manual for the carrying out of a Sub-project under Subcomponent 1 of Component 2 of the Project. And the term "Sub-project Beneficiaries" means collectively one or more of said selected communities, farmer organizations and/or individuals.
- 16. "Technical Assessment and Operations Manual" means the assessment report and procedural manual to be developed and adopted for the implementation of Sub-projects under Subcomponent 1 and Component 2 of the Project pursuant to Section I.B.1 of Schedule 2 to this Agreement.
- 17. "Technical Coordination Unit" and the acronym "TCU" mean the unit to be established within the Department of Rural Engineering, MoARD, pursuant to Section I.A.1(b) of the Schedule 2 to this Agreement.
- 18. "WFP" means the World Food Programme of the United Nations, established jointly by the United Nations and the Food and Agriculture Organization of the United Nations.