
LOAN NUMBER 9357-CN
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Loan Agreement

(Green Agricultural and Rural Revitalization Program – Phase I)

between

PEOPLE’S REPUBLIC OF CHINA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between PEOPLE'S REPUBLIC OF CHINA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

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

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the following amounts to assist in financing the program described in Schedule 1 to this Agreement ("Program"):
 - (a) the amount of one hundred fifty-one million eight hundred thousand Euros (€151,800,000) ("Loan A"), as such amount may be converted from time to time through a Currency Conversion to assist in financing Guizhou's Respective Part of the Program; and
 - (b) the amount of one hundred fifty million Dollars (\$150,000,000) ("Loan B"), as such amount may be converted from time to time through a Currency Conversion to assist in financing Guangxi's Respective Part of the Program.
- 2.02. The Borrower may withdraw the proceeds of Loan A and Loan B in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the amount of each of Loan A and Loan B.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread; or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

- 2.06. The Payment Dates are April 15 and October 15 in each year.
- 2.07. The principal amount of Loan A and Loan B shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROGRAM

- 3.01. The Borrower declares its commitment to the objectives of the Program. To this end, the Borrower shall cause the Program to be carried out by the Program Implementing Entities in accordance with the provisions of Article V of the General Conditions and the respective Program Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Event of Suspension is that a successor program to the Rural Revitalization Plan has been adopted, and the adoption of such successor program will materially and adversely affect its and the Program Implementing Entities' ability to achieve the objective of the Program and/or perform any of its obligations under this Agreement or the Program Implementing Entities' obligations under the respective Program agreement.
- 4.02. The Additional Event of Acceleration is that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness is that each of the Program Implementing Entities has adopted its respective Program Implementation Plan in form and substance acceptable to the Bank.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower's Representative is its Minister, or a Vice Minister, of Finance.
- 6.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower's address is:

Ministry of Finance
Sanlihe
Xicheng District

Beijing 100820
People's Republic of China; and

(b) the Borrower's Electronic Address is:

Facsimile:

(86-10) 6855-2077

6.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Facsimile:

1-202-477-6391

AGREED as of the Signature Date.

PEOPLE'S REPUBLIC OF CHINA

By



Authorized Representative

Name: Zhang Bo

Title: Deputy Director General

Date: 29-Dec-2023

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By



Authorized Representative

Name: Mara K. warwick

Title: Country Director

Date: 01-Nov-2023

SCHEDULE 1

Program Description

The objective of the Program is to enhance environmentally sustainable agricultural and rural infrastructure development in selected areas of Guangxi and Guizhou.

The Program consists of the following activities, which are a subset of the Rural Revitalization Plan:

1. *Strengthening institutional capacity for governance.* Developing governance, training and capacity building frameworks for enhancing the effectiveness of the Rural Revitalization Plan by: (a) developing provincial regulations, standards and guidelines for green agricultural development and rural infrastructure development; (b) establishing provincial mechanisms for green agricultural development program-budgeting, expenditure tracking and reporting; (c) establishing provincial mechanisms for monitoring and evaluation of rural infrastructure, public services and the profile of rural villages; and (d) developing provincial frameworks/action plans for nurturing green skills and talents in rural areas.
2. *Greening selected agricultural value chains.* (a) Strengthening the protection and utilization of agricultural resources, including protecting and improving quality of farmlands, improving the efficiency of agricultural irrigation water use by rehabilitating irrigation systems and promoting drip irrigation; (b) preventing and controlling agricultural non-point source water pollution, including reducing chemical fertilizer use, increasing the efficiency of chemical fertilizer use, low residue pesticide use, soil testing and use of formula and organic fertilizer, recycling of livestock and poultry manure and crop straws/residues, and collection and recycling of agricultural plastics; (c) building green and low-carbon agricultural industry chains, such as green, organic and geographical indication agricultural products; (d) providing infrastructure necessary for the development of green agricultural value chains, including constructing/rehabilitating climate resilient production/access roads, rehabilitating irrigation and drainage systems, constructing/rehabilitating cold storage facilities; (e) nurturing green skills and talents in rural areas; and (f) enforcing green agricultural development regulations and standards.
3. *Increasing access to rural solid waste and wastewater services.* (a) Preparing spatial Integrated Village Development Plans for guiding rural investments; (b) improving rural habitat environment, through, *inter alia*, constructing or rehabilitating climate resilient rural solid waste transfer systems and wastewater (sewerage) treatment facilities, improving rural domestic waste collection and disposal systems, including sorting/separation and resource utilization of solid

waste, and improving sanitation; and (c) providing training and capacity building in the operation and management of wastewater and solid waste facilities.

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Financing Arrangements

1. For the purposes of carrying out the Program, the Borrower shall make available to the Program Implementing Entities the proceeds of Loan A and Loan B, under terms and conditions acceptable to the Bank, including the following principal terms:
 - (a) The principal amount shall be made available in: (i) Euros (with respect to Loan A); (ii) Dollars (with respect to Loan B); or any other Currency as Loan A or Loan B may be converted from time to time through a Currency Conversion of the value of the currency or currencies so withdrawn (such principal amount determined on the date, or respective dates, of withdrawal from the Loan Account).
 - (b) The principal amount so made available shall be recovered as follows: (i) with respect to Loan A, over a period of thirty (30) years, inclusive of a grace period of six (6) years; and (ii) with respect to Loan B, over a period of thirty (30) years, inclusive of a grace period of six (6) years.
 - (c) Interest shall be charged on such principal amount withdrawn and outstanding from time to time at a rate equal to the rate of interest applicable from time to time to each of Loan A and Loan B pursuant to the provisions of Section 2.05 of this Agreement.
 - (d) A Commitment Charge shall be charged equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
2. The Borrower shall cause the Program Implementing Entities to: (a) manage, operate, monitor, transfer and reconcile the proceeds of Loan A and Loan B made available to them pursuant to paragraph 1 above in accordance with arrangements and procedures acceptable to the Bank; (b) take all required actions, including provision of timely consents and approvals as may be necessary, to facilitate the utilization of Loan A and Loan B proceeds and the implementation of the Program and, to enable the Program Implementing Entities to comply with their undertakings under the respective Program Agreement; and (c) maintain all relevant records and documents related to the Loan A, Loan B and the Program and provide promptly such documents and records, including all other information related to Loan A, Loan B and the Program, as may be requested by the Borrower or the Bank from time to time.

B. Program Action Plan

The Borrower shall, and shall cause the Program Implementing Entities to, take, all measures necessary to comply with, or all measures necessary to enable the Program Implementing Entities to comply with the provisions of Section I.B.2 of the Schedule to the Program Agreement.

Section II. Excluded Activities

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

- A. in the opinion of the Bank, are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or
- B. involve the procurement of: (1) works, estimated to cost \$75 million equivalent or more per contract; (2) goods, estimated to cost \$50 million equivalent or more per contract; (3) non-consulting services, estimated to cost \$50 million equivalent or more per contract; or (4) consulting services, estimated to cost \$20 million equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

The Borrower shall cause the Program Implementing Entities to furnish to the Bank each Program Report not later than sixty (60) days after the end of each calendar semester, covering the calendar semester.

Section IV. Withdrawal of Proceeds of Loan A and Loan B

A. General

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

Category (including Disbursement Linked Indicator as applicable)	Amount of the Loan A Allocated (expressed in EUR)	Amount of the Loan B Allocated (expressed in USD)
(1) DLI #1: Development and use of a comprehensive IT-based M&E system for rural infrastructure, public services and profile of rural villages	6,072,216.80	5,984,991.25
(2) DLI #2: Development and use of an IT-based system for green agricultural program-based budgeting and expenditure reporting	10,626,000	10,473,750
(3) DLI#3: Adoption of local regulations, standards and guidelines on green agricultural development and number of agro-products produced in the Program Counties that are certified and/or registered as green, organic or geographical indication pursuant to said regulations, standards and guidelines	6,071,991	5,985,000
(4) DLI#4: Tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	22,769,912.20	22,443,878.71
(5) DLI#5: Percentage increase of treated and recycled livestock and poultry manure from large scale and small scale farms in the Program Counties	27,324,000	26,932,500
(6) DLI#6: Percentage increase of recovered and recycled agricultural plastics in the Program Counties	16,698,000	16,458,750
(7) DLI#7: Number of Integrated Village Development Plans approved by Program Counties	12,143,880	11,969,880

(8) DLI#8: Number of demonstration villages with newly constructed or rehabilitated existing climate resilient wastewater treatment facilities and established solid waste collection, sorting and transfer systems	50,094,000	49,376,250.04
(9) Front-end Fee to be paid pursuant to Section 2.03 of this Agreement in accordance with Section 2.05 (b) of the General Conditions	n/a	375,000
TOTAL AMOUNT	151,800,000	150,000,000

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) on the basis of DLRs achieved prior to the Signature Date; and
 - (b) for any DLR, until and unless the respective Program Implementing Entity has furnished evidence satisfactory in accordance with the provisions of the Verification Protocol and acceptable to the Bank showing that the said DLR has been achieved.

2. Notwithstanding the provisions of Part B.1(b) of this Section, the Borrower may withdraw an amount not to exceed: (a) with respect to Loan A, €37,950,000; and (b) with respect to Loan B, \$37,500,000; as an advance; provided, however, that if the DLRs in the opinion of the Bank, are not achieved (or only partially achieved) by the Closing Date, the Borrower shall refund such advance (or portion of such advance as determined by the Bank in accordance with the provisions of the Disbursement Calculation Formula) to the Bank promptly upon notice thereof by the Bank. Except as otherwise agreed with the Borrower, the Bank shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the Bank shall specify by notice to the Borrower.

3. Notwithstanding the provisions of Part B.1(b) of this Section, if any of the DLRs has not been achieved by the date by which the said DLR is set to be achieved (or such later date as the Bank has established by notice to the Borrower), the Bank may, by notice to the Borrower:

- (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Loan then allocated to said Category which, in the opinion of the Bank, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with the Disbursement Calculation Formula;
 - (b) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR to any other DLR; and/or
 - (c) cancel all or a portion of the proceeds of the Loan then allocated to said DLR.
4. The Closing Date is June 30, 2028.
5. For purposes of, *inter alia*, Section 2.03 and 7.04 of the General Conditions, the term “Program Expenditures” means those expenditures incurred by the Program Implementing Entities under the budget codes and/or the accounts specified in the Program Implementation Plan, and the expenditures financed out of the proceeds of the Loan, but excluding any expenditures associated with the Excluded Activities.

SCHEDULE 3

1. Repayment of the principal amount of Loan A

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

Level Principal Repayments

Principal Payment Date	Installment Share
On each April 15 and October 15 Beginning April 15, 2028 through April 15, 2051	2.08%
On October 15, 2051	2.24%

2. Repayment of the principal amount of Loan B

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

Level Principal Repayments

Principal Payment Date	Installment Share
On each April 15 and October 15 Beginning April 15, 2028 through April 15, 2051	2.08%
On October 15, 2051	2.24%

SCHEDULE 4

Disbursement Linked Results

A. Guizhou Province

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
(1) DLI #1: Development and use of a comprehensive IT-based M&E system for rural infrastructure, public services and profile of rural villages	<u>1.1.</u> Guizhou has developed a comprehensive IT-based M&E system for rural infrastructure, public services and profile of rural villages					EUR 1,214,616.80 for the development of the comprehensive IT-based M&E system for rural infrastructure, public services and profile of rural villages
			<u>1.2.</u> All Program Counties have installed and used the M&E system developed under DLR#1.1 to record, analyze and report on the performance of rural infrastructure and public services, and the			EUR 323,840 per Program County

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
			profile of rural villages by the end of CY25			
(2) DLI #2: Development and use of an IT-based system for green agricultural program-based budgeting and expenditure reporting	2.1. Guizhou has developed a program-based budgeting and expenditure tracking system for green agricultural development					EUR 2,125,200 for the development of the IT-based system for green agricultural program-based budgeting and expenditure reporting
			2.2. All Program Counties have installed and used the program-based budgeting and expenditure tracking system developed under DLR#2.1 by the end of CY25			EUR 566,720 per Program County

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
(3) DLI#3: Adoption of local regulations, standards and guidelines on green agricultural development and number of agro-products produced in the Program Counties that are certified and/or registered as green, organic or geographical indication pursuant to said regulations, standards and guidelines	<u>3.1.</u> Guizhou has adopted provincial regulations, standards and guidelines on green agricultural development based on the relevant regulations, standards and guidelines adopted by MARA					EUR 1,214,400 for the adoption of the provincial regulations, standards and guidelines on green agricultural development
		<u>3.2.</u> 31 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green	<u>3.2.</u> 36 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green	<u>3.2.</u> 46 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green	<u>3.2.</u> 28 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green	EUR 34,451 per agro-product

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
		agricultural development adopted under DLR#3.1	agricultural development adopted under DLR#3.1	agricultural development adopted under DLR#3.1	agricultural development adopted under DLR#3.1	
(4) DLI#4: Tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	5,568 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	10,781 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	16,180 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	22,668 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	29,956 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	EUR 267.40 per tonne of chemical fertilizer reduced in a CY
(5) DLI#5: Percentage increase of treated and recycled livestock and poultry manure generated from	<u>5.1</u> Large scale farms: 5% increase over the baseline Baseline: 90%					EUR 1,821,600 per percentage increase

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
large scale and small scale farms in the Program Counties	5.2 Small scale farms: 5% increase over the baseline Baseline: 82%					EUR 3,643,200 per percentage increase
(6) DLI#6: Percentage increase of recovered and recycled agricultural plastics in the Program Counties	8% increase over the baseline Baseline: 79%					EUR 2,087,250 per percentage increase
(7) DLI#7: Number of Integrated Village Development Plans approved by Program Counties		Program Counties have approved 45 Integrated Village Development Plans	Program Counties have approved 60 Integrated Village Development Plans	Program Counties have approved 40 Integrated Village Development Plans	Program Counties have approved 35 Integrated Village Development Plans	EUR 67,466 per approved Integrated Village Development Plan
(8) DLI#8: Number of demonstration villages with			20 demonstration villages have constructed new	25 demonstration villages have constructed new	15 demonstration villages have constructed new	EUR834,900 per demonstration village

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
newly constructed or rehabilitated existing climate resilient wastewater treatment facilities and established solid waste collection, sorting and transfer systems			or rehabilitated existing climate resilient wastewater treatment facilities and established solid waste collection, sorting and transfer systems	or rehabilitated existing climate resilient wastewater treatment facilities and established solid waste collection, sorting and transfer systems	or rehabilitated existing climate resilient wastewater treatment facilities and established solid waste collection, sorting and transfer systems	

B. Guangxi Zhuang Autonomous Region

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
(1) DLI #1: Development and use of a comprehensive IT-based M&E system for rural infrastructure, public services and profile of rural villages	1.1. Guangxi has developed a comprehensive IT-based M&E system for rural infrastructure, public services and profile of rural villages					USD 1,196,991.25 for the development of the comprehensive IT-based M&E system for rural infrastructure, public services and profile of rural villages
			1.2. All Program Counties have installed and used the M&E system developed under DLR#1.1 to record, analyze and report on the performance of rural infrastructure and public services, and the profile of rural villages by the end of CY25			USD 399,000 per Program County

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
(2) DLI #2: Development and use of an IT-based system for green agricultural program-based budgeting and expenditure reporting	<u>2.1.</u> Guangxi has developed a program-based budgeting and expenditure tracking IT-based system for green agricultural development					USD 2,094,750 for the development of the IT-based system for green agricultural program-based budgeting and expenditure reporting
			<u>2.2.</u> All Program Counties have installed and used the program-based budgeting and expenditure tracking system developed under DLR#2.1 by the end of CY25			USD 698,250 per Program County

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
(3) DLI#3: Adoption of local regulations, standards and guidelines on green agricultural development and number of agro-products produced in the Program Counties that are certified and/or registered as green, organic or geographical indication pursuant to said regulations, standards and guidelines	3.1. Guangxi has adopted regional regulations, standards and guidelines on green agricultural development based on the relevant regulations, standards and guidelines adopted by MARA					USD 1,197,000 for the adoption of the provincial regulations, standards and guidelines on green agricultural development
		3.2. 25 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green agricultural	3.2. 39 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green agricultural development	3.2. 27 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green agricultural development	3.2. 23 agro-products produced in the Program Counties have been certified and/or registered as green, organic or geographical indication using the regulations, standards and guidelines on green agricultural development	USD 42,000 per agro-product

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
		development adopted under DLR#3.1	adopted under DLR#3.1	adopted under DLR#3.1	adopted under DLR#3.1	
(4) DLI#4: Tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	4,170 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	7,043 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	10,925 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	13,618 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	16,467 tonnes of chemical fertilizer reduced due to the adoption of green technologies and sustainable practices in selected crop production systems in the Program Counties	USD 429.77 per tonne of chemical fertilizer reduced in a CY
(5) DLI#5: Percentage increase of treated and recycled livestock and poultry manure generated from	<u>5.1</u> Large scale farms: 5% increase over the baseline Baseline: 90%					USD 1,795,500 per percentage increase
	<u>5.2</u> Small scale farms: 5% increase over the baseline Baseline: 85%					USD 3,591,000 per percentage increase

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
large scale and small scale farms in the Program Counties						
(6) DLI#6: Percentage increase of recovered and recycled agricultural plastics in the Program Counties	5% increase over the baseline Baseline: 82%					USD 3,291,750 per percentage increase
(7) DLI#7: Number of Integrated Village Development Plans approved by Program Counties		Program Counties have approved 40 Integrated Village Development Plans	Program Counties have approved 64 Integrated Village Development Plans	Program Counties have approved 32 Integrated Village Development Plans	Program Counties have approved 20 Integrated Village Development Plans	USD 76,730 per approved Integrated Village Development Plan
(8) DLI#8: Number of demonstration villages with newly constructed or rehabilitated existing climate resilient			20 demonstration villages have constructed new or rehabilitated existing climate resilient wastewater treatment	22 demonstration villages have constructed new or rehabilitated existing climate resilient wastewater treatment	10 demonstration villages have constructed new or rehabilitated existing climate resilient wastewater treatment	USD 949,543.27 per demonstration village

DLI#	DLRs Expected to be Achieved in CY23	DLRs Expected to be Achieved in CY24	DLRs Expected to be Achieved in CY25	DLRs Expected to be Achieved in CY26	DLRs Expected to be Achieved in CY27	Disbursement Calculation Formula
wastewater treatment facilities and established solid waste collection, sorting and transfer systems			facilities and established solid waste collection, sorting and transfer systems	facilities and established solid waste collection, sorting and transfer systems	facilities and established solid waste collection, sorting and transfer systems	

APPENDIX

Definitions

1. “Annual Work Plan and Budget Allocations” means each of the rolling plans of activities, targets and overall budget allocations for the Program to be prepared or updated by each of the Program Implementing Entity on an annual basis as provided for in Section I.B.4 of the Schedule to the respective Program Agreement.
2. “Anti-corruption Guidelines” means, for purposes of paragraph 6 of the Appendix to the General Conditions, the Bank’s “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015.
3. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
4. “CY” means any calendar year starting on January 1 and ending December 31 within the period of Program implementation.
5. “Disbursement Calculation Formula” means in respect of any DLR, the disbursement calculation formula set forth in each of the tables in Schedule 4 to this Agreement.
6. “Disbursement Linked Indicator” or “DLI” means in respect of a given Category, the indicator related to said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
7. “Disbursement Linked Result” or “DLR” means the results/targets set forth in each of the tables in Schedule 4 to this Agreement, on the basis of the achievement of which, the amount of the Loan allocated to the Category of the corresponding DLI of said result may be withdrawn in accordance with the provisions of Section IV of Schedule 2 to this Agreement.
8. “Excluded Activities” means the activities that are referred to in Section II of Schedule 2 to this Agreement and Section II of the Schedule to the Program Agreement.
9. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Program-for-Results Financing”, dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).

10. “Guangxi Zhuang Autonomous Region” or “Guangxi” means the Borrower’s autonomous region of the same name represented by its people’s government, or any successor thereto.
11. “Integrated Village Development Plan” means a plan for village development that is developed by a qualified professional firm and approved by a Program County, in accordance with relevant domestic standards set forth in the Program Implementation Plan.
12. “Guizhou Province” or “Guizhou” means the Borrower’s province of the same name represented by its people’s government, or any successor thereto.
13. “Loan A” means the loan described in Section 2.01(a) of this Agreement to assist in financing the Guizhou’s Respective Part of the Program; and the Loan for purposes of paragraph 69 of the General Conditions.
14. “Loan B” means the loan described in Section 2.01(b) of this Agreement to assist in financing the Guangxi’s Respective Part of the Program; and the Loan for purposes of paragraph 69 of the General Conditions.
15. “MARA” means the Borrower’s Ministry of Agriculture and Rural Affairs, and any successor thereto.
16. “M&E” means monitoring and evaluation.
17. “Program Action Plan” means the Program Implementing Entities’ plan dated March 1, 2022, and referred to in Section I.B of Schedule 2 to this Agreement and Section I.B.2 of the Schedule to the respective Program Agreement, as may be amended from time to time with the agreement of the Bank.
18. “Program Counties” means: (a) with respect to Guangxi, the counties/districts of Pinggui, Ziyuan, Luocheng, Tiandeng, Rong’an, Xingbin, Xincheng, Tiandong, Bobai, Yizhou, Mashan, Zhongshan, and any successor thereto; (b) with respect to Guizhou, the counties/districts of Bijiang, Sinan, Yinjiang, Songtao, Jinping, Shibing, Taijiang, Luodian, Guiding, Sandu, Libo, Xingren, Zhenfeng, Xiuwen, Xifeng, and any successor thereto; or (c) such other county as may be agreed between the Bank and the respective Program Implementing Entity.
19. “Program Implementation Plan” means the plan, acceptable to the Bank, to be adopted by each of the Program Implementing Entities, setting forth, among other things: (a) guidelines, policies, procedures and requirements for the implementation of the Program, including the Program Action Plan, the Verification Protocol, and additional measures to strengthen the Program Implementing Entities’ procurement, financial management, anticorruption, environmental and social systems; (b) the institutional arrangements for the

implementation of the Program, and the roles and responsibilities of the entities involved in Program implementation; and (c) monitoring and evaluation, reporting, auditing, and information disclosure arrangements, and the indicators and targets for purposes of monitoring and evaluation of the progress of the Program.

20. “Program Implementing Entity” means Guangxi or Guizhou; and “Program Implementing Entities” means, collectively, Guangxi and Guizhou.
21. “Program Implementation Unit” means: (a) with respect to Guangxi, the implementation unit established by Guangxi within its Rural Revitalization Bureau (or such other regional department agreed with the Bank), and to be maintained in accordance with the provisions of Section I.B.1(a)(iii) of the Schedule to the respective Program Agreement; and (b) with respect to Guizhou, the implementation unit established by Guizhou within Department of Agriculture and Rural Affairs (or such other provincial department agreed with the Bank), and to be maintained in accordance with the provisions of Section I.B.1(a)(iii) of the Schedule to the respective Program Agreement.
22. “Program Leading Group” means the leading group established by each of the Program Implementing Entities and to be maintained in accordance with the provisions of Section I.B.1(a)(i) of the Schedule to the respective Program Agreement.
23. “Provincial Program Management Office” means the management office established by Guizhou within its Rural Revitalization Bureau (or such other provincial department agreed with the Bank), and to be maintained in accordance with the provisions of Section I.B.1(a)(ii) of the Schedule to the respective Program Agreement between the Bank and Guizhou.
24. “Regional Program Management Office” means the management office established by Guangxi within its Department of Agriculture and Rural Affairs (or such other regional department agreed with the Bank), and to be maintained in accordance with the provisions of Section I.B.1(a)(ii) of the Schedule to the Program Agreement between the Bank and Guangxi.
25. “Respective Part of the Program” means: (a) with respect to Guangxi, the activities under the Program to be implemented by Guangxi within its jurisdiction; and (b) with respect to Guizhou, the activities under the Program to be implemented by Guizhou within its jurisdiction.
26. “Rural Revitalization Plan” means the plan set forth in the document titled “State Council Rural Revitalization Strategic Plan” dated June 26, 2018, aimed at supporting the transition from extreme poverty eradication to consolidating and sustaining poverty reduction gains during the period 2018-2022.

27. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.
28. “Verification Protocol” means the protocol setting forth the actions and mechanism required for verification of DLRs, agreed with the Bank, dated March 1, 2022, and referred to in Section IV.B.1(b) of Schedule 2 to this Agreement, as the same may be amended from time to time with the prior written agreement of the Bank.