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LOAN NUMBER 9577-PH

# Loan Agreement

(Philippine Rural Development Project Scale-Up)

between

REPUBLIC OF THE PHILIPPINES

and

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

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## **LOAN AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF PHILIPPINES (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). The Borrower and the Bank hereby agree as follows:

### **ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

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

### **ARTICLE II — LOAN**

- 2.01. The Bank agrees to lend to the Borrower the amount of six hundred million Dollars (\$600,000,000) as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are June 15 and December 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

### **ARTICLE III — PROJECT**

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower, through the Department of Agriculture (“DA”), shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

**ARTICLE IV — EFFECTIVENESS; TERMINATION**

4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

5.01. The Borrower's Representative is its Secretary of Finance.

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

(a) the Borrower's address is:

Department of Finance  
Department of Finance Building  
Roxas Boulevard corner Pablo Ocampo Sr. Street  
Manila 1004  
Philippines; and

(b) the Borrower's Electronic Address is:

Facsimile:                      E-mail:  
  
(63-2) 8523-9216              [secfin@dof.gov.ph](mailto:secfin@dof.gov.ph)

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

(a) the Bank's address is:

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

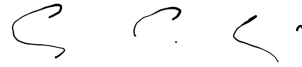
(b) the Bank's Electronic Address is:

Telex:                              Facsimile:                      E-mail:  
  
248423(MCI) or              1-202-477-6391              [PhilippinesCMU@worldbank.org](mailto:PhilippinesCMU@worldbank.org)  
  
64145(MCI)

AGREED as of the Signature Date.

**REPUBLIC OF THE PHILIPPINES**

By



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**Authorized Representative**

**Name:** Secretary Benjamin E. Diokno

**Title:** Secretary of Finance

**Date:** 07-Jul-2023

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

By



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**Authorized Representative**

**Name:** Ndiame Diop

**Title:** Country Director

**Date:** 30-Jun-2023

## SCHEDULE 1

### Project Description

The objective of the Project is to improve farmers' and fisherfolks' access to markets and increase income from selected agri-fishery value chains.

The Project consists of the following parts:

#### Part 1. National and Local Level Planning Component (I-PLAN)

##### 1.1 *Operationalization of the NAFMIP*

Provision of technical assistance and capacity building support, through studies, workshops and training, to:

- (a) incorporate regional/spatial perspectives into planning, along with the generation of regional agriculture and fisheries investment portfolios;
- (b) strengthen the planning process by assessing of climate and natural hazard risk and vulnerabilities, using available information from different decision-support tools;
- (c) strengthen convergence with DA partners and engagement with the private sector through commodity system investment planning process;
- (d) strengthen operational guidelines for Project implementation;
- (e) formulate value chain analyses for rice and corn in line with the national food security agenda; and
- (f) enhance digital platforms through improvements in climate information and data storage, maps for better visualization, and decision-support tools, and training on the use of digital planning platforms.

##### 1.2 *Support to NAFMIP Implementation*

Provision of technical assistance and capacity building support, through studies, workshops and training, to address identified gaps in the value chain and in the design of policies and investments of the agri-fishery sectors, through:

- (a) developing policies and regulations for efficient supply chain;
- (b) facilitating accessible financing across all value chain stakeholders;
- (c) supporting spatial planning to identify development needs based on growth potentials, climate risks and vulnerabilities;
- (d) promoting improved inputs, climate-smart technologies and innovations;

- (e) encouragement of youth engagement in agriculture and agribusiness;
- (f) supporting the leveraging of additional resources for PCIPs through strengthening engagement with the private sector;
- (g) harmonizing strategies in resource allocation and delivery of support services among implementers; and
- (h) providing a platform for discussion and feedback with private sectors and industry representatives on markets, innovation and bottlenecks.

## **Part 2. Rural Infrastructure and Market Linkage Component (I-BUILD)**

### *2.1 Value Chain Infrastructure Support*

Carrying out the design and construction of rural infrastructure by Participating LGUs for Subprojects in critical public value chains including, *among others*, farm-to-market roads, bridges, potable water systems, climate responsive irrigation facilities, value chain rural infrastructures and public pre- and post-harvest facilities.

### *2.2 Approaches for Improving the Effectiveness and Sustainability of Infrastructure Investments*

Provision of technical assistance, and capacity building support for climate adaptation measures, including for updating specifications and the use of provincial and municipal climate and natural hazard maps.

## **Part 3. Enterprise Development Component (I-REAP)**

### *3.1 Rural Agri-fishery Enterprise Cluster Productivity Enhancement and Increased Access to Markets*

Carrying out Subprojects by Implementing Proponents to enhance large-scale climate-resilient pre- and post-harvest, processing, logistics, and distribution facilities.

### *3.2 Increased Competitiveness of Agri-fishery Enterprise Clusters*

Provision of technical assistance and capacity building support for:

- (a) preparation and implementation of enterprise business plans through, among others: (i) improved technical and management performance; (ii) access to innovative technologies; (iii) market diversification; (iv) promotion of products through trade fairs and online platforms; and (v) access to finance and insurance;
- (b) implementation of Provincial Agricultural and Fishery Extension Service (“PAFES”) through training of the LGUs in market development and clustering;

- (c) collaboration across DA agencies in the promotion of youth engagement in agriculture and agribusiness in support of strategic activities under Part 1 of the Project; and
- (d) strengthened partnerships with the private sector.

**Part 4. Project Implementation Support Component (I-SUPPORT)**

Provision of operational support, technical assistance and capacity building support for:

- (a) the execution of an institutional strengthening action plan;
- (b) enhanced digitalization of project management processes and Project monitoring and supervision;
- (c) mainstreaming of the requirements for environmental and social impact management and risk mitigation;
- (d) fiduciary management and oversight of the Project activities;
- (e) development of document processing/monitoring innovations;
- (f) mainstreaming development of a knowledge management portal;
- (g) enhanced information advocacy, communication, and education; and
- (h) mid-term and end-project evaluations.

**Part 5. Contingent Emergency Response Component (CERC)**

Provision of immediate response to an Eligible Crisis or Emergency, as needed.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

1. The Borrower, through the DA, shall maintain throughout the period of implementation of the Project, Project implementation structures at the national and sub-national levels, all with composition, functions, terms of reference, staffing and resources satisfactory to the Bank and set out in the Project Operations Manual.
2. Without limitation to the foregoing, the Borrower, through the DA, shall:
  - (a) establish, by not later than three (3) months after the Effective Date, and thereafter maintain a NPSC, to be responsible, *inter alia*, for approving policy and refinements of procedures as well as overall direction and oversight of the Project implementation;
  - (b) maintain a NPCO, to be responsible, *inter alia*, for implementation of the overall institutional reforms planned for the DA under the Project and overall management and coordination of the relevant government agencies involved in the Project implementation;
  - (c) at regional level:
    - (i) maintain a RPAB, chaired by each regional director of DA (or the Minister of MAFAR in the case of BARMM), to be responsible, *inter alia*, for approving Subproject proposals and for facilitating harmonization of approach and convergence at each region;
    - (ii) maintain a RPCO within each respective DA regional field office, or within MAFAR in the case of BARMM, to be responsible, *inter alia*, for coordination and management of day-to-day Project implementation at the regional level; and
    - (iii) maintain a PSO to be responsible, *inter alia*, for providing administrative, legal and technical support to the RPCOs; and
  - (d) at local level, prior to the commencement of any Project activity in each LGU, enter into a memorandum of agreement with each Participating LGU under terms and conditions acceptable to the Bank and setting out, among others, the agreed institutional arrangement and institutional strengthening action plan for the respective implementation of Project activity in each LGU.
3. The Borrower, through the DA, shall: (i) implement planning guidelines in coordination with relevant technical and attached agencies of the DA; (ii) provide support to RFOs in



the implementation of the relevant PCIP; and (iii) make appropriate provisions in their annual budget for the same.

**B. Project Operations Manual**

The Borrower, through the DA, shall ensure that the Project is carried out in accordance with the arrangements and procedures set out in the POM (provided, however, that in the event of any conflict between the arrangements and procedures set out in the POM and the provisions of this Agreement, the provisions of this Agreement shall prevail); and shall not amend, abrogate or waive any provision of the POM unless the Bank has provided its prior no-objection thereof in writing.

**C. Annual Work and Financial Plans**

1. The Borrower, through the DA, shall prepare and furnish to the Bank for its no-objection not later than October 31 of the Borrower's fiscal year during the implementation of the Project (or such later date as the Bank may agree), a consolidated Annual Work and Financial Plan ("AWFP") containing all Project activities and expenditures proposed to be included in the Project in the following fiscal year, including a specification of the sources of financing for all expenditures, and environmental and social risk and impact management measures taken or planned to be taken in accordance with the provisions of Part D of this Schedule.
2. The Borrower, through the DA, shall ensure that the Project is implemented in accordance with the AWFP accepted by the Bank for the respective fiscal year (provided, however, that in the event of any conflict between the AWFP and the provisions of this Agreement, the provisions of this Agreement shall prevail).
3. The Borrower, through the DA, shall not make or allow to be made any change to the AWFP without prior no-objection in writing by the Bank.

**D. Environmental and Social Standards**

1. The Borrower, through the DA, shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Borrower, through the DA, shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Borrower, through the DA, 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 Bank 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 Borrower, through the DA, shall ensure that:
  - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, 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 Bank, 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 Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Borrower, through the DA, 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 Bank.
- 6. The Borrower, through the DA, shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, and subcontractors and supervising entities to: (a) comply with the relevant aspects of the 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.

## **E. Subprojects**

### *General*

- 1. The Borrower, through the DA, shall:
  - (a) ensure that each Implementing Proponent participating in Subprojects under Parts 2.1 and 3.1 of the Project (“Eligible Beneficiaries”) has the organization,

management and resources satisfactory to the Bank for carrying out the proposed Subproject; and

- (b) enter into an Implementation Management Agreement with each Implementing Proponent under terms and conditions acceptable to the Bank including, *inter alia*, the terms and conditions referred to in paragraph 2 of this Section, for the carrying out of the respective Subprojects.

*Terms and Conditions of the Implementation Management Agreement*

2. Each Implementation Management Agreement shall contain, *inter alia*, the following terms and conditions:

- (a)
  - (i) a description of the eligible Subproject activities and expenditures to be financed out of the proceeds of the respective Subgrant, including the maximum size of the Subgrant, the cost-sharing responsibilities of the DA and the respective Implementing Proponent;
  - (ii) financial management and audit procedures consistent with those provisions set out in the Project Operations Manual;
  - (iii) procurement procedures consistent with the Procurement Regulations and as further specified in the Project Operations Manual;
  - (iv) monitoring and reporting arrangements; and
  - (v) arrangements for implementation of the ESCP (including the management tools and instruments referred to therein).
- (b) The obligations of the respective Eligible Beneficiary to:
  - (i) carry out the Subproject in accordance with the approved activity and financing plan in respect of such Subproject;
  - (ii) ensure that the Subproject is carried out with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Bank, including in accordance with the provisions of the Project Operations Manual, the ESCP (including the management tools and instruments referred to therein), and the Anti-Corruption Guidelines applicable to recipients of Loan proceeds other than the Borrower;
  - (iii) provide or cause to be provided, promptly as needed, the resources required for the respective Subproject;
  - (iv) ensure that the goods, works, and services to be financed out of the relevant Subgrant are procured under commercial practices acceptable to

the Bank and in accordance with the provisions of the Procurement Regulations and as further specified in the Project Operations Manual;

- (v) maintain policies and procedures adequate to enable it to monitor and report in accordance with indicators acceptable to the Bank, the progress of the Subproject and the achievement of its objectives;
  - (vi) (A) comply with financial management requirements in accordance with the provisions of the Project Operations Manual, and (B) at the Borrower's or the Bank's request, have its financial statements audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Borrower or the Bank;
  - (vii) enable the Borrower and the Bank to inspect the Subproject, its operation and any relevant records and documents; and
  - (viii) prepare and furnish or cause to be prepared and furnished to the Borrower and the Bank all such information as the Borrower and the Bank shall reasonably request relating to the foregoing.
- (c) The right of the Borrower, through the DA, to suspend or terminate the right of the respective Eligible Beneficiary to use the proceeds of the Subgrant, or obtain a refund of all or any part of the amount of the Subgrant then withdrawn, upon the Eligible Beneficiary's failure to perform any of its obligations under the Implementation Management Agreement.
3. The Borrower, through the DA, shall exercise its rights under each Implementation Management Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Borrower, through the DA, shall not assign, amend, abrogate or waive any Implementation Management Agreement or any of its provisions.

## **F. Contingent Emergency Response**

1. In order to ensure the proper implementation of contingent emergency response activities under Part 5 of the Project ("Contingent Emergency Response Component"), the Borrower, through the DA, shall ensure that:
- (a) a manual ("CERC Manual") is prepared and adopted in form and substance acceptable to the Bank, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Component, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Component; (ii) specific activities which may be included in the Contingent Emergency Response Component, Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Component; (iv) procurement methods and procedures for the Contingent Emergency Response Component; (v) documentation required for

- withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Component; and (vii) a template Emergency Action Plan;
- (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Bank;
  - (c) the Contingent Emergency Response Component is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
  - (d) neither the CERC Manual nor the Emergency Action Plan is amended, suspended, abrogated, repealed or waived without the prior written approval by the Bank.
2. The Borrower, through the DA, shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Component, with adequate staff and resources satisfactory to Bank.
3. The Borrower, through the DA, shall ensure that:
- (a) the environmental and social instruments required for the Contingent Emergency Response Component are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Bank; and
  - (b) the Contingent Emergency Response Component is carried out in accordance with the environmental and social instruments in a manner acceptable to the Bank.
4. Activities under the Contingent Emergency Response Component shall be undertaken only after an Eligible Crisis or Emergency has occurred.

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

### **A. Project Reports**

The Borrower, through the DA, shall furnish to the Bank each Project Report not later than sixty (60) days after the end of each calendar semester, covering the calendar semester.

### **B. Mid-term Review**

The Borrower, through the DA, shall: (i) on or about the date thirty (30) months after the Effective Date, prepare and furnish to the Bank a mid-term report, which shall include an assessment of the following: (a) overall progress in implementation; (b) progress on procurement and disbursement; (c) implementation arrangements; and (d) the need to make any adjustments to the Project; and (ii) review with the Bank such mid-term report, on or about the date sixty (60) days after its submission, and thereafter take all required measures

to ensure the continued efficient implementation of the Project and the achievement of its objectives, based on the conclusions and recommendations of the mid-term report and the Bank's views on the matter.

- C. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Bank, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Borrower, through the DA, shall ensure that such information, report or document does not include Personal Data.

**Section III. Withdrawal of Loan Proceeds**

**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 Borrower may withdraw the proceeds of the Loan to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

<b>Category</b>	<b>Amount of the Loan Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consulting services, Infrastructure Subgrants, Enterprise Subgrants, Operating Costs, and Training for the Project	600,000,000	100% of the amount disbursed for the Infrastructure Subgrants and Enterprise Subgrants  100% for all other Eligible Expenditures
(2) Emergency Expenditures	0	100%
<b>TOTAL AMOUNT</b>	<b>600,000,000</b>	

**B. Withdrawal Conditions; Withdrawal Period.**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date; or
  - (b) for Emergency Expenditures under Category (2), unless and until all of the following conditions have been met in respect of said expenditures:
    - (i) (A) the Borrower has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Loan amounts under Category (2); and (B) the Bank has agreed with such determination, accepted said request and notified the Borrower thereof; and

(ii) the Borrower has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.

2. The Closing Date is June 30, 2029.

### SCHEDULE 3

#### Repayment Schedule

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

#### Level Principal Repayments

<b>Principal Payment Date</b>	<b>Installment Share</b>
On each June 15 and December 15 Beginning June 15, 2034 through December 15, 2051	2.7_%
On June 15, 2052_____	2.8_%



## **APPENDIX**

### **Definitions**

1. “Annual Work and Financial Plan” or “AWFP” means the plan and budget referred to in Section I.A.3 of Schedule 2 to this Agreement; as said plan may be modified from time to time with the prior written no-objection of the Bank.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 6 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. “BARMM” means the Borrower’s Bangsamoro Autonomous Region in Muslim Mindanao.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “CERC Manual” means the manual referred to in Section I.F of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Bank, and which is an integral part of the Project Operations Manual.
6. “Contingent Emergency Response Component” means any activity or activities to be carried out under Part 5 of the Project to respond to an Eligible Crisis or Emergency.
7. “Department of Agriculture” or “DA” means the Borrower’s Department of Agriculture; or any successor thereto.
8. “Eligible Beneficiaries” means the Implementing Proponents that are eligible to participate in the Subprojects under Parts 2 and 3 of the Project, as selected or to be selected by the DA, in accordance with the Project Operations Manual; and “Eligible Beneficiary” means (i) with respect to the Infrastructure Subproject, any Participating LGU; or (ii) with respect to the Enterprise Subproject, any Implementing Proponent.
9. “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 Borrower, associated with a natural or man-made crisis or disaster.
10. “Emergency Action Plan” means the plan referred to in Section I.F of Schedule 2 to this Agreement, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
11. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.F of Schedule 2 to this Agreement and required for the Contingent Emergency Response Component.
12. “Enterprise Subgrant” is a grant to be made available by the Borrower, through the DA, out of the proceeds of the Loan to an Implementing Proponent under an Implementation

- Management Agreement for the purpose of carrying out Enterprise Subprojects under Part 3.1 of the Project; and “Enterprise Subgrants” means more than one such Enterprise Subgrant.
13. “Enterprise Subproject” means a set of specific activities under Part 3.1 of the Project to be carried out by an Implementing Proponent, utilizing the proceeds of an Enterprise Subgrant; and the term “Enterprise Subprojects” means, collectively, all such Enterprise Subprojects.
  14. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 31, 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 Borrower 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.
  15. “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 Bank.
  16. “FCA” means a Farmers Cooperatives and Association, a legally established and registered producer group operating in accordance with the Borrower’s laws.
  17. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).
  18. “Implementing Proponent” means a Participating LGU, an FCA or a cluster of FCAs, selected in accordance with the eligibility criteria set out in the Project Operations Manual to participate in the Project; and “Implementing Proponents” means more than one such Implementing Proponent.
  19. “Implementation Management Agreement” means: (i) with respect to Part 2.1 of the Project, an agreement to be entered into between the Borrower, through the DA, and a Participating LGU for the purpose of implementing an Infrastructure Subproject; or (ii) an

- agreement to be entered into between the Borrower, through the DA and an Implementing Proponent for the purpose of implementing an Enterprise Subproject to be carried out by an Implementing Proponent; and “Implementation Management Agreements” means, collectively, all such Implementation Management Agreements.
20. “Infrastructure Subgrant” is a grant made by the Borrower, through the DA, to a Participating LGU under an Implementation Management Agreement for the purpose of carrying out Subprojects under Part 2.1 of the Project; and “Infrastructure Subgrants” means more than one such Infrastructure Subgrant.
  21. “Infrastructure Subproject” means a set of specific activities under Part 2.1 of the Project to be carried out by a Participating LGU utilizing the proceeds of an Infrastructure Subgrant; and the term “Infrastructure Subprojects” means, collectively, all such Infrastructure Subprojects.
  22. “Local Government Unit” or “LGU” means a local government unit, a territorial and political subdivision of the Borrower at the provincial, city, municipal or barangay level, or any successor thereto; and “LGUs” means more than one such LGU.
  23. “MAFAR” means BARMM’s Ministry of Agriculture, Fisheries and Agrarian Reform; or any successor thereto.
  24. “NAFMIP” means the National Agriculture and Fisheries Modernization and Industrialization Plan (2021-2030) of the Department of Agriculture.
  25. “NPCO” means the National Project Coordination Office, established by the Secretary of Agriculture through Special Order No. 756 of 2012, issued on November 20, 2013, and reconstituted through Special Order 776 of 2013, issued on December 2, 2013, and referred to in Section I.A.2(b) of Schedule 2 to this Agreement; or any successor thereto.
  26. “NPSC” means the National Project Steering Committee, to be established by the Department of Agriculture, in accordance with Section I.A.2(a) of Schedule 2 to this Agreement; or any successor thereto.
  27. “Operating Costs” means the incremental costs of the Project, considered to be reasonable by the Bank and included in an AWWP, incurred by the Borrower’s NPCO, PSOs and the RPCOs for purposes of Project management, implementation, and monitoring and evaluation on account of office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental, operation, maintenance, and insurance, office space rental, fuel costs, building and equipment maintenance, domestic and international travel, lodging, and subsistence allowances, and salaries and salary supplements of contractual and temporary staff, and additional remuneration of staff, seconded, detailed and assigned to the NPCO, PSOs and RPCOs, but excluding salaries of members of the Borrower’s civil service.
  28. “Participating LGU” means an LGU at provincial, municipal, city or barangay level, selected in accordance with the eligibility criteria set out in the Project Operations Manual to participate in Project, and with which the Borrower, through the DA, enters into an Implementation Management Agreement for the carrying out of Subprojects under Parts 2

- and 3 of the Project; and “Participating LGUs” means more than one such Participating LGU.
29. “PCIP” means a provincial commodity investment plan to be developed and agreed among the DA, Participating LGUs, and relevant stakeholders, for the purpose of planning provincial commodity investments under the Project; and “PCIPs” means more than one such PCIP.
30. “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
31. “Procurement Regulations” means, for purposes of paragraph 84 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
32. “Project Operations Manual” or “POM” means the Borrower’s manual for the Project, satisfactory to the Bank, referred to in Section I.A of Schedule 2 to this Agreement, to be updated and adopted by the Borrower, through the DA, for the management and administration of the Project and which shall include, *inter alia*: (A) detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) disbursement and financial management; (c) procurement; (d) environmental and social risks and impacts management; (e) monitoring and evaluation, reporting and communication, including, among others, protocols, risk mitigation measures and other details on the use of unmanned aerial vehicles; (f) detailed grievance redress mechanisms; (g) an institutional strengthening action plan; (h) eligibility criteria, procedures and guidelines for the selection, approval, administration and supervision of Subprojects under Parts 2.1 and 3.1 of the Project; (i) eligibility criteria and detailed arrangements and procedures for the provision of Subgrants to Eligible Beneficiaries; (j) a list of items or activities not eligible for financing out of the proceeds of the Loan through Subprojects; (k) the Subprojects’ engineering design, operating and maintenance procedures; (l) terms and conditions, and cost-sharing arrangements applicable to the Implementation Management Agreements; (m) personal data collection and processing in accordance with applicable national laws and good international practices, roles and responsibilities for Project implementation; and (n) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project; and (B) the CERC Manual as an annex; and as such manual may be revised from time to time with the prior approval of the Bank and such term includes any schedules to such manual.
33. “PSO” means a project support office, an office established and to be maintained by the DA as referred to in Section I.A.2(c)(iii) of Schedule 2 to this Agreement; and “PSOs” means more than one such PSO.
34. “RFO” means a regional field office, responsible, *inter alia*, for preparing regional agri-fishery modernization and industrialization plans and for providing technical validation of

- priority regional commodity value chains and programs under the PCIP; and “RFOs” means more than one such RFO.
35. “RPAB” means a regional project advisory board, referred to in Section I.A.2(c)(i) of Schedule 2 to this Agreement; and “RPABs” means more than one such RPAB.
36. “RPCO” means a regional project coordination office referred to in Section I.A.2(c)(ii) of Schedule 2 to this Agreement; and “RPCOs” means more than one such RPCO.
37. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.
38. “Subgrant” means an Infrastructure Subgrant or an Enterprise Subgrant; and “Subgrants” means, collectively, all such Subgrants.
39. “Subproject” means an Infrastructure Subproject or an Enterprise Subproject; and “Subprojects” means, collectively, all such Subprojects.
40. “Training” means the reasonable costs of goods and services required for the participation of personnel involved in training activities, workshops or study tours under the Project, including travel and subsistence costs for training, workshop and study tour participants, costs associated with securing the services of trainers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course, workshop or study tour preparation and implementation, but excluding consultants’ fees and salaries, bonuses, and fees or equivalent payments of members of the Borrower’s civil service.