CREDIT NUMBER 7138-UZ

Financing Agreement

(RESILAND CA+ Program: Uzbekistan Resilient Landscapes Restoration Project)

between

REPUBLIC OF UZBEKISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 7138-UZ

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF UZBEKISTAN ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association").

WHEREAS

- (A) the Association has received a letter dated December 3, 2021 from the Forestry Agency ("FA") confirming the commitment to the Central Asia Resilient Landscapes Restoration Program ("RESILAND CA+ Program") aimed at increasing the resilience of regional landscapes in Central Asia; and
- (B) the Recipient, having been satisfied as to the feasibility and priority of the project described in Schedule 1 to this Agreement ("Project"), has expressed its support to the Association to assist in the financing of the Project as part of the RESILAND CA+ Program;

NOW THEREFORE:

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) 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 — FINANCING

2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in the amount of one hundred forty-two million Dollars (\$142,000,000) (variously, "Credit" and "Financing"), to assist in financing Part 1 (in part), Part 2.1, Part 3 and Part 4 of 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 III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.
- 2.05. The Interest Charge is the greater of: (a) the sum of one and a quarter percent (1.25%) per annum plus the Basis Adjustment to the Interest Charge; and (b) zero percent (0%) per annum; on the Withdrawn Credit Balance.
- 2.06. The Payment Dates are February 15 and August 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. 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 the Project, through the FA, in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely that the FA Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the Association, the ability of the Recipient to perform any of its obligations under this Agreement.
- 4.02. The Additional Event of Acceleration consists of the following, namely that the event specified in paragraph (a) 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 Association to the Recipient.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) the Subsidiary Agreement has been entered into by the Recipient and the FA in form and substance satisfactory to the Association.
 - (b) the Recipient, through the FA, has: (i) established a PIU with composition, terms of reference, and resources satisfactory to the Association; and (ii) hired the Project coordinator, procurement specialist, and financial management specialist with terms of reference satisfactory to the Association.
 - (c) the Recipient, through the FA, has adopted the Project Operations Manual (POM) satisfactory to the Association.
 - (d) the PROGREEN Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled; and
 - (e) the KWPF Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Recipient's Representative is it's Minister in charge of finance.
- 6.02. For purposes of Section 11.01 of the General Conditions:
 - (a) the Recipient's address is: Ministry of Economy and Finance Istiqlol Street 29 Tashkent 100017 Republic of Uzbekistan; and
 - (b) the Recipient's Electronic Address is:

Telex:	Facsimile:
11 6360 IK BOL	(998-71) 239-1225
	(998-71) 244-5643

6.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association's address is:

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

(b) the Association's Electronic Address is:

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

AGREED as of the Signature Date.

REPUBLIC OF UZBEKISTAN

By

Djamshid kuchkaron

Authorized Representative

Name: _______ Name: ______

Title: _____ Prime-Minister - Governor

Date: ______

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Tatiana Proskuryakova

Authorized Representative

Name: <u>Tatiana</u> Proskuryakova

Title: Country Director for Central Asia

Date: _____

SCHEDULE 1

Project Description

The objectives of the Project are (i) to increase the area under sustainable landscape management in Selected Locations in Uzbekistan, and (ii) to promote Uzbekistan's collaboration with other Central Asian countries on transboundary landscape restoration.

The Project consists of the following parts:

1. Strengthen Institutions and Policies, and Support to Regional Collaboration

1.1. Strengthen Institutions and Policies

(a) providing support for the development of a unified policy and institutional reforms for forest landscape management, for the preparatory work to harmonize the legal framework on forests and landscape management development of a national strategic plan for forestry management, and carrying out of an enhanced collaborative management to address forest landscape restoration with local communities and interested stakeholders.

(b) providing support for the planning and implementation of a national forestry inventory and setting up of a national forestry monitoring system to, among others, provide data for decision-making on forest and landscape management and restoration.

(c) providing support to strengthen research capacity on landscape restoration of the FA, the Forest Research Institute, and other selected research entities in the sector and to conduct applied field research.

(d) providing support to (i) improve monitoring, planning and implementing forest landscape restoration, and forest management skills of trainers at technical schools, staff of the FA, other selected entities engaged in forest and wildlife management and hunting; and relevant local community organizations; and (ii) develop educational curricula on forest landscape restoration to be incorporated into the formal educational curricula of the Tashkent State Agrarian University and other selected higher education institutions in the sector.

(e) providing support to carry out a review of the Recipient's land degradation neutrality targets and adjusting these in accordance with the findings of the national forest inventory and national forest monitoring system, as described in Part 1.1(b) above.

1.2. Develop an ICT Platform for Forest Landscape Restoration and Management

Providing support for the establishment of an ICT platform for forest landscape restoration and forest management with the Forest Design Institute, including development of guidelines, procurement of equipment, and training.

1.3. Strengthen Regional Collaboration

Providing support for the participation of the Recipient in regional Central Asian countries' activities on transboundary cooperation and landscape restoration, through supporting establishment and management of a regional online database on sustainable landscape management and restoration.

2. Enhance Resilient Landscapes and Livelihoods

2.1. Enhance Tree-based Landscape Restoration and Management

Providing support for:

(a) development of a three-tier land electronic GIS-based unit classification system;

(b) production-oriented interventions with protective/restoration benefits; and

(c) ecosystem service-oriented interventions in support of rehabilitation, restoration and protection, eco-structures, biodiversity, and ecohydrological connectivity, including a Green Wager Program.

2.2. Enhance Resilient Livelihoods and Value Chains

(a) providing support for: (i) promoting the formation of Livelihood Groups and the establishment and strengthening of enterprises; (ii) carrying out market assessments to identify demand-driven livelihood activities; (iii) providing training to support business opportunities and business plan development to form the basis of proposals for Sub-grants under paragraph (b) of this Part of the Project; and (iv) and carrying out downstream business development support services; and (b) financing Sub-grants to Beneficiaries for Sub-projects to start-up or expand income generation activities in support of forest or landscape restoration.

3. Enhance Protected Areas and Nature Based Tourism

3.1. Improve Protected Area Management

Providing support to improve the protection and management of the Protected Areas, including updating the management plans of the Protected Areas as needed and establishing new visitor centers in Protected Areas, and investments to be identified in accordance with the updated management plans for the Protected Areas, including *inter alia*: (i) new or rehabilitated hiking trails, scenic viewpoints, observation platforms, picnic areas, and campgrounds; (ii) management infrastructure for small park buildings and improved physical demarcation or signage; and (iii) equipment that could include vehicles, field equipment, and office equipment.

3.2. Enhance Nature-based Tourism

Providing support to promote environmentally sustainable forms of nature-based domestic and foreign tourists and a potentially growing number of international visitors within or adjacent to lands run by the State Forest Fund and Protected Areas, including by: (i) upgrading "gateway settlements", including basic nature-based tourism services, and creating rural-urban tourism corridors, (ii) improving basic infrastructure, trail systems, picnic and camping areas, and other recreational facilities that promote sustainable natural resource uses, (iii) creating baseline mapping of potential nature-based tourism sites, (iv) connecting smaller settlements to trails to promote sustainable natural resources, (v) promoting the diversification of economic activities and potential for economic development related to nature-based tourism, (vi) carrying out naturebased tourism promotion activities focused especially on the planned project corridors and related technical studies, and (vii) Training and other capacity building for Protected Areas management and nature-based tourism.

4. Project Management and Coordination

Supporting the FA carry out Project implementation, including procurement, financial management, coordination, reporting, monitoring and evaluation, audit, compliance with the Environmental and Social Standards, attention to gender aspects and citizen engagement, through the financing of Operating Costs, training, services, furniture, and equipment for the PIU offices participating in the Project at the central and local level.

SCHEDULE 2

Project Execution

Section I. <u>Implementation Arrangements</u>

A. Institutional Arrangements.

- 1. The Recipient, through FA, shall ensure overall coordination and implementation of the Project.
- 2. The Recipient, through FA, shall establish and thereafter maintain throughout the Project implementation, a Project Implementation Unit (PIU), all with a structure, functions, responsibilities, and adequate staff, as further described in the POM and acceptable to the Association, for the purposes of day-to-day Project management, monitoring, evaluation, and supervision at the central and local level.
- 3. The Recipient, shall through FA, establish and thereafter maintain throughout Project implementation, a Technical Coordination Council, with a structure, functions, responsibilities, and adequate staff, as further described in the POM and acceptable to the Association, for the purposes of providing technical guidance to the FA and ensuring inter-ministerial coordination and cooperation.
- 4. To facilitate the carrying out of the Project, the Recipient shall, through the FA, maintain throughout the implementation of the Project, all such relevant entities or their agencies and affiliates of the FA to support FA in the implementation of the Project, all with a structure, functions, responsibilities, and adequate staff, as further described in the POM.
- 5. (a) Prior to the carrying out of Part 1.3 of the Project, the Recipient, through FA, shall enter into an agreement with an entity that is duly qualified to support regional cooperation on sustainable development issues in Central Asia, under terms of reference and conditions satisfactory to the Association, and in such a manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing.

(b) Except as the Association shall otherwise agree, the Recipient, through FA shall not assign, amend, abrogate, waive, or permit to be assigned, amended, abrogated, or waived, the aforementioned, or any provision thereof.

6. The Recipient, through FA, shall throughout the implementation of the Project, (a) carry out the Project in accordance with the POM including arrangements with respect to: administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social standards, data protection mechanisms, corruption and fraud mitigation measures,

a grievance redress mechanism, and such other arrangements and procedures as shall be required for the effective implementation of the Project, in form and substance satisfactory to the Association, and thereafter carry out the Project in accordance with the provisions set out in the POM; and (b) not amend, suspend, abrogate, repeal or waive any provision of said POM without the prior written approval of the Association, provided, however, that in case of any conflict between the provisions set out in the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail.

- 7. Notwithstanding the paragraph I.A.5 immediately above, the Recipient, through FA, shall carry out the activities under Part 2.2(b) in accordance with the Community Operations Manual (COM) including arrangements with respect to: (a) administration and coordination, monitoring and evaluation, financial management, procurement and accounting procedures, environmental and social standards, data protection mechanisms, corruption and fraud mitigation measures, a grievance redress mechanism, Sub-grant template agreements, and such other arrangements and procedures as shall be required for the effective implementation of the Sub-grants, in form and substance satisfactory to the Association, (b) thereafter throughout the implementation of the Project, carry out the Sub-grants under the Project in accordance with the COM; and (c) not amend, suspend, abrogate, repeal or waive any provision of said COM without the prior written approval of the Association, provided, however, that in case of any conflict between the provisions set out in the COM and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 8. The Recipient, through FA, shall install, not later than three (3) months from the Effective Date, an accounting system for project accounting and reporting purposes satisfactory to the Association.

B. Subsidiary Agreement.

- 1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Credit available to the FA under a subsidiary agreement between the Recipient's Ministry of Economy and Finance and the FA, under terms and conditions approved by the Association ("Subsidiary Agreement").
- 2. The Recipient shall exercise its rights under the 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 Subsidiary Agreement or any of its provisions.

C. Sub-projects.

- 1. For the implementation of Part 2.2(b) of the Project, the Recipient, through FA, shall provide Sub-grants to Beneficiaries in accordance with eligibility criteria and procedures acceptable to the Association and set forth in the COM.
- 2. The Recipient, through FA, shall make each Sub-grant under a Sub-grant agreement with the respective Beneficiary on terms and conditions approved by the Association ("Sub-grant Agreement"), which shall include, *inter alia*, the following:
 - (a) the Sub-grant amounts for an individual Beneficiary and a group-based Beneficiary as set forth in the COM agreed with the Association;
 - (b) the Sub-grant shall not be used to finance any item on the negative list set forth in the COM ("Excluded Activities"); and
 - (c) the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to: (i) suspend or terminate the right of the Beneficiary to use the proceeds of the Sub-grant and/or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the Beneficiary's failure to perform any of its obligations under the Sub-grant Agreement; and (ii) require each Beneficiary to: (A) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of grant proceeds other than the Recipient and the Environmental and Social Standards; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Sub-grant in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives; (E) maintain financial management (and when applicable, audit) arrangements in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project, as more fully described in the COM; (F) enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and (G) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.
- 3. The Recipient shall exercise its rights under each Sub-grant 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 any Subgrant Agreement or any of its provisions.

D. Environmental and Social Standards.

- 1. The Recipient shall, through FA, ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
- 2. Without limitation upon paragraph 1 above, the Recipient shall, through FA, ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Association. To this end, the Recipient shall, through FA ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended, or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall, through FA, ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and

- (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Recipient shall, through FA, establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 6. The Recipient shall, through FA, ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.
- 7. The Recipient shall, through FA, not later than thirty (30) days from the Effective Date, (i) hire one environmental specialist, one social risk management specialist, and one gender specialist; and (ii) ensure the grievance mechanism for Project workers is operational.

Section II. <u>Project Monitoring, Reporting and Evaluation</u>

The Recipient, through FA, shall furnish to the Association each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

Section III. <u>Withdrawal of the Proceeds of the Financing</u>

A. General

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Credit Allocated (expressed in USD	Percentage of Expenditures to be Financed (exclusive of Taxes other than Withheld Taxes)
(1) Goods, works, non- consulting services, consulting services, Training and Operating Costs for Parts 2.1, 3 and 4 of the Project	131,500,000	100%
(2) Goods, works, non- consulting services, consulting services, Training and Operating Costs for Part 1.1 of the Project	7,500,000	88%
(3) Goods, works, non- consulting services, consulting services, Training and Operating costs for Part 1.2 of the Project	2,000,000	40%
(4) Goods, works, non- consulting services, consulting services, Training and Operating Costs for Part 1.3 of the Project	1,000,000	50%
TOTAL AMOUNT	142,000,000	

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date except that withdrawals up to an aggregate amount not to exceed \$1,000,000 may be made for payments made prior to this date but on or after the date falling one year prior to the Signature Date for Eligible Expenditures.
- 2. The Closing Date is September 15, 2028.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 15 and August 15:	
commencing August 15, 2027 to and including February 15, 2047	1.65%
commencing August 15, 2047 to and including February 15, 2052	3.4%

* 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 3.05 (b) of the General Conditions.

APPENDIX

Definitions

- 1. "Anti-Corruption Guidelines" means, for purposes of paragraph 5 of the Appendix to the General Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
- 2. "Basis Adjustment to the Interest Charge" means the Association's standard basis adjustment to the Interest Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.
- 3. "Basis Adjustment to the Service Charge" means the Association's standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.
- 4. "Beneficiaries" means communities members and enterprises involved in activities relevant to forest and landscape restoration under Part 2.2(b) of the Project and falling under the eligibility criteria set out in the COM.
- 5. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
- 6. "COM" or "Community Operations Manual" means the manual to be prepared by the FA, satisfactory to the Association, setting forth rules, methods, guidelines and procedures for the carrying out the activities under Part 2.2(b) of the Project, including, *inter alia*, the eligibility criteria, detailed rules and procedures for identification, registration and selection of eligible Beneficiaries to receive Sub-Grants, as said manual may be amended from time to time with the agreement of the Association.
- 7. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated May 6, 2022, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.

- 8. "Environmental and Social Standards" or "ESSs" means, collectively: (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources"; (vii) "Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities"; (viii) "Environmental and Social Standard 8: Cultural Heritage"; (ix) "Environmental and Social Standard 9: Financial Intermediaries"; and (x) "Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure"; effective on October 1, 2018, as published by the Association.
- 9. "ESMF" means the Recipient's environmental and social management framework for the Project adopted, maintained, and implemented throughout Project implementation, as set out in the ESCP, in accordance with the Environmental and Social Standards.
- 10. "Excluded Activities" means, collectively:
 - (a) any of the activities listed, or activities that produce and/or use materials listed, in the World Bank Group/International Finance Corporation Exclusion List (see https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_c_orporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist), and such other activities and/or materials listed in the POM and which are classified and referred to as part of the negative list in said manual;
 - (b) an investment that is classified as a high risk, in respect to potential environmental and social impacts, in accordance with the provisions of the COM and the ESMF;
 - (c) an investment that: involves large-scale physical and economic displacement as described in Land Acquisition, Restrictions on Land Use, or Involuntary Resettlement (as defined under ESS 5); that adversely impacts sensitive habitats and species as described in Biodiversity Conservation and Sustainable Management of Living Natural Resources (as defined under ESS 6); that adversely impacts Cultural Heritage (as defined under ESS 8); or that involves child or forced labor;

- (d) an investment that involves the potential use of, or discharge into, any waterways as defined and applicable under World Bank Operational Policy 7.50 (or detailed design and engineering studies of such investment), as such waterways shall have been described more specifically in the POM; and
- (e) an investment that involves any other exclusions agreed by the Association and the Recipient as set forth in the ESCP.
- 11. "FA Legislation" means the Decree of the President of the Republic of Uzbekistan No. UP-5041 dated May 11, 2017 and No. UP-269 dated December 21, 2022.
- 12. "Forest Design Institute" means the *Urmonloyikha* of the Republic of Uzbekistan under the FA, established pursuant to the Recipient's Resolution of the President of Uzbekistan No. PQ-4960 dated 21.01.2021.
- 13. "Forest Research Institute" means the Scientific Research Institute of Forestry of the Republic of Uzbekistan, established pursuant to the Recipient's Resolution of the President of Uzbekistan No. PQ-4960 dated 21.01.2021 under the FA.
- 14. "Forestry Agency" or "FA" means the Recipient's Forestry Agency established pursuant to the FA Legislation, or any successor thereto acceptable to the Association.
- 15. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020, April 1, 2021 and January 1, 2022).
- 16. "GIS" means geographic information system.
- 17. "Green Wager Program" means the program to be developed by the Recipient for the purposes of the Project to provide livelihood opportunities to communities, especially youth, women, and migrant workers, to enhance job creation and community engagement in afforestation, reforestation, and other greening activities for landscape restoration.
- 18. "ICT" means information and communication technology.
- 19. "KWPF" means the Korea-World Bank Partnership Facility Single Donor Trust Fund.
- 20. "KWPF Grant Agreement" means the grant agreement for the Project of the Signature Date, between the Recipient and the International Bank for Reconstruction and Development and the International Development Association, acting as administrator of the KWPF, providing a grant to finance Part 1.2 of the

Project. "Grant Agreement" includes all appendices, schedules, and agreements supplemental to the Grant Agreement.

- 21. "Livelihood Groups" means an informal group of community members in a village or small geographic area who have organized themselves to initiate or strengthen income generating activities under Part 2.2 of the Project.
- 22. "Ministry of Economy and Finance" or "MEF" means the Ministry of Economy and Finance of the Recipient, or any legal successor thereto acceptable to the Association.
- 23. "Operating Costs" means incremental operating expenditures incurred by FA and/or PIU, on account of activities related to the management, monitoring and evaluation, audit, coordination, and implementation of the Project, including office equipment maintenance and repair, vehicles, local travel, communication, translation and interpretation, bank charges, consulting services, salaries of the PIU staff (excluding salaries of the Recipient's civil servants) and other costs of similar nature directly associated with the Project, all based on periodic budgets acceptable to the Association.
- 24. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated November 2020.
- 25. "PROGREEN" means the Global Partnership for Sustainable and Resilient Landscapes Multi-Donor Trust Fund.
- 26. "PROGREEN Grant Agreement" means the grant agreement for the Project of the Signature Date, between the Recipient and the International Bank for Reconstruction and Development and the International Development Association, acting as administrator of the PROGREEN, providing a grant to finance the Project. "Grant Agreement" includes all appendices, schedules, and agreements supplemental to the Grant Agreement.
- 27. "Project Implementation Unit" or "PIU" means the unit to be established within the FA and referred to in Article 5.01(b) and Section I.A.2 of Schedule 2 to this Agreement, including staff at the central level and local level as set forth in the POM, or any legal successor thereto acceptable to the Association.
- 28. "Project Operations Manual" or "POM" means the manual to be adopted by the FA pursuant to Section I.A.6 in Schedule 2 to this Agreement, setting forth, *inter alia*, the institutional, disbursement, procurement, and financial management arrangements for the implementation of the Project.

- 29. "Protected Areas" means the areas recognized as protected areas by the legislation of the Republic of Uzbekistan, including, but not limited to the protected areas managed by the Zaamin Protected Area and the Central Leskhoz of Samarkand Protected Area.
- 30. "RESILAND CA+ Program" means the Central Asia Resilient Landscapes Restoration Program which is designed to increase resilience of regional landscapes in Central Asia and set forth or referred to in the letter dated December 3, 2021 from the FA to the Association.
- 31. "Selected Locations" means the locations within the transboundary corridors described in the POM and as updated from time to time with the agreement of the Association.
- 32. "Signature Date" means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to "the date of the Financing Agreement" in the General Conditions.
- 33. "State Forest Fund" means the Recipient's forest fund defined as such by the legislation of the Republic of Uzbekistan, or any successor thereto acceptable to the Association.
- 34. "Sub-grant" means a grant made or to be made (out of the proceeds of the PROGREEN Grant) available to an eligible Beneficiary, under Part 2.2(b) of the Project, in accordance with the criteria set forth in the COM.
- 35. "Sub-projects" means any of the investments and/or activities financed by the Subgrant under Part 2.2 of the Project.
- 36. "Tashkent State Agrarian University" means the higher education institution based in Tashkent and offering an agricultural curriculum to the students, or any successor thereto.
- 37. "Technical Coordination Council" means the council referred to and to be established in accordance with Section I.A.3 of the Schedule 2 of this Agreement, responsible for providing technical guidance and ensuring inter-ministerial coordination and cooperation with a structure, functions, responsibilities, and adequate staff, as further described in the POM and acceptable to the Association.
- 38. "Training" means Project related study tours, training courses, seminars, workshops, and other training activities, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and trainers, trainers' fees, and other training related miscellaneous costs.

39. "Withheld Taxes" means the following taxes withheld at source: taxes for social charges; income taxes for residents and non-residents; and custom registrations duties withheld at the source.