
CREDIT NUMBER 7566-MG

Financing Agreement

(Additional Financing to the Food Systems Resilience Program for Eastern and Southern Africa – Phase 1 under the Multi-Phase Programmatic Approach)

between

REPUBLIC OF MADAGASCAR

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF MADAGASCAR (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of assisting in providing additional financing to the project described in Schedule 1 to this Agreement (“Project”) and to the agreement No. 7157-MG and E083-MG, dated June 22, 2022, as amended (“Original Financing Agreement”). 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, or as relevant in context, in the Appendix to the Original Financing 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 an amount equivalent to thirty seven million eight hundred thousand Special Drawing Rights (SDR 37,800,000), as such amount may be converted from time to time through a Currency Conversion (variously, “Credit” and “Financing”), to assist in financing the 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 Payment Dates are April 15 and October 15 in each year.
- 2.05. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.06. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the MPA Program. To this end, the Recipient shall carry out the Project in accordance

AGREED as of the Signature Date.

REPUBLIC OF MADAGASCAR

By



Authorized Representative


Name: Rindra Hasimbelo Rabarininarison

Title: Ministre de l'Economie et des Finances

Date: 12-Jun-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Boutheina Guerhazi

Title: Director, Regional Integration

Date: 11-Jun-2024

SCHEDULE 1

Project Description

The objectives of the Project are to increase the resilience of food systems and the Recipient's preparedness for food insecurity in Project areas, and in case of an Eligible Crisis or Emergency, respond promptly and effectively to it.

The Project constitutes Phase 1 of the MPA Program and consists of the following parts:

Part 1: (Re-)Building Resilient Agricultural Production Capacity

Strengthening the productivity and resilience of food production to shocks and stressors, including by:

1.1. Supporting Climate-Informed and Pluralistic Seed Systems

Strengthening the development and delivery of improved varieties of food and fodder crops by upgrading informal seed systems, including by: (i) supporting the development of a national seed roadmap for selected crops and stress-tolerant and climate-adapted varieties; (ii) building up the capacity of seed regulators in quality assurance; (iii) identifying and addressing binding constraints impeding development of the seed value chain; (iv) increasing farmers' access to source technologies via Financing Mechanisms; (v) providing training and capacity building and marketing support to seed producers including private companies and farmer-based groups; (vi) reinforcing the technical and operational capacity of national agricultural research centers for safeguarding and ensuring the provision of pre-basic and basic seed; (vii) rehabilitating and upgrading public and community-based centers for seed multiplication, processing, storage, and marketing; and (viii) strengthening seed research by facilitating and funding collaborative research alliances with partners.

1.2. Supporting Enhanced Access to Climate-Smart Agricultural Mechanization

Enhancing smallholders' access to mechanization, including by: (i) supporting the development and delivery of equipment that can be used in land preparation, seeding (direct sowing), fertilization, weeding, harvest, the postharvest management (threshing and processing) and overall production of target crops; (ii) providing Financing Mechanisms to agricultural equipment vendors to expand their offerings, their market reach, and after-sale services; (iii) supporting the development of a digital platform linking smallholder farmers, producer groups, and agribusinesses to mechanization services; (iv) strengthening the capacity of the Center of Agriculture Mechanization; and (v) in collaboration with One

CGIAR, supporting the development of innovative agricultural equipment and machinery.

1.3. Strengthening Agricultural Production, Price, and Weather Data Management and Information Systems

Supporting the development of data and digital information systems including by: (i) developing systems for collecting, assessing, managing, and disseminating information and advice among actors ranging from smallholder producers to livestock herders, agroprocessors, and policymakers, including conducting an agricultural census; and (ii) building capacity at the national level for agrometeorological and hydrometeorological services (public, private, and academic ones) to: (a) gather data on hydrometeorological phenomena to complement regional and global data and infrastructure for climate risk management; and (b) provide impact-based forecasting, warning, and advisory services to farming communities.

Part 2: Supporting the Sustainable Development of Natural Resources for Resilient Agricultural Landscapes

Promoting participatory planning and more sustainable, community-led natural resources and irrigation infrastructure management including by:

2.1. Promoting Participatory Planning and Strengthening the Knowledge Base

Promoting participatory planning and strengthening the knowledge base for more sustainable and resilient natural resources management including by: (i) supporting planning and capacity building relating to the sustainable management of watersheds, including the preparation of watershed, sub-watershed, and local management plans; (ii) supporting institutional and community-based capacity for sustainable natural resource management, including among water users' associations; (iii) supporting forest management and landscape restoration, including the rehabilitation of degraded lands, reforestation, fire management, terracing, agroforestry, and productive forestry for energy and construction wood; (iv) supporting planning, mapping, data collection, and knowledge generation for enhancing climate resilience and increasing carbon sequestration; (v) supporting the generation of baseline data on soil carbon, forest cover, land use, water use and demand, water and sediment flow, the status and diversification of livelihoods, and greenhouse gas emissions from land use and land use change; and (vi) raising awareness among program beneficiaries of the negative impacts of bushfires, slash-and-burn agriculture, and excessive burning or charcoal production in risky zones.

2.2. **Investing in Sustainable Land and Water Management for Enhanced Climate Resilience**

Supporting investments in productive assets with a focus on water resources management, water services, and watershed management for climate adaptation and mitigation, including: (i) practices that promote soil and water conservation including agronomic measures and climate-smart agriculture practices; (ii) stream and groundwater control including small-scale storage; (iii) rainwater harvesting, natural catchment protection, riverbank restoration, agroforestry, silvopastoral systems, and sustainable rural energy to restore forest cover and groundwater recharge; and (iv) natural-resources based livelihoods such as nontimber forest products, beekeeping, green charcoal, and nature-based tourism.

2.3. **Improving Water Management and Irrigation Services**

Supporting the rehabilitation and improvement of existing gravity-fed irrigation sites and supporting the adoption of energy-efficient small-scale irrigation systems including by: (i) supporting the rehabilitation and sustainable management of public infrastructure such as dams and dykes that are highly vulnerable to climate shocks and susceptible to seeing their performance deteriorate due to a lack of regular upkeep; (ii) facilitating the operationalization of the Hydro-Agricultural Network Maintenance Fund (FRERHA) so that major infrastructure can benefit from regular maintenance and be repaired when damaged; and (iii) contributing to improving water governance by building the capacity of water users' associations.

Part 3: Improving Market Connectivity and Access for Smallholders

Promoting the inclusion of smallholder farmers and rural communities in crop and livestock value chains and more efficient food markets by:

3.1. **Promoting Diversification and Value Addition for Better Income, Nutritional, and Health Outcomes**

Supporting the development, adaptation, and delivery of agroprocessing technologies that enhance the availability and quality of healthy food products, and related income opportunities, including by supporting, via Financing Mechanisms, School Feeding Programs, activities, materials and equipment that: (i) enhance the nutritional value of rice through improved varieties, and improved processing methods; and (ii) facilitate the development of innovative food products using tubers, cereals, and legumes and feed products to be promoted in villages, towns, and urban markets, including via nutritional centers and, where appropriate, to be scaled up at the regional level.

3.2. **Rehabilitation and Decentralized Maintenance of Rural Feeder Roads for Improved Market Access and Resilient Value Chains**

Financing the rehabilitation of infrastructure to improve the transportation of agricultural products to markets, and rural producers' access to market opportunities, including by rehabilitating feeder roads that small-scale producers, including rural women, use to access inputs and outputs markets.

3.3. **Construction and Rehabilitation of Public Laboratories and Equipment**

Financing the rehabilitation and construction of public laboratories as well as the procurement of equipment to enable public laboratories to take part in quality and sanitary and phytosanitary standard controls, epidemio-surveillance, seed certification, fertilizer and pesticide quality control, and other agrifood value chain support functions.

3.4. **Strengthening Priority Value Chains and Linkages to Regional Markets**

Strengthening priority value chains and linkages to regional markets including, *inter alia*: (i) supporting investments in cold chain facilities, post-harvest storage infrastructure, and other infrastructure bottlenecks that affect priority value chains; (ii) establishing a platform for the aggregation, marketing, and promotion of export-ready products; (iii) updating standards and best practice guidelines to align them with regional and international ones; (iv) capacity building of farmers, farmer organizations, government officials, and agribusiness entrepreneurs for the adoption or dissemination of new or more demanding practices and standards; and (v) promoting the digitalization of government services and information and communication system including, *inter alia*, by supporting the development of integrated agricultural data platforms and piloting traceability systems.

Part 4: Project Coordination, Knowledge Management, and Dissemination

Supporting Project coordination, knowledge management, and dissemination including by:

4.1. **Project Coordination and Management**

Supporting all aspects of Project management and monitoring and evaluation including, *inter alia*, activities relating to Project startup, monitoring and evaluation, knowledge management, communications, and compliance with fiduciary, procurement, environmental, and social requirements including corporate commitments, as well as Resettlement Costs.

4.2. **Enabling Climate-Informed Policies, Institutions, and Regional Coordination**

Facilitating climate-informed and cross-cutting policy efforts relating to food systems resilience, including regional-level efforts, including by: (i) enhancing the regulatory and policy framework for digital agriculture; (ii) strengthening public agricultural support programs and creating incentives for the adoption of climate-smart agriculture; (iii) supporting efforts toward the regional harmonization of national food security policies, regional knowledge sharing, and intraregional food trade; (iv) strengthening institutional, professional, and technical capacities of government agencies; (v) supporting the capacity to monitor and track deforestation, land-use change and greenhouse gas emissions; (vi) financing the development and deployment of digital technologies; (vii) supporting performance assessments of public policies and programs, and identifying ways in which public spending and policies can be reoriented to better align with sustainability, resilience, gender-equity, and core objectives of the MPA Program; and (viii) strengthening the knowledge and skills of key research and technical staff across public institutions via the provision of technical short-term and long-term training for the staff of the Recipient's Ministry of Agriculture and Livestock and key research and technical institutions.

Part 5: Contingent Emergency Response

- 5.1 Providing: (i) Unconditional Cash Transfers to vulnerable households to strengthen their resilience against price surge of petroleum products and basic necessities; and (ii) institutional capacity-building to FID, including Operating Costs and Project management costs.
- 5.2 Providing immediate response to an Eligible Crisis or Emergency, as needed.

Part 6: Support to Locust Response and Climate-Smart Livestock Systems

- 6.1 Strengthening locust management at the national level, through locust surveillance and monitoring, ground and aerial control measures, Training and capacity building.
- 6.2 Supporting climate resilient livestock systems, through financing of Financing Mechanisms, climate smart technologies and practices, animal restocking, and financing of goods and services to improve veterinary services, community-led and climate-resilient activities, and related capacity-building of the Ministry of Agriculture and Livestock to track animal disease and pest outbreaks and promote use of animal manure.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

The Recipient shall maintain throughout Project implementation the following institutional arrangements, as further described in the Project Implementation Manual:

1. Ministry of Agriculture and Livestock (MinAE)

The Recipient shall vest responsibility for overall coordination and implementation of the Project in the MinAE, with the support of other relevant ministries and, at the regional level, of the regional directorates of agriculture and livestock.

2. Project Steering Committee (PSC)

- (a) The Recipient shall maintain the Project Steering Committee (PSC) with a mandate, composition, and resources acceptable to the Association.
- (b) The PSC shall be responsible for providing strategic oversight of the Project and, among other tasks as further described in the Project Implementation Manual, review and approve the draft Annual Work Plan and Budget.
- (c) The PSC shall include representation from key stakeholders including, *inter alia*, the Secretary General of the MinAE, and representatives from the Ministry of Environment and the Ministry in charge of Finance (MEF); as well as representatives of regional governors, producers and local communities and organizations. The PSC shall be chaired by the Secretary General of the MinAE. The PSC shall meet in ordinary sessions twice a year, or once every six (6) months, at the invitation of its chairperson.

3. Project Implementing Unit (PIU)

- (a) The Recipient shall maintain a PIU with a mandate, composition and resources acceptable to the Association.
- (b) The PIU shall be responsible for the coordination and implementation of the Project, including planning, quality oversight, implementation, procurement, financial management and disbursement, accounting, financial and technical reporting, monitoring and evaluation of the Project,

including the environmental and social standards aspects, and ensuring the auditing of the Project accounts.

- (c) The Recipient shall recruit or appoint and thereafter maintain experts on grants, on environment and natural resources management, social aspects, as further detailed in the Project Implementation Manual and the Environmental and Social Commitment Plan.

4. Regional Implementation Units (RIUs)

The Recipient shall maintain RIUs which shall be responsible for day-to-day implementation of activities in regions where the Project operates, with a mandate, composition, and resources acceptable to the Association, as further described in the Project Implementation Manual and the Environmental and Social Commitment Plan. Each RIU will be led by and housed in the relevant regional directorate of agriculture and livestock with the assistance of relevant ministries and other institutions. RIUs shall be responsible for coordination and implementation of the Project, including planning, quality oversight, implementation, procurement, financial management and disbursement, accounting, financial and technical reporting, monitoring and evaluation of the Project, including the environmental and social standards aspects. RIUs shall report to the PIU.

5. Sectoral Ministries

To facilitate Project implementation, the Recipient, through the PIU or the relevant RIU by delegation, shall maintain a memorandum of understanding with the sectoral line ministries involved in the Project under terms and conditions satisfactory to the Association, which shall set out, *inter alia*, agreed roles and responsibilities of sectoral ministries under the Project and compliance with the Anti-Corruption Guidelines, for purposes of Project implementation.

B. Project Implementation Manual

- 1. By no later than three (3) months after the Effective Date, the Recipient shall update the Project Implementation Manual to incorporate this Financing, and thereafter maintain, in accordance with terms of reference acceptable to the Association, said Project Implementation Manual or PIM, containing detailed Project arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) monitoring, evaluation, reporting and communication; (c) administration, procurement, financial management and accounting; (d) grievance redress; and (e) such other administrative, financial, technical and organizational arrangements, and procedures as shall be required for purposes of implementation of the Project.

2. Except as the Association shall otherwise agree in writing, the Recipient shall not amend, waive or otherwise modify the Project Implementation Manual, or any provision thereof if, in the opinion of the Association, such amendment, waiver or other modification may materially and adversely affect the implementation of the Project.
3. In the event of any inconsistency between this Agreement and the Project Implementation Manual, the provisions of this Agreement shall prevail.

C. Financing Mechanisms

1. The Recipient shall provide Financing Mechanisms under the Project to selected beneficiaries in accordance with eligibility criteria and procedures set forth in the Financing Mechanisms Manual to be adopted and thereafter maintained in a manner acceptable to the Association.
2. The Recipient shall establish each Financing Mechanism under an agreement with the respective selected beneficiary on terms and conditions approved by the Association, which shall include the following:
 - (a) the Financing Mechanism shall be provided in accordance with the financial terms and conditions set forth in the Financing Mechanisms Manual;
 - (b) the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to require each selected beneficiary to:
 - (i) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, and managerial practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient;
 - (ii) provide, promptly as needed, the resources required for the purpose of its Sub-project;
 - (iii) 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;
 - (iv) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner

adequate to reflect the operations, resources and expenditures related to the Sub-project; and (B) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;

- (v) enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and
 - (vi) 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 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 in writing, the Recipient shall not assign, amend, abrogate, or waive any agreement relating to the Financing Mechanisms or any of its provisions.

D. Annual Work Plan and Budget

For purposes of implementation of the Project, the Recipient shall:

- (a) prepare a draft annual work plan and budget ("AWPB") for each January 1 through December 31 period ("Fiscal Year"), setting forth, *inter alia*: (i) a detailed description of the planned activities under the Project for the following Fiscal Year; (ii) the sources and proposed use of funds therefor; (iii) procurement arrangements therefor; and (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity;
- (b) not later than November 30 of each Fiscal Year, furnish the draft AWPB to the Association for its review, and promptly thereafter finalize the AWPB, taking into account the Association's comments thereon; and
- (c) by December 31 of each Fiscal Year, adopt and implement the final AWPB after obtaining the Association's approval thereon.

E. Environmental and Social Standards.

1. The Recipient shall 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 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 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. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Recipient shall: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
5. The Recipient shall 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.
- 6. The Recipient shall, 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.
- 7. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors: (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.

F. Preparedness Plan

The Recipient shall ensure that no later than twelve (12) months after the Effective Date, a Preparedness Plan is prepared and adopted in form and substance acceptable to the Association.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient 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. Withdrawal of the Proceeds of the Financing

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 Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Parts 1.1, 1.3, 2.3, 3.2, 4 of the Project	21,168,000	100% upon full commitment of corresponding expenditures under the Original Financing Agreement (grant E083-MG first)
(2) (a) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Parts 6.1 and 6.2 of the Project	10,584,000	100%
(b) Financing Mechanisms under Part 6.2 of the Project	6,048,000	100%
TOTAL AMOUNT	37,800,000	

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 Signature Date; or
 - (b) under Category (2)(b), unless and until the Recipient has adopted the Financing Mechanisms Manual in a manner satisfactory to the Association.
2. The Closing Date is June 29, 2029.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each April 15 and October 15: commencing October 15, 2034 to and including April 15, 2074	1.25%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to renumbered Section 3.03 (b) (originally numbered Section 3.05 (b)) of the General Conditions.

APPENDIX

Section I. Definitions

1. “Annual Work Plan and Budget” or “AWPB” means the annual work plan and budget to be prepared by the Recipient including a program of activities and budget proposed for inclusion for the Project during the following fiscal year, as described in Section I.D. of Schedule 2 to this Agreement.
2. “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.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “Center of Agriculture Mechanization” means *Centre de Fabrication et de Formation et d’Application du Machinisme et de la Mécanisation Agricole* (CFFAMMA).
5. “CERC Manual” means the manual referred to in Section I.F. of Schedule 2 to the Original Financing Agreement, as such manual may be updated from time to time with the agreement of the Association, and which is an integral part of the Project Implementation Manual.
6. “CERC First Manual” means a CERC Manual, as dated February 12, 2023, adopted for purposes of the activation on April 12, 2023 of the Contingent Emergency Response Part under the Original Financing Agreement, in its original drafting, and which is an integral part of the Project Operations Manual, as said CERC First Manual shall include the corresponding emergency action plan of or around the same date.
7. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 5 of the Project to respond to an Eligible Crisis or Emergency.
8. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
9. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC First Manual or any CERC Manual referred to in Section I.F. of Schedule 2 to the Original Financing Agreement and required for Part 5 of the Project.

10. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated April 26, 2024, 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.
11. “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 African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
12. “FID’s Legislation” means, collectively, the Recipient’s Decree no. 93.044 dated January 27, 1993, on the recognition of FID as a public interest association, the Recipient’s Ordinance no. 60-133 on the general regime of associations, the Recipient’s Decree no. 60-383 dated October 5, 1960, the Recipient’s Ordinance no. 75-017 dated August 13, 1975, and its governing document (*statuts*) dated November 30, 2009.
13. “FID” means *Fonds d’Intervention pour le Développement*, the Project Implementing Entity, a public interest association legally established and operating on the Recipient’s territory in accordance with the FID’s Legislation.
14. “Financing Mechanisms” means the financing mechanisms provided under Parts 1.1, 1.2, 3.1 and 6.2 of the Project subject to compliance of the eligibility criteria set out in the Financing Mechanisms Manual, including *inter alia*, matching grants and other credit support mechanisms such as loan guarantee facilities.
15. “Financing Mechanisms Manual” means the manual referred to in Section I.C. of Schedule 2 to this Agreement.

16. “Fiscal Year” means the fiscal year of the Recipient commencing on January 1 and ending on December 31 of each year.
17. “Food Insecurity Crisis” means an event or events driven by natural disasters, economic shocks, and/or public health threats, which pose a significant threat of becoming a large-scale food security crisis within a country or across countries, in accordance with criteria acceptable to the Association.
18. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (Last revised on July 15, 2023), with the modifications set forth in Section II of this Appendix.
19. “Grant Agreement” means the grant agreement No. TF0C4785 for the Project between the Recipient and the Bank, acting as acting as Trustee and as a Supervising Entity of the Global Agriculture and Food Security Program Trust Fund, dated the same date as this Agreement, as such grant agreement may be amended from time to time, and shall include all appendices, schedules and agreements supplemental to the Grant Agreement.
20. “GBV” means gender-based violence.
21. “FRERHA” means Hydro-Agricultural Network Maintenance Fund.
22. “MEF” or “Ministry of Economy and Finance” means the recipients ministry responsible for finance, or any successor thereto acceptable to the Association.
23. “Ministry of Environment” means the Recipient’s ministry responsible for the environment, or any successor thereto acceptable to the Association.
24. “MinAE” or “Ministry of Agriculture and Livestock” means the Recipient’s ministry responsible for agriculture and livestock, or any successor thereto acceptable to the Association.
25. “MPA Program” means the multiphase programmatic approach program designed to increase the resilience of food system and preparedness for food insecurity in participating countries.
26. “One CGIAR” means the integration strategy of CGIAR to achieve interconnected and partnership-driven research towards achieving the Sustainable Development Goals.
27. “Operating Costs” means the reasonable incremental expenditures incurred by the Recipient and agreed to by the Association in the Annual Work Plan and Budget which are directly associated with implementation of the Project.

28. “Original Financing Agreement” means the agreement No. 7157-MG and E083-MG, between the Recipient and the Association for the Project, dated June 22nd, 2022, as amended.
29. “Preparedness Plan” means the plan referred to in Section I.F of Schedule 2 to this Agreement, setting out the operational procedures to respond to and contain a Food Insecurity Crisis.
30. “Project Implementation Manual” or “PIM” means the manual described in Section I.B. of Schedule 2 to this Agreement, satisfactory to the Association and adopted by the Recipient for the purposes of the Project, as such manual may be revised from time to time with prior written consent of the Association.
31. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated September 2023.
32. “Project Implementing Unit” or “PIU” means the project implementing unit referred to in section I.A.3 of Schedule 2 to this Agreement.
33. “Project Steering Committee” or “PSC” means the Project steering committee described in Section I.A.2 of Schedule 2 to this Agreement.
34. “Regional Implementation Units” or “RIUs” means the regional implementation units described in section I.A.4 of Schedule 2 to this Agreement.
35. “Resettlement Costs” means the allocated amount to cover the expenditures incurred by the Recipient associated with implementation of the Resettlement Plans, and which consist of the costs to finance expenditures for cash payments for compensation or other cash payments for assistance due to a Project Affected Person or for the cost of land acquisition related to the activities to be carried out under Parts 2.3 and 3.2 of the Project, carried out in accordance with the Environmental and Social Standards and the ESCP, and which Resettlement Costs are hereby deemed an Eligible Expenditure for purposes of Section 2.05 of the General Conditions.
36. “Resettlement Plan” or “RAP” means, each, the resettlement and rehabilitation action plan prepared and disclosed by the Recipient for Part 3.2 of the Project, satisfactory to the Association, and as referenced in the ESCP, which the Recipient developed for the Project Affected Persons located permanently or temporarily in a Project area which involves resettlement, and setting forth the principles, procedures, organizational arrangements and budget to implement the resettlement-related activities under the Project, as said Resettlement Plan may be revised from time to time with the prior written agreement of the Association.

37. “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.
38. “School Feeding Programs” means Eligible Expenditures under Part 3.1 of the Project to: (i) strengthen the school feeding system in the Recipient’s territory based on local production and nutritious foods, (ii) support the sustainable development of natural resources for resilient food systems, and (iii) provide technical support for an integrated food security policy and crisis response.
39. “SEA-SH” means sexual exploitation, abuse and harassment.
40. “Sub-project” means the list of activities to be financed out of the Financing Mechanisms under Parts 1.1, 1.2, 3.1 and 6.2 of the Project.
41. “Training” means the activities provided under the Project, including seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity (other than those for consultants’ services) travel and subsistence expenditures and other travel-related allowances for training participants such as *per diems* and reasonable accommodation costs, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation, all based on Annual Work Plan and Budget acceptable to the Association.
42. “Unconditional Cash Transfers” means Emergency Expenditures in the form of time-bound non-reimbursable income supplements and/or accompanying measures to eligible vulnerable household and individual beneficiaries in the Recipient’s territory, under terms, conditions, eligibility criteria and payment modalities satisfactory to the Association and further set out in the CERC First Manual.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.03 (Service Charge) and Section 3.04 (Interest Charge) are deleted in their entirety and the remaining Sections in Article III are renumbered accordingly, and all references to the Sections of Article III in any provision of the General Conditions are understood to be to such renumbered Sections.
2. Paragraph 66 (Interest Charge) in the Appendix is modified to read as follows:
“66. “Interest Charge” means the interest charge for the purpose of Section 3.07.

3. Paragraph 100 (Service Charge) in the Appendix is deleted in its entirety and the subsequent paragraphs are renumbered accordingly, and any reference to “Service Charge” or “Service Charges” in any provision of the General Conditions is deleted.