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CREDIT NUMBER 7331-TZ

# **Financing Agreement**

**(Tanzania Food Systems Resilience Program)**

**between**

**THE UNITED REPUBLIC OF TANZANIA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**CREDIT NUMBER 7331-TZ**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between THE UNITED REPUBLIC OF TANZANIA (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). The Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) 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 an amount equivalent to three hundred million United States Dollars (USD 300,000,000) (variously, “Credit” and “Financing”), to assist in financing: (a) the program described in Part 1 of Schedule 1 to this Agreement (“Program”); and (b) the project described in Part 2 of Schedule 1 to this Agreement (“Project”) (the Program and the Project hereinafter jointly referred to as the “Operation”).
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2, and Schedule 3 to this Agreement. All withdrawals from the Financing Account corresponding to the amounts of the Credit allocated to the Program shall be deposited by the Association into an account specified by the Recipient and acceptable to the Association.
- 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 March 1<sup>st</sup> and September 1<sup>st</sup> in each year.
- 2.05. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 4 to this Agreement.
- 2.06. The Payment Currency is United States Dollar.

**ARTICLE III — OPERATION**

- 3.01. The Recipient declares its commitment to the objectives of the Operation and the MPA Program. To this end, the Recipient shall: (a) carry out the Program and its Respective Parts of the Project in accordance with Article V of the Program General Conditions and Article V of the Project General Conditions, respectively, as well as Schedule 2 to this Agreement; and (b) cause the Project Implementing Entity to carry out its Respective Parts of the Project in accordance with the provisions of Article V of the General Conditions, the applicable provisions of Section III and IV of Schedule 2 to this Agreement, and the Project Agreement.

**ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Subsidiary Agreement has been executed and delivered and all conditions precedents to its effectiveness and to the right of the Project Implementing Entity to borrow/make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
  - (b) The Program Management Team has been established by the Recipient in a manner and substance satisfactory to the Association.
  - (c) The Operation Manual has been developed and adopted by the Recipient pursuant to Section I.C.1, of Schedule 2 to this Agreement.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01. The Recipient's Representative is the recipient's minister responsible for finance.

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

- (a) the Recipient's address is:

Ministry of Finance and Planning,  
Government City –Mtumba,  
Treasury Avenue,  
P. O. Box 2802,  
40468 Dodoma,  
Tanzania; and

- (b) the Recipient's Electronic Address is:

Facsimile:	E-mail
255-26-296-3109	minister@hazina.go.tz

5.03. 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:

Facsimile:	E-mail
1-202-477-6391	nbelete@worldbank.org

AGREED as of the Signature Date.

**THE UNITED REPUBLIC OF TANZANIA**

**By**

*Hon. Dr. Mwigulu Lameck Nchemba Madelu*

**Authorized Representative**

**Name:** Hon. Dr. Mwigulu Lameck Nchemba Madelu

**Title:** Minister for Finance and Planning

**Date:** 30-Jun-2023

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

*Nathan M. Belete*

**Authorized Representative**

**Name:** Nathan M. Belete

**Title:** Country Director

**Date:** 27-Jun-2023

## **SCHEDULE 1**

### **Operation Description**

The objective of the Operation is to support food systems resilience by strengthening agricultural service delivery, the adoption of climate resilient technologies and fiscal performance in the agricultural sector.

The Operation constitutes a phase of the MPA Program, and consists of the Program and the Project as follows:

#### **Part 1: The Program**

The Program consists of the following activities grouped under the Results Areas set forth below:

#### **Result Area 1: Improving Service Delivery in Research, Extension and Seeds**

Delivering critical parts of the Agriculture Sector Development Programme – Phase Two (“ASDP II”) aimed at building resilience, and increase the capacity of the mainland to adapt to climate change by accelerating the ability of the Recipient’s research institutions to develop and adapt technologies, expand the use of digital solutions to enable increase access to climate-smart technology and improve the supply of high-quality climate resilient seeds, through:

- (a) (i) Building increase readiness for key institutions to adapt to the impacts of climate change, (ii) linking national centers of excellence to regional and international knowledge systems; (iii) developing a five-year strategy for the Tanzania Agricultural Research Institute (“TARI”) (incorporating strategic direction for climate-resilient and gender-sensitive research); (iv) increasing research into varietal development and registration of new climate-resilient seed varieties (including those favored by women farmers); (v) developing new technologies and skills, creating new job opportunities for young female scientists; and (vi) increase dissemination of climate-smart technologies and knowledge nationally and regionally;
- (b) (i) Prioritizing the cost-effective expansion of agriculture extension services; (ii) accelerating farmer’s access to climate-smart technologies and weather-related services, including early warning information and predictive models for pest and disease outbreaks; (iii) providing farmers with weather forecasting, pest and disease identification and monitoring services, market information, and access to finance; (iv) developing approaches for agriculture information exchanges on digital platforms;

and (v) training the Ministry of Agriculture's ("MoA") extension staff on data-driven policy planning and solutions; and

- (c) (i) Improving farmers access to certified seeds adapted to climate change and/or with high nutritional benefits; (ii) scaling up certified seed production; (iii) developing small-scale water-efficient irrigations schemes for Agricultural Seed Agency's ("ASA") seed farms; (iv) developing public and private institutional capacity for seed production and marketing, including establishing private-public partnerships for seed multiplication; and (v) scaling up the Tanzania Official Seeds Certification Institute ("TOSCI") interventions to ensure seed quality verification and enforcement.

### **Result Area 2: Developing Resilient Rural Infrastructure**

Strengthening the Recipient's mainland capacity to manage the agriculture sector public infrastructure and improve the performance thereof, through:

- (a) Incentivizing the use of performance-based contracts for the operation, management, and maintenance ("OMM") of irrigation schemes; and
- (b) Introducing hybrid (public-private), climate-proof warehouse management model for existing public warehouses, in collaboration with famers organizations, including those working closely with women farmers.

### **Result Area 3: Strengthening Fiscal Performance to Enable Delivery on Priority Investment Areas**

Improving institutional performance on sector budgeting, improved localized planning and investments in natural resource management, through:

- (a) (i) Improving the budget monitoring and predictability for the Recipient's agriculture sector to boost key agriculture sector services; (ii) improving budget outturn by the agriculture sector agencies; (iii) strengthening sectoral budget data collection and analysis; and (iv) identifying and promoting budgetary best practices;
- (b) Adopting a holistic soil health assessment and management framework to increase productivity and long-term resilience of the sector including: (i) scaling up and accelerating soil quality and carbon content testing and mapping; (ii) identifying priority farming areas for improved and better targeted soil health management actions; and (iii) supporting farmers to adopt appropriate soil health management practices.

## **Part 2: The Project**

The Project consists of the following activities:

### **A. For Mainland:**

1. Strengthening MoA's systems for data gathering, monitoring and evaluation through: (a) designing new sectoral monitoring systems; (b) procurement of hardware and software to ensure monitoring systems efficiency; (c) design and implement a women's empowerment index for agriculture; and (d) training MoA's staff on procurement, environmental and social risks, and contract management.
2. (a) Developing guidelines on irrigation design innovations for improved water productivity, including a performance-based operations, management and maintenance contract template with detailed roles and responsibilities signatories and their related performance measures; (b) developing a monitoring and information systems for public irrigation schemes, allowing data collection and storage for critical performance indicators; and (c) building awareness among the National Irrigation Commission ("NIRC") staff, and strengthening the NIRC's institutional capacity required, for the implementation of new irrigation operation and maintenance models.
3. Developing MoA's and MoFP's human resource capacity and expertise to prepare and deliver a roadmap for carbon-financing, including workshops and field tours to learn from international experience on payment for environmental services and carbon financing.

### **B. For the Project Implementing Entity:**

#### **Component 1: Improving Service Delivery in Research, Seed and Extension**

1. Expanding the Revolutionary Government of Zanzibar's research capacity to build resilient foods systems, adapt to climate change and benefit from, and engage with, regional knowledge ecosystems, including the strengthening the research capacity of the Zanzibar Agricultural Research Institute ("ZARI") at Kizimbani by, inter alia: (a) rehabilitating ZARI's research infrastructure and upgrading relevant tools and technology; (b) carrying out on-station and field trial to evaluate alternate wetting and drying method in rice production; (c) diversifying of upland rice growing areas with integrated soil-crop systems management for climate mitigation, adaptation and higher productivity; (d) adopting high-yielding and abiotic stresses-tolerant and resistance cultivars; (e) developing and disseminating of integrated soil fertility management and agroecology practices; and (f) financing four (4) master's degrees and two (2) Ph.D. on agriculture subjects (benefiting equally numbers of female and male students).



2. (a) Rehabilitating RGoZ's seed farm infrastructure at Bambi, Kibonde-Mzungu, and Ole to increase efficiency in production and multiplication of climate-resilient seeds, including: (i) installing a new water pump and renovating the seed processing unit at Bambi seed farm; (ii) installing a drip irrigation systems in 10 hectares in seed farms; (iii) renovating farm offices at Kibonde-Mzungu seed farm; (b) establishing a seed certification system to improve services for quality control and marketing of seeds; and (c) repairing storehouses and drying grounds in field sites at Kizimbani, Ole, Mwera, and Kibonde-Mzungu, for seed production, multiplication and distribution.
3. (a) Training all government extension workers in climate-smart seed and other productivity-enhancing technologies; (b) expanding/increase use of digital tools and platforms to promote climate-smart seeds adoption and good agricultural practices uptake by farmers; (c) rehabilitating four (4) farmer service centers at Bumbwisudi, Mtwango, and Kibokwa; (d) providing operational budget and facilities to extension officers to increase outreach to farmers; (e) supporting farmer fields schools and field days; and (f) training trainers-of-trainers and farmers on contract farming, farmer's business schools and good post harvesting handling practices. .

### **Component 2: Rehabilitation of Rural Infrastructure to Enhance Climate Resilience**

1. Rehabilitating RGoZ's agriculture sector infrastructure to enable farmers to build resilience and reduce vulnerabilities to climate-related shocks through: (a) rehabilitating of irrigational canals (≈30,645 meters) for eight (8) irrigation schemes at Bumbwisudi, Mtwango, Kibokwa, Mwera, Makombeni, Weni, Saninga and Kinyakuzi; (b) rehabilitating four (4) diversion structures at Mwera, Kinyakuzi, Makombeni and Weni; (c) rehabilitating drainage canals (≈5,000 meters) in Bumbwisudi, Mtwango, Kibokwa, Mwera, Makombeni, Weni and Kinyakuzi; (c) drilling four (4) boreholes and rehabilitating another four (4), including the acquisition of pumping equipment and the introduction of clean energy technologies therefor; and (d) rehabilitation of farm roads (≈10km).
2. (a) Constructing government-owned farm level stores at Kibokwa and Mtwango; (b) constructing three drying areas in farmer service centers at Bumbwisudi, Mtwango and Kibokwa; and (c) procuring, repairing and maintaining machinery and equipment to demonstrate, disseminate, and promote the adoption of labor-saving technologies in agricultural production, especially among women and the youth.

### **Component 3: Project Implementation and Supervision**

Carrying out coordination and management activities for RGoZ's Respective Parts of the Project, including (a) complying with technical, fiduciary (financial management and procurement), social and environmental, monitoring and

evaluation, and reporting requirement thereunder, including the preparation and approval of Annual Work Plans, the Project Operation Manual, environmental and social instruments, and other Project ancillary documents.

## SCHEDULE 2

### Operation Execution

#### Section I. Implementation Arrangements

##### A. **Subsidiary Agreement for the Project Implementing Entity's Respective Activities under the Project**

1. To facilitate the Project Implementing Entity's carrying out of its Respective Activities under the Project, the Recipient shall make available to the Project Implementing Entity the proceeds of the Financing allocated from time to time to Category (9) of the table set forth in Section IV.A.2 of this Schedule, by means of a subsidiary agreement between the Recipient and the Project Implementing Entity, 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.

##### B. **The Operation's Institutions**

1. The Recipient shall:
  - (a) vest the overall responsibility for the implementation of the Operation (with the exception of the Project Implementing Entity's Respective Parts of the Project) on its Ministry of Agriculture ("MoA") and its President's Office - Regional Administrations and Local Governments ("PO-RALG")
  - (b) establish by not later than one (1) month after the Effective Date, and thereafter maintain throughout the period of implementation of the Operation, a joint steering committee ("Joint Steering Committee") with terms of reference agreed with the Association; which committee shall: (i) be headed by the Permanent/Principal Secretaries of MoA, and MAINL, and include the Permanent/Principal Secretaries of MoFP, PO-RALG and PO-FP as well as any other additional member determined from time to time as per the Operation Manual; and (ii) be responsible for, *inter alia*, providing policy guidance and strategic direction to the Mainland Technical Committee, Zanzibar Technical Committee, the PMT and the Z-PMT on the implementation of the Program and the Respective Parts of the Project, as well as securing inter-agency coordination, collaboration

and support (both technical and financial) for both the Program and the Respective Parts of the Project;

- (c) establish by not later than 1 month after the Effective Date, and thereafter maintain throughout the period of implementation of the Operation, a mainland steering committee (the “Mainland Steering Committee”), with terms of reference agreed with the Association; which committee shall: (i) be headed by the Permanent/Principal Secretary of MoA, and composed of representatives from MoFP, PO-RALG and the Prime Minister’s Office, as well as any other additional member determined from time to time as per the Operation Manual and (ii) be responsible for, *inter alia*, the approval of the Operation Manual, and any updates thereto, the approval of the annual budget for the Program and the Recipient’s Respective Parts of the Project, the approval of the Program Reports and Project Reports, the approval of the Mainland Annual Work Plans and Budget, approval of the bi-annual funds release requests, review of DLIs/DLRs achievement progress and endorsement of the DLIs/DLRs annual verification reports prepared by the Independent Verification Agent, as further detailed in the Operation Manual, and/or any other tasks assigned to it under the Operation Manual;
- (d) establish by not later than one (1) month after the Effective Date, and thereafter maintain throughout the period of implementation of the Operation, a technical committee (“Technical Committee”) with terms of reference agreed with the Association; which committee shall: (i) be headed by the Director (Policy and Planning) of MoA, and composed of Director-level representatives from MoA, PO-RALG and the heads of line agencies (e.g. TOSCI, ASA, NIRC, TARI; etc.); as well as any other additional member determined from time to time as per the Operation Manual; and (ii) be responsible for, *inter alia*, viewing and scrutinizing the progress in implementation of the Program and the Recipient’s Respective Parts of the Project, providing technical guidance for implementing MDAs for the implementation of their respective activities under the Operation, including monitoring and supervising their procurement and financial management performance and the achievement of the respective DLIs/DLRs as further detailed in the Operation Manual, and/or any other tasks assigned to it under the Operation Manual.; and
- (d) establish, and thereafter maintain throughout the period of implementation of the Program and the Recipient’s Respective Parts of the Project, a program management team within MoA (variously the “Program Management Team” or “PMT”), which team shall be: (i) led by a Program Coordinator assisted with competent staff, with experience and qualifications, in numbers and under terms of reference, acceptable to the Association, including an administrator, a monitoring and evaluation

officer, an accountant, a procurement officer, environmental and social specialists, occupational health and safety specialists, as well as focal persons from any relevant departments/units and implementing MDAs; and (ii) vested with such powers, financial resources, functions and competencies, acceptable to the Association, as shall be required for them to carry out the day-to-day implementation (management and coordination) of Program and Project activities, including, the inter-institutional coordination with other MDAs, and the Program's and Project's procurement, financial management, DLI/DLR verification coordination, reporting, monitoring and evaluation, and safeguards standards (social and environmental) compliance, as applicable

**C. The Operation's Manual**

1. The Recipient shall develop and adopt an operation manual for the Program and its Respective Parts of the Project (the "Operation Manual"), in a manner and substance satisfactory to the Association, and thereafter ensure that the Program and its Respective Parts of the Project are carried out in accordance with such manual, which shall set forth the institutional, administrative, financial, technical and operational guidelines and procedures for the implementation thereof, as well as the agreed Program Action Plan, including: (a) the definition of the contours of Program activities, including results framework, overall budget and detailed Program Expenditures; (b) the composition and terms of reference, satisfactory to the Association, of the Joint Steering Committee, the Mainland Steering Committee, the Technical Committee and the PMT, as well as the Program's and Project's intra- and inter-institutional arrangements, including delineation of roles and responsibilities, allocation of functions and decision-making powers at national and sub-national levels; (c) the detailed environmental and social risk mitigation measures and documents for the Program and its Respective Parts of the Project; (d) the financial management protocols and standards applicable to the Program and its Respective Parts of the Project, setting forth policies and procedures for general accounting practices, segregation of duties, management of bank accounts, flow of funds, payment processes and bank reconciliations, including fraud and corruption mitigation measures; (e) detailed guidelines for the administration of the Program proceeds and those corresponding to its Respective Parts of the Project, as well as the flow of funds; (f) procurement arrangements for the Program and its Respective Parts of the Project and allocation of responsibilities thereunder, including record keeping systems and corruption prevention and reporting mechanisms; (g) the procedures for the preparation and approval of the Mainland Annual Work Plans and Budgets; (h) the protocols for reporting to the Association on, and sharing the findings of, any case of fraud and corruption denounced and/or investigated under the Program and/or its Respective Parts of the Project, in accordance with the Anti-Corruption Guidelines; (i) the Verification Protocol agreed with the Association for evaluating the achievement of the DLIs and their respective DLRs, including the annual schedule therefor;

2. (j) the grievance mechanism for the Program and its Respective Parts of the Project, as well as their associated protocols and procedures (including timelines) for addressing and reporting on grievance complaints; (k) monitoring and evaluation requirements, including verification systems for the Program and its Respective Parts of the Project; (l) internal and external audit requirements, including regular submissions of audit reports to the Association for the Program and its Respective Parts of the Project; (m) quality assurance standards, protocols and review mechanisms; and (n) any other technical and organizational arrangements and procedures as shall be required for the Project.
3. The Recipient shall refrain from materially and/or substantially amending, revising, waiving, voiding abrogating or suspending any provision of the Operation Manual, whether in whole or in part, without the prior written concurrence of the Association.
4. In the event of any inconsistency between a provision of the Operation Manual and those of this Agreement, the provisions of this Agreement shall prevail.

**D. Independent Verification Agent**

1. The Recipient shall:
  - (a) appoint by not later than one (1) months after the Effective Date, and thereafter maintain at all time during the implementation of the Program, an independent verification agent with experience and qualifications and under terms of reference acceptable to the Association (the “Independent Verification Agent”), to: (i) verify the data and other evidence supporting the achievement of the DLIs/DLRs, as set forth in the table in Schedule 3 to this Agreement; and (ii) recommend corresponding disbursements to be made, as applicable, pursuant to such Schedule 3 and Section IV hereinbelow; and
  - (b) (i) ensure that the Independent Verification Agent carries out the DLIs/DLRs’ verification process(es) in accordance with the Verification Protocol; and (ii) submits to the Association the corresponding verification reports in a timely manner (at least once a year), and in form and substance satisfactory to the Association.

**E. Program Action Plan**

1. Without limitation upon the generality of sub-sections I.A through I.D and sub-section I.F of this Schedule, for purposes of implementing the Program the Recipient shall: (a) carry out the Program Action Plan agreed with the Association, in accordance with the schedule set out in the said Program Action Plan, and in a manner and substance satisfactory to the Association; and (b) maintain policies

and procedures adequate to enable it to monitor and evaluate, in a manner and substance satisfactory to the Association, the implementation of the said Program Action Plan.

2. The Recipient shall refrain from materially and/or substantially amending, revising, waiving, voiding, abrogating or suspending any provision of the Program Action Plan, whether in whole or in part, without the prior written concurrence of the Association.
3. In the event of any inconsistency between a provision of either the Program Action Plan, on the one side, and those of this Agreement, the provisions of this Agreement shall prevail.

**F. Annual Work Plans & Budgets**

1. The Recipient shall, by no later than March 31<sup>st</sup> of each year during the implementation of the Program as well as its Respective Parts of the Project, prepare and furnish to the Association an annual work plan and budget containing all activities proposed to be carried out under the Program and its Respective Parts of the Project during the following Fiscal Year, including the annual training plans, as well as the proposed financing plan for the expenditures required thereunder, indicating the envisioned amounts and source of financing (“the Mainland Annual Work Plan and Budget” or “M-AWPB”), all in accordance with the Operation Manual, each said M-AWPB of such scope and detail as the Association shall reasonably request.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with each of them with respect to each such M-AWPB, and, thereafter, ensure that both the Program and its Respective Parts of the Project are implemented with due diligence during said following Fiscal Year in accordance with the M-AWPB as shall have been approved, subject to the prior no-objection of the Association.
3. The Recipient shall not make or allow to be made any change(s) to the approved M-AWPB without the Association’s prior written concurrence.

**G. Environmental and Social Standards for the Recipient’s Respective Parts of the Project**

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 Recipient’s Respective Parts of the Project are 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. 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 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 Recipient's Respective Parts of 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 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.



**Section II. Excluded Activities**

1. The Recipient shall ensure that the Program excludes any activities which:
  - (a) in the opinion of the Association, 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 one hundred fifteen million United States Dollars equivalent (USD 115,000,000) or more per contract; (2) goods, estimated to cost seventy-five million United States Dollars equivalent (USD 75,000,000) or more per contract; (3) non-consulting services, estimated to cost seventy-five million United States Dollars equivalent (USD 75,000,000) or more per contract; or (4) consulting services, estimated to cost thirty million United States Dollars equivalent (USD 30,000,000) or more per contract.

**Section III. Program and Project Monitoring, Reporting and Evaluation**

The Recipient shall furnish to the Association each Program Report and each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar quarter.

**Section IV. Withdrawal of the Proceeds of the Financing**

**A. General**

1. Without limitation upon the provisions of Article II of the Program General Conditions, and Article II of the Project General Conditions, and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to finance:
  - (a) With respect to the Program, the Program Expenditures (inclusive of Taxes), on the basis of the results (“Disbursement Linked Results” or “DLRs”) achieved by the Recipient, as measured against specific indicators (“Disbursement Linked Indicators” or “DLIs”) in the amount allocated against Categories (1) through (8) of the table set forth in paragraph 2 below, in this Part A of Section IV to this Schedule; and
  - (b) With respect to the Project, the Eligible Expenditures, in the amount allocated and, if applicable, up to the percentage set forth against Categories (9) and (10) of the table set forth in paragraph 2 below, in this Part A of Section IV to this Schedule

2. The following table specifies each category of withdrawal of the proceeds of the Financing (“Category”), and the allocation of the amounts of the Financing to each such Category:

<b>Category (including Disbursement Linked Indicator as applicable)</b>	<b>Amount of the Financing Allocated to each Category (expressed in USD)</b>	<b>Percentage of Eligible Expenditures to be Financed under the Project (inclusive of taxes)</b>
(1) DLI #1: Sustainable financing for the development and dissemination of climate resilient technologies in agriculture	37,000,000	
(2) DLI #2: Extension outreach strengthened, including ICT solutions for promoting climate-smart practices	32,000,000	
(3) DLI #3: Improved functional linkages in the seed vale chain	26,000,000	
(4) DLI #4: Performance-based operations, management and maintenance (“OMM”) contracts introduced and implemented	70,000,000	
(5) DLI #5: Effective management of public warehouse facilities	42,000,000	
(6) DLI #6: Improved agricultural budget monitoring and predictability	41,000,000	
(7) DLI #7: Scaling up soil health assessments and management	32,000,000	
(8) Goods, non-consulting services, consulting services, Training and Workshops, and Incremental Operating Costs for the Recipient’s Respective Parts of Project	5,000,000	100%
(9) Goods, works, non-consulting services, consulting services, Training and Workshops, and	15,000,000	100%

<b>Category (including Disbursement Linked Indicator as applicable)</b>	<b>Amount of the Financing Allocated to each Category (expressed in USD)</b>	<b>Percentage of Eligible Expenditures to be Financed under the Project (inclusive of taxes)</b>
Incremental Operating Costs for the Project Implementing Entity's Respective Parts of Project		
<b>TOTAL AMOUNT</b>	300,000,000	

**B. Withdrawal Conditions for the Program**

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, except that withdrawals up to an aggregate amount not to exceed USD13,250,000 may be made on the basis of DLRs achieved prior to this date but on or after October 26, 2022; or/and
  - (b) for any DLR under Categories (1) through (7), until and unless the Recipient has furnished evidence satisfactory to the Association that said DLR has been achieved.
2. Notwithstanding the provisions of Part B.1(b) of this Section, the Recipient may withdraw an amount not to exceed USD60,000,000 as an advance; provided, however, that if the DLRs in the opinion of the Association, are not achieved (or only partially achieved) by the Closing Date, the Recipient shall refund such advance (or portion of such advance as determined by the Association in accordance with the scalability Formulae set forth in Schedule 3 to this Agreement, when applicable) to the Association, promptly upon notice thereof by the Association. Except as otherwise agreed with the Recipient, the Association shall cancel the amount so refunded. Any further withdrawals requested as an advance under any of the Categories (1) through (7) shall be permitted only on such terms and conditions as the Association shall specify by notice to the Recipient.
3. Notwithstanding the provisions of Part B.1(b) of this Section, if any of the DLRs set forth in Schedule 3 to this Agreement has not been achieved by the date by which the said DLR is set to be achieved (or such later date as the Association has established by notice to the Recipient), the Association may, by notice to the Recipient: (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Financing then allocated to said Category which, in the opinion of the Association, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with the scalability Formulae set forth for

each such DLR in Schedule 3 to this Agreement; (b) reallocate all or a portion of the proceeds of the Financing then allocated to said DLR to any other DLR; and/or (c) cancel all or a portion of the proceeds of the Financing then allocated to said DLR.

**C. Withdrawal Conditions for the Project**

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 (8) until and unless the Recipient has established, publicized, and made operative, an accessible grievance mechanism for its Respective Parts of the Project, pursuant to Section I.G.5 of Schedule 2 to this Agreement, and in a manner and substance satisfactory to the Association; and
  - (c) under Category (9) until and unless the Project Implementing Entity has:
    - (i) prepared and adopted the Project Operation Manual, pursuant to Section I.B.1 of the Schedule to the Project Agreement, and in manner and substance satisfactory to the Association;
    - (ii) established the Project Management Team, pursuant to Section I.A.2(c) of the Schedule to the Project Agreement, and in manner and substance satisfactory to the Association; and
    - (iii) established, publicized, and made operative, an accessible grievance mechanism for its Respective Parts of the Project, pursuant to Section I.D.5 of the Schedule to the Project Agreement, and in a manner and substance satisfactory to the Association.

**D. Operation's Withdrawal Period**

1. The Closing Date is July 31, 2028.

**E. Additional Provisions**

1. It is the Recipient's own undertaking that the importation, procurement, and/or supply of any goods, works and/or services: (a) comprised in the Program Expenditures; and which are wholly and exclusively for the purpose of the execution of the Program; or (b) which are wholly or exclusively for the purpose of executing the Project, and are financed with the proceeds of the Credit, will be exempted from taxes and duties.

### SCHEDULE 3

#### Disbursement Linked Indicators, Disbursement Linked Results and Allocated Amounts and Scalable Formulae applicable thereto

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	EXPECTED RESULTS FOR YEAR 1 (FY23/24)	EXPECTED RESULTS FOR YEAR 2 (FY24/25)	EXPECTED RESULTS FOR YEAR 3 (FY25/26)	EXPECTED RESULTS FOR YEAR 4 (FY26/27)	EXPECTED RESULTS FOR YEAR 5 (FY27/28)
<b>1. Sustainable financing for the development and dissemination of climate resilient technologies in agriculture</b>	1.1.(a): *TARI's budget outturn for FY22/23 has reached at least 45%; 1.1.(b): *TARI's budget outturn for FY23/24 has reached at least 55%	1.1.(c): *TARI's budget outturn for FY24/25 has reached at least 60%; and 1.2.: MoA has approved TARI's strategic plan 2025-30, including TARI's mid-term expenditure framework	1.1.(d): *TARI's budget outturn for FY25/26 has reached at least 65%	1.1.(e): *TARI's budget outturn for FY26/27 has reached at least 70%	1.1.(f): *TARI's budget outturn for FY27/28 has reached at least 75%
<b>Allocated Amounts (USD37,000,000)</b>	1.1.(a): USD8,660,000; and 1.1.(b): USD5,780,000	1.1.(c): USD2,890,000; and 1.2.: USD11,000,000	1.1.(d): USD2,890,000	1.1.(e): USD2,890,000	1.1.(f): USD2,890,000
<b>Formula</b>	1.1.(a): USD577,800 per every 1% budgetary outturn rate over and above 30%; and 1.1.(b): USD577,800 per every 1% budgetary outturn rate over and above 45%	1.1.(c): USD577,800 per every 1% budgetary outturn rate over and above 55%	1.1.(d): USD577,800 per every 1% budgetary outturn rate over and above 60%	1.1.(e): USD577,800 per every 1% budgetary outturn rate over and above 65%	1.1.(f): USD577,800 per every 1% budgetary outturn rate over and above 70%
<b>2. Extension outreach strengthened, including</b>		2.1.: MoA has integrated, and rolled out, new key	2.3.(a): *500,000 farmers (at least 30% being female) have received early warning messages and/or queries	2.3.(b): *1,000,000 farmers (at least 30% being female) have received early warning messages and/or queries	2.3.(c): *1,500,000 farmers (at least 30% being female) have received early warning messages and/or queries

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	EXPECTED RESULTS FOR YEAR 1 (FY23/24)	EXPECTED RESULTS FOR YEAR 2 (FY24/25)	EXPECTED RESULTS FOR YEAR 3 (FY25/26)	EXPECTED RESULTS FOR YEAR 4 (FY26/27)	EXPECTED RESULTS FOR YEAR 5 (FY27/28)
<i>through ICT solutions for promoting climate-smart practices</i>		service functions into the M-Kilimo Platform	through the M-Kilimo Platform about pest and diseases, weather and produce markets in FY25/26	through the M-Kilimo Platform about pest and diseases, weather and produce markets in FY26/27	through the M-Kilimo Platform about pest and diseases, weather and produce markets in FY27/28
		2.2.: *MoA has trained 4,000 of its extension staff (at least 30% being female) on climate smart practices and e-agricultural solutions (by FY26/27).			
<i>Allocated Amounts (SDR USD32,000,000)</i>		2.1.: USD9,000,000	2.3.(a): USD2,200,000	2.3.(b): USD4,300,000	2.3.(c): USD6,500,000
		2.2.: USD10,000,000			
<i>Formula</i>		2.1.: USD1,800,000 per new function integrated and rolled out	2.3.(a): USD43 per every 10 farmers, out of which at least 3 shall be female, reached through the M-Kilimo Platform in FY25/26	2.3.(b): USD43 per every 10 farmers, out of which at least 3 shall be female, reached through the M-Kilimo Platform in FY26/27	2.3.(c): USD43 per every 10 farmers, out of which at least 3 shall be female, reached through the M-Kilimo Platform in FY27/28
		2.2.: USD25,000 per every 10 extension officers trained, out of which at least 3 shall be female.			
<b>3. Improved functional linkages in the seed value chain</b>	3.1.(a) *ASA has produced 6,000 tons of selected seeds, certified by ToSCI, for the FY22/23; and 3.1.(b) *ASA has produced 9,000 tons of selected seeds	3.1.(c) *ASA has produced 12,000 tons of selected seeds, certified by ToSCI, for the FY24/25	3.1.(d) *ASA has produced 15,000 tons of selected seeds, certified by ToSCI, for the FY25/26.	3.1.(e) *ASA has produced 17,500 tons of selected seeds, certified by ToSCI, for the FY26/27	3.1.(f) *ASA has produced 20,000 tons of selected seeds, certified by ToSCI, for FY27/28

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	EXPECTED RESULTS FOR YEAR 1 (FY23/24)	EXPECTED RESULTS FOR YEAR 2 (FY24/25)	EXPECTED RESULTS FOR YEAR 3 (FY25/26)	EXPECTED RESULTS FOR YEAR 4 (FY26/27)	EXPECTED RESULTS FOR YEAR 5 (FY27/28)
	certified by ToSCI for the FY23/24				
<i>Allocated Amounts (USD26,000,000)</i>	3.1.(a): USD4,590,000; and 3.1.(b): USD4,390,000	3.1.(c): USD4,390,000	3.1.(d): USD4,390,000	3.1.(e): USD3,820,000	3.1.(f): USD3,820,000
<i>Formula</i>	3.1.(a): USD1,530 per ton of selected certified seeds produced, over and above the initial 3,000 tons; and 3.1.(b): USD1,530 per ton of selected certified seeds produced, over and above the initial 6,000 tons	3.1.(c) USD1,530 per ton of selected certified seeds over and above the initial 9,000 tons	3.1.(d) USD1,530 per ton of selected certified seeds over and above the initial 12,000 tons	3.1.(d) USD1,530 per ton of selected certified seeds over and above the initial 15,000 tons	3.1.(c) USD1,530 per ton of selected certified seeds over and above the initial 17,500 tons
<b>4. Performance-based operations, management and maintenance (“OMM”) contracts introduced and implemented</b>	4.1.: NIRC has executed twenty-three (23) OMM contracts with irrigation organization		4.2.(a): *Water schemes covering 10,000 hectares have been managed, operated, and maintained throughout FY25/26 pursuant OMM contracts between NIRC and irrigation organizations.	4.2.(b): *Water schemes covering 22,000 hectares have been managed, operated, and maintained throughout FY26/27 pursuant OMM contracts between NIRC and irrigation organizations	4.2.(c): *Water schemes covering 37,000 hectares have been managed, operated, and maintained throughout FY27/28 pursuant OMM contracts between NIRC and irrigation organizations
<i>Allocated Amounts (USD70,000,000)</i>	4.1.: USD30,000,000		4.2.(a): USD5,800,000	4.2.(b): USD12,800,000	4.2.(c): USD21,400,000
<i>Formula</i>	4.1.: USD1,300,000 per OMM contract signed		4.2.(a): USD580 per hectare of waters schemes under OMM contracts	4.2.(b): USD580 per hectare of waters schemes under OMM contracts operated,	4.2.(c): USD580 per hectare of waters schemes under OMM contracts operated,

DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	EXPECTED RESULTS FOR YEAR 1 (FY23/24)	EXPECTED RESULTS FOR YEAR 2 (FY24/25)	EXPECTED RESULTS FOR YEAR 3 (FY25/26)	EXPECTED RESULTS FOR YEAR 4 (FY26/27)	EXPECTED RESULTS FOR YEAR 5 (FY27/28)
			operated, managed and maintained throughout the FY25/26	managed and maintained throughout the FY26/27	managed and maintained throughout the FY26/27
<b>5. Effective management of public warehouse facilities</b>	5.1.: MoA, in consultation with TWLB, has developed and issued new warehouse utilization guidelines prescribing an improved management model for publicly owned warehouses	5.2.: MoA and the NFRA have signed 79 memoranda of understanding (“MoU”), with no less than 40 of those having been entered with Local Government Authorities (“LGAs”) or private warehouse owners, in compliance with the new warehouse utilization guidelines	5.3.(a): *35,000 tons of commodities have been stored during FY25/26 in warehouses managed in accordance with the new warehouse utilization guidelines.	5.3.(b): *56,000 tons of commodities have been stored during FY26/27 in warehouses managed in accordance with the new warehouse utilization guidelines.	
<b>Allocated Amounts (SDR USD42,000,000)</b>	5.1.: USD8,000,000	5.2.: USD14,000,000 provided that at no less than 50% have been signed with LGAs or private warehouse owners	5.3.(a): USD7,700,000	5.3.(b): USD12,300,000	
<b>Formula</b>	N/A	5.2.: USD177,200 per MoU signed		5.3.(a): USD220 per metric ton	5.3.(b): USD220 per metric ton



DISBURSEMENT LINKED INDICATORS	DISBURSEMENT-LINKED RESULTS				
	EXPECTED RESULTS FOR YEAR 1 (FY23/24)	EXPECTED RESULTS FOR YEAR 2 (FY24/25)	EXPECTED RESULTS FOR YEAR 3 (FY25/26)	EXPECTED RESULTS FOR YEAR 4 (FY26/27)	EXPECTED RESULTS FOR YEAR 5 (FY27/28)
<b>6. Improved agricultural budget monitoring and predictability</b>	6.(a): *MoA's budget outturn for FY23/24 has reached at least 60%.	6.(b): *MoA's budget outturn for FY24/25 has reached at least 65%.	6.(c): *MoA's budget outturn for FY25/26 has reached at least 70%.	6.(d): *MoA's budget outturn for FY26/27 has reached at least 75%.	6.(e): *MoA's budget outturn for FY27/28 has reached at least 80%.
<b>Allocated Amounts (USD41,000,000)</b>	6.(a): USD17,570,000	6.(b): USD5,860,000	6.(c): USD5,860,000	6.(d): USD5,860,000	6.(e): USD5,860,000
<b>Formula</b>	6.(a): USD1,170,000 per every 1% budgetary outturn rate over and above 45%	6.(b): USD1,170,000 per every 1% budgetary outturn rate over and above 60%	6.(c): USD1,170,000 per every 1% budgetary outturn rate over and above 65%	6.(d): USD1,170,000 per every 1% budgetary outturn rate over and above 70%	6.(e): USD1,170,000 per every 1% budgetary outturn rate over and above 75%
<b>7. Scaling up soil health assessments and management</b>			7.1.: MoA has developed and publicly published a nationwide digital soil map, including the identification of priority farming areas for improved soil health policy action and management support.	7.2.: MoA has trained 40,000 farmers on improved soil management as per tailored training programs/advice	
<b>Allocated Amounts (USD32,000,000)</b>			USD16,000,000	USD16,000,000	
<b>Formula</b>			N/A	USD400 per farmer trained	

\*These DLRs are time-bound.

## SCHEDULE 4

### Repayment Schedule

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each March 1 <sup>st</sup> and September 1 <sup>st</sup> :	
commencing on September 1 <sup>st</sup> , 2033 to and including March 1 <sup>st</sup> , 2073	<b>1.25%</b>

\* 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. “Agriculture Sector Development Programme – Phase Two” and the term “ASDP II” means phase two of the Recipient’s ten-year (2017/18 – 2027/28) agriculture sector program aimed at enhancing agriculture productivity and profitability; increasing commercialization and value addition, ensuring sustainability in the management and use of water and land resources, and developing institutional capability in the sector, approved in November 2017.
2. “Agricultural Seed Agency” and the term ASA” mean the Agricultural and Seed Agency established by the Recipient on January 1, 2006, pursuant to the Executive Agencies Act (Cap.245 R.E. 2002); or any successor thereto acceptable to the Association.
3. “Allocated Amount” means the individual amounts in United States Dollars allocated to each individual DLI and DLR (or sub-DLR) in the table in Schedule 3 to this Agreement, or determined for each DLI and/or DLR (or sub-DLR) pursuant to the formula detailed in such Schedule, as such amount might be increase, reallocated and/or cancelled (whether partially or in its entirety) by the Association, from time to time, as the case may be, in accordance with the provision of Section IV.B.3 of Schedule 2 to this Agreement.
4. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the Association’s “Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing,” dated February 1, 2012, and revised July 10, 2015.
5. “Bambi” means the Bambi *shehia* in the Central District of Zanzibar.
6. “Bumbwisudi” means the Bumbwisudi *shehia* in the West “A” District of Zanzibar.
7. “Category” means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.
8. “Disbursement Linked Indicator” or “DLI” means in respect of each Category, the indicator related to said Category as set forth in the first column of the table in Section IV.A.2 of Schedule 2 to this Agreement.
9. “Disbursement Linked Result” or “DLR” means each of the disbursement-linked targets/results set forth in Schedule 3 of this Agreement, in respect of each DLI, and listed in the second through fifth columns of the table set forth in that Schedule and entitled: (a) “Expected Results for Year 1 (FY23/24)”; (b) “Expected Results

for Year 2 (FY24/25)”; (c) “Expected Results for Year 3 (FY25/26)”; (d) “Expected Results for Year 4 (FY26/27)”; and (e) “Expected Results for Year 5 (FY27/28)”, as applicable, on the basis of the achievement of which the amount of the Financing allocated to said results (i.e. the Allocated Amount) may be withdrawn, in accordance with the provisions of Section IV of Schedule 2 of this Agreement.

10. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated April 28, 2023, 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. “Fiscal Year” or “FY” means the twelve-month financial reporting period of the Recipient and the Project Implementing Entity, beginning on July 1<sup>st</sup> of each calendar year and finishing on June 30<sup>th</sup> of the next following calendar year.
13. “Formula” means, in respect of each scalable DLR or sub-DLR, the procedure(s) and/or mathematical formula/ae provided in Schedule 3 of this Agreement in order to determine the amounts to be made available to the Recipient (out of the Allocated Amounts), corresponding to the level of achievement of the said scalable DLR or sub-DLR.
14. “General Conditions” means collectively (unless the context otherwise require), the Program General Conditions and the Project General Conditions.

15. “ICT” means information and communication technologies.
16. “Incremental Operating Costs” means the reasonable incremental expenditures incurred by the Recipient and/or the Project Implementing Entity on account of implementation of their Respective Parts of the Project, as further estimated and detailed in the M-AWPBs and Z-AWPBs acceptable to the Association, including, *inter alia*, the costs of fuel, maintenance of vehicles, office supplies, utilities; consumables, bank charges, communications expenses, travel per diems and accommodation and subsistence allowances for authorized travel; but excluding salaries of the Recipient’s and/or Project Implementing Entity’s civil servants/regular staff.
17. “Independent Verification Agent” means the government agency(ies) and/or consultant(s) to be selected/appointed in accordance with the provision of Section I.D.1(a) of Schedule 2 to this Agreement, for purposes of carrying out the version of the Recipient’s achievement of the DLRs.
18. “Joint Steering Committee” means the Operation’s steering committee to be established by the Recipient with the participation of representatives from the Project Implementing Entity pursuant to Section I.B.1(b) of Schedule 2 to this Agreement.
19. “Kibokwa” means the irrigation scheme located in Kikobweni *shehia* in the North “A” District of Zanzibar.
20. “Kibonde-Mzungu” means the government farm located in in Fuoni Kibondeni *shehia*, in the West “B” District of Zanzibar.
21. “Kinyakuzi” means the government irrigation scheme located in Kinowe *shehia* in Micheweni District – Pemba of Zanzibar.
22. “Kizimbani” means Kizimbani *shehia* in West “A” District of Zanzibar.
23. “M-Kilimo Platform” means the mobile agriculture platform developed, housed and managed by the Administration Department of MoA, aimed at helping farmers, breeders and fishermen to access crop markets and receive regular and/or sector sensitive information through their mobiles.
24. “Mainland Annual Work Plan and Budget” and the term “M-AWPB” mean each annual work plan, together with its ancillary budget, for the Recipient’s Respective Parts of the Project, to be prepared by the Recipient, through its PMT, and approved by the Joint Steering Committee, pursuant to the provision of Section I.F.1 & 2 of Schedule 2 to this Agreement.

25. “Mainland Steering Committee” means the steering committee to be established by the Recipient for the Program and its Respective Parts of the Project pursuant to Section I.B.(c) of Schedule 2 to this Agreement.
26. “Makombeni” means the Makombeni *shehia* in Mkoani District – Pemba, Zanzibar.
27. “MDA” means ministries, department and agencies.
28. “Ministry of Agriculture” and the term “MoA” mean the Recipient’s Ministry of Agriculture, or any successor thereto acceptable to the Association.
29. “Ministry of Agriculture, Irrigation, Natural Resources and Livestock” and the term “MAINL” means the Project Implementing Entity’s Ministry of Agriculture, Irrigation, Natural Resources and Livestock, or any successor thereto acceptable to the Association.
30. “Ministry of Finance and Planning” and the term “MoFP” means the Recipient’s Ministry of Finance and Planning, or any successor thereto acceptable to the Association.
31. “MoU” means each of the memoranda of understanding to be signed between the MoA and the LGAs or warehouse private owners (DLR #5.2) for the implementation of the new management model for warehouses, in conformity with the new warehouse utilization guidelines to be adopted under DLR#5.1.
32. “MPA Program” means the multiphase programmatic approach program designed to increase the resilience of food system and preparedness for food insecurity in participating countries.
33. “Mtwango” means the irrigation scheme located in Jumbi *shehia* in the West “B” District of Zanzibar.
34. “Mwera” means the irrigation scheme located in Mwera *shehia* in the Central District of Zanzibar.
35. “National Irrigation Commission” and the term “NIRC” means Recipient’s National Irrigation Commission established under Section 3 of the Recipient’s National Irrigation Act, 2013 (Act No. 5 of 2013) as an independent department of the governmental ministry responsible for irrigation.
36. “NFRA” means the Recipient’s National Food Reserve Agency, a public institution established as an executive agency under MoA, pursuant to chapter 245 of the Recipient’s Executive Agencies Act, 1997 (Cap. 245 R.E. 2002) and Order 2008, Government Notice No. 81 published on June 13, 2008.

37. “Ole” means the Ole *shehia* in Wete District – Pemba, Zanzibar.
38. “OMM” means operation, maintenance and management.
39. “Operation” means the Project and the Program considered jointly.
40. “Operation Manual” means the operations manual to be prepared and adopted by the Recipient for purposes of implementing the Program and its Respective Parts of the Project, pursuant to Section I.C.1 of Schedule 2 to this Agreement.
41. “Ph.D.” means doctorate-level degree.
42. “President’s Office - Finance and Planning” and the term “PO-FP” means the Project Implementing Entity’s President’s Office for Finance and Planning, or any successor thereto, acceptable to the Association.
43. “President’s Office - Regional Administration and Local Government” and the term “PO-RALG” means the Recipient’s President’s Office for Regional Administration and Local Government, or any successor thereto acceptable to the Association.
44. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
45. “Program” means the activities described in Part 1 (i.e. Results Areas 1 through 3) of Schedule 1 to this Agreement.
46. “Program Action Plan” means the Recipient’s plan dated April 28, 2023 and referred to in Section I.E of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the Association.
47. “Program General Conditions” means the “International Development Association General Conditions for IDA Financing, Program-for-Results Financing”, dated December 14, 2018 (revised on August 1, 2020, April 1, 2021, and January 1, 2022), with the modification set forth in Section II.A of this Appendix.
48. “Program Management Team” means the Recipient’s implementation team to be established pursuant to Section I.B.1(d) of Schedule 2 to this Agreement.
49. “Project” means the activities described in Part 2 (Section A and B) of Schedule 1 to this Agreement.

50. “Project 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), with the modifications set forth in Section II.B of this Appendix.
51. “Project Implementing Entity” means Zanzibar.
52. “Project Management Team” and the term “Z-PMT” mean the Project Implementing Entity’s project management team to be established pursuant to Section I.A.(c) of the Schedule to the Project Agreement.
53. “Project Operation Manual” means implementation manual to be prepared and adopted by the Project Implementing Entity for purposes of carrying out its Respective Parts of the Project, pursuant to Section I.B.1 of the Schedule to the Project Agreement.
54. “Respective Parts of the Project” means:
  - (a) with respect to the Recipient, the activities described in Part A of the Project; and
  - (b) with respect to the Project Implementing Entity, the activities described in Part B of the Project.
55. “Saninga” means the irrigation scheme located in Tumbe *shehia*, in Micheweni District – Pemba, Zanzibar.
56. “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.
57. “Tanzania Agriculture Research Institute” and the term “TARI” mean the Recipient’s agricultural research institute established as a board pursuant Section 3 of the Recipient’s Tanzania Agriculture Research Institute Act, 2016 (Act No.13 of 2016), with the objective to enhance and strengthen the Recipient’s agricultural research system.
58. “Tanzania Official Seeds Certification Institute” and the term “TOSCI” mean the seed quality control and certification institute established as a body cooperate pursuant to Section 10 of the Seed Act, 2003 (Act No. 18 of 2003).
59. “Training and Workshops” means the reasonable costs of training, workshops and conferences conducted in the territory of the Recipient, or, subject to prior approval by the Association, attended abroad by either the Recipients’ or the Project Implementing Entity’s officials and staff in connection with the implementation of their Respective Parts of Project, as further estimated and detailed in the M-



AWPBs and Z-AWPBs, including, *inter alia*, the purchase and publication of materials, rental of facilities, course fees, and travel cost, per diems and subsistence allowance of trainers and/or trainees.

60. “Technical Committee” means the technical committee to be established by the Recipient for the Program and its Respective Parts of the Project pursuant to Section I.B.1(d) of Schedule 2 to this Agreement.
61. “TWLB” means mean the Tanzania Warehouse Licensing Board established as a board pursuant Section 4 of the Recipient’s Warehouse Receipts Act, 2005 (Act No.10 of 2005).
62. “Verification Protocol” means the verification protocol dated April 28, 2023, agreed between the Recipient and the Association, which shall form part of the Operations Manual, setting forth the basis, methodology and means by which the DLRs shall be verified, as the same may be amended from time to time with the prior written agreement of the Association..
63. “Weni” means the irrigation scheme located in Limbani *shehia* in Wete District – Pemba, Zanzibar.
64. “Year 1” means the first year of implementation of the Program, commencing on July 1, 2023, and concluding on June 30, 2024.
65. “Year 2” means the first year of implementation of the Program, commencing on July 1, 2024, and concluding on June 30, 2025.
66. “Year 3” means the first year of implementation of the Program, commencing on July 1, 2025, and concluding on June 30, 2026.
67. “Year 4” means the first year of implementation of the Program, commencing on July 1, 2026, and concluding on June 30, 2027.
68. “Year 5” means the first year of implementation of the Program, commencing on July 1, 2027, and concluding on June 30, 2028.
69. “Zanzibar” means the Recipient’s semi-autonomous part of Tanzania (as referred to in the Constitution of The United Republic of Tanzania (1977)), as represented by the Revolutionary Government of Zanzibar.
70. “Zanzibar Agricultural Research Institute” and term “ZARI” means Zanzibar Agricultural Research Institute established pursuant to Section 3 of the Project Implementing Entity’s Zanzibar Agricultural Research Act No. 8 of 2020.
71. “Zanzibar’s Annual Work Plans and Budget” and the term “Z-AWPB” mean” mean each annual work plan and ancillary budget for the Project Implementing

Entity's Respective Parts of the Project, to be prepared by the Project Implementing Entity, through its Z-PMT, pursuant to the provision of Section I.C.1 & 2 of the Schedule to the Project Agreement.

72. "Zanzibar Steering Committee" means the Project Implementing Entity's steering committee to be established pursuant to Section I.A.2(b) of the Schedule to the Project Agreement.
73. "Z-PMT" means the Project Implementing Entity's Project Management Team (as defined herein above).

## **Section II. Modifications to the General Conditions**

### **A. Adjustments to the Program General Conditions**

The Program General Conditions are hereby modified as follows:

1. Section 3.03 (Service Charge) and Section 3.04 (Interest Charge) of the Program General Conditions 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 Program General Conditions are understood to be to such renumbered Sections.
2. Paragraph 65 (Interest Charge) in the Appendix to the Program General Conditions is hereby modified as follows:  
  
"65. "Interest Charge" means the interest charge for the purpose of Section 3.07."
3. Paragraph 99 (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.

### **B. Adjustments to the Project General Conditions**

The Project General Conditions are hereby modified as follows:

1. Section 3.03 (Service Charge) and Section 3.04 (Interest Charge) of the Project General Conditions 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 Project General Conditions are understood to be to such renumbered Sections.
2. Paragraph 66 (Interest Charge) in the Appendix to the Project General Conditions 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 to the Project General Conditions 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 Project General Conditions is deleted.