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**CREDIT NUMBER 73380-ZM**

# **Financing Agreement**

**(Green, Resilient and Transformational Tourism Development Project)**

**between**

**REPUBLIC OF ZAMBIA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**CREDIT NUMBER 73380-ZM**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF ZAMBIA (“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 — CREDIT**

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in the amount of one hundred million Dollars (USD 100,000,000), (variously “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Credit in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Payment Dates are June 1 and December 1 in each year.
- 2.05. The principal amount of the Credit shall be repaid in accordance with Schedule 3 to this Agreement.
- 2.06. The Payment Currency is Dollar.

**ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall, through the Ministry of Tourism (“MoT”), carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.



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:

Telex:	Facsimile:	Email:
248423 (MCI)	1-202-477-6391	nbelete@worldbank.org

**AGREED as of the Signature Date.**

**REPUBLIC OF ZAMBIA**

**By**



**Authorized Representative**

**Name:** Hon. Situmbeko Musokotwane

**Title:** Minister of Finance and National Planning

**Date:** 15-Jul-2023

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**

*Nathan M. Belete*

**Authorized Representative**

**Name:** Nathan M. Belete

**Title:** Country Director

**Date:** 13-Jul-2023

## SCHEDULE 1

### Project Description

The objective of the Project is to strengthen the enabling environment, access to resilient infrastructure, and economic opportunities in emerging tourism destinations in Zambia.

The Project consists of the following parts:

#### **Part 1. Enabling Environment for the Nature-Based Economy**

##### 1.1 Destination branding, planning, tourism marketing, and licensing

- (a) Supporting collaboration between the Zambia Tourism Agency (“ZTA”), the MoT and the private sector on national destination marketing, including through, supporting: (i) ZTA to lead a validation of target market prioritization; (ii) ZTA to lead a demand-product matching exercise to categorize portfolios of products to appeal to target audiences in consonance with priority Tourism Development Areas (“TDAs”) and tourism circuits; (iii) development of medium-term national branding and marketing strategy, delivery framework and investment allocation, in consultation with private sector; (iv) capacity building for all relevant implementing entities of the aforementioned strategy; and (v) ZTA to design a return-on-investment monitoring framework.
- (b) Supporting the reform of tourism sector licenses, including through: (i) mapping of tourism sectoral licenses, requirements, process flows, costs and time taken; (ii) multistakeholder consultations on prioritization and phasing of licensing reform including use of digital platforms; (iii) design and adoption of reforms ensuring maximum cost and time savings to the private sector and inclusion of small, informal enterprises; and (iv) industry communications, training and equipping officers at subnational levels to process tourism licenses through the Recipient’s online service platform.
- (c) Supporting activities led by the MoT that will inform evidence-based planning and marketing, including through: (i) improvement of tourism data collection framework, under the guidance of the Zambia Statistics Agency and in consultation with all relevant stakeholders; (ii) installation of and training for district- and site- level data collection systems and procedures; and (iii) demonstration of data use for effective planning and marketing.

1.2 Improved competitiveness of nature-based policy, regulatory and institutional frameworks

- (a) Supporting the reform of concessions frameworks and collaborative management partnerships, through public private dialogue frameworks (comprising governmental, non-governmental, private sector and community-based entities working across various land management regimes) aimed at: (i) identifying and carrying out analytical studies to support in-depth review or improved frameworks; (ii) creating a transparent, standardized process for awarding concessions and Collaborative Management Partnerships (“CMPs”) (natural and cultural), including the unbundling of concessions and the ability to evaluate unsolicited bids; (iii) reduce delays related to concessions and CMP agreement processing; (iv) promoting usage of concession for biodiversity and habitat conservations, including carbon; (v) exploring the model of CMPs in revenue generating activities and developing appropriate management and support frameworks; (vi) encouraging investments to apply the mitigation hierarchy towards no-net-loss outcome for biodiversity; and (vii) institutionalizing and improving benefit sharing mechanisms in concession and CMP frameworks that can address human-wildlife conflict and improve livelihoods or overall quality of life of rural communities living in or around nature-based tourism assets.
- (b) Supporting: (i) capacity building for: (A) ZTA on branding and marketing; (B) MoT on data collection, use and processing, and destination planning; and (C) Department of National Parks and Wildlife and other departments in MoT on organizational improvements, and ecological planning tools to strengthen planning and management; and (ii) conducting a market and viability assessment that evaluates the cost/benefit of investing in the Meetings, Incentives, Conferences and Exhibitions sector in a post-Covid landscape.
- (c) Supporting Ministry of Green Economy and Environment (“MoGEE”) (and other relevant departments and institutions) to: (i) develop and promote tourism industry guidelines for mainstreaming green and climate-resilient growth; and (ii) adapt the biodiversity taxonomy provided in the IFC Biodiversity Finance Reference Guide for the Recipient.
- (d) Supporting: (i) the piloting of local area planning instruments in three emerging destinations, focused on planning interventions to support the nature-based economy, aimed at: (A) mapping and analyzing existing and potential tourism and wider nature-based economic enterprises and opportunities, infrastructure requirements, governance frameworks and stakeholders; (B) determining demand drivers and target markets to the destination, and map products, services and assets to each group; and (C)

making recommendations on the interventions and investments needed to catalyze tourism and nature-based economic development, including detailed infrastructural projects, product development, marketing and investment opportunities; and (ii) the development of an accompanying action plan for phased interventions including components on: (A) infrastructure investments; (B) technical assistance needs assessment (C) TDA marketing/branding; and (D) investment promotion, to attract and secure private investments in the destination.

- (e) Supporting MoGEE to oversee the development of a technical skills program aimed at upskilling Zambian professionals in emerging carbon and biodiversity markets, including through the development of a modular skills program.

1.3 Providing support for nature-based economy through matching grants for community-based partnerships and technical assistance to MSMEs

- (a) Supporting the administration and provision of Matching Grants to eligible Beneficiaries to support the participation of communities in the nature-based economy, including:
  - (i) Matching Grants to community entities with a technical partnership, with non-governmental organizations, private sector or government agencies, to build basic community organizational governance and management capacity, training and business development services (“Window One Grant”); and
  - (ii) Matching Grants to community entities that demonstrate an economic partnership,(with private landowners, small and medium enterprises, and local government, to explore or develop nature-based activities (“Window Two Grant”).
- (b) Provision of: (i) technical assistance to micro, small and medium enterprises in the destinations to support enhanced participation in the nature-based economy; and (ii) finance coaching and mentoring for eligible micro, small and medium enterprises to link eligible Beneficiaries to existing green financing schemes.

**Part 2. Improving Climate-Resilient Destination Access and Basic Services Infrastructure**

- 2.1 Supporting the development of Infrastructure Investment Plans and carrying out of Infrastructure Investments, including: (a) rehabilitation and upgrade of approximately 800 kilometers of rural roads and access; (b) rehabilitation and upgrade of air facilities; (c) installation of off-grid solar power stations; (d)



installation of cellular telecommunication towers; (e) construction of rural water supply and sanitation systems; (f) design and construction of visitor centers, crafts & curio centers and other tourism infrastructure; and (g) provision of ancillary works such as game loops, interpretative signage and protection of fencing for special sites.

- 2.2 Undertaking a needs assessment as part of each Infrastructure Investment Plan to determine the infrastructure or facilities and extent of development required to equip the target destinations to receive tourists, investments and to serve the local communities.
- 2.3 Construction of community-based infrastructure, including water boreholes and market sheds to be identified in consultation with local communities where selected roads will be rehabilitated.

### **Part 3. Project Administration and Management**

- 3.1 Support for: (a) Project implementation, including, planning, financial management, audits, procurement, safeguards, monitoring and evaluation, reporting, communication and coordination with stakeholders; (b) training for activity implementing teams and beneficiaries; and (c) hiring external support and technical specialists.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

1. Ministry of Tourism

The Project will be anchored in the MoT, under the purview of the office of the Permanent Secretary for MoT, and which shall be responsible for mobilizing and liaising with the Project steering committee and providing guidance to the PIU.

2. Project Steering Committee

The Recipient shall, not later than one (1) month after the Effective Date, establish and maintain a steering committee, at all times during Project implementation, with a mandate, terms of reference, composition and resources satisfactory to the Association (“Project Steering Committee” or “PSC”), to be chaired by the Permanent Secretary of MoT (or his/her representative) and shall include, *inter alia*, the permanent secretaries or their nominees of Ministry of Finance and National Planning (“MoFNP”), MoGEE, Ministry of Transport and Logistics, Ministry of Lands and Natural Resources, Ministry of Local Government and Rural Development and Ministry of Infrastructure, Housing and Urban Development. The PSC shall be responsible for: (a) providing oversight and guidance as required; (b) reviewing and approving the Annual Work Plan and Budget (“AWPB”) and progress reports; and (c) approving contracts valued above a certain threshold, as set forth in the PIM.

3. Project Implementation Unit

The Recipient shall, maintain an implementation unit, at all times during Project implementation, with a structure, functions and responsibilities satisfactory to the Association, which shall include, *inter alia*, a Project coordinator, a tourism specialist, a planning specialist, a Matching Grant administrator, an infrastructure specialist, a procurement specialist, a finance specialist, an environmental safeguards specialist, a social safeguards specialist, and a monitoring and evaluation specialist, all under terms of reference and with qualifications and experience acceptable to the Association. The PIU, which shall comprise at least four (4) functional subunits and two (2) sub-component sub-units, shall be responsible for carrying out day-to-day management and implementation of Project activities, as set forth in the PIM.

**B. Project Manuals**

*Project Implementation Manual*

1. The Recipient shall prepare and adopt a PIM in accordance with Section 4.01(c) of this Agreement, and shall carry out the Project in accordance with said PIM, containing, *inter alia*, detailed arrangements and procedures for: (i) implementation arrangements; (ii) administrative, financial management, accounting, and disbursement mechanisms, procedures and protocols; (iii) procurement; (iv) environmental and social aspects; (v) monitoring and evaluation; (vi) grievance redress mechanism; (vii) procedures and guidelines for preparation of the AWPB; (viii) procedures and guidelines (including eligibility and selection criteria, as well as prioritization and approval responsibility) for the assessment, provision and supervision of Infrastructure Investments under Part 2 of the Project, and selected community-based infrastructure activities under Part 2.3 of the Project; (ix) a Governance and Accountability Action Plan, and (x) such other technical, administrative, fiduciary or coordination arrangements as may be necessary to ensure effective Project implementation.

*Matching Grant Manual*

2. The Recipient shall prepare and adopt a Matching Grant Manual, in form and substance acceptable to the Association, and shall carry out Part 1.3(a) of the Project in accordance with said manual, containing, *inter alia*, detailed arrangements and procedures for the management and administration of Matching Grants (Window One and Window Two Grants) to eligible Beneficiaries under Part 1.3(a) of the Project, including eligibility and selection criteria, and modalities of payment; a template Matching Grant Agreement; and a negative list of excluded activities under Window Two Grants.
3. The Recipient shall not amend, abrogate, waive, or permit to be amended, abrogated, or waived, the aforementioned Project Manuals, or any provision thereof, without the prior written consent of the Association.
4. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the Project Manuals, and those of this Agreement, the provisions of this Agreement shall prevail.

**C. Matching Grants**

1. For purposes of carrying out Part 1.3(a) of the Project, the Recipient shall upon selection of a Subproject in accordance with criteria and procedures acceptable to the Association and set forth in the PIM enter into an agreement with

the selected Beneficiary (“Matching Grant Agreement”), under terms and conditions acceptable to the Association, which shall include, *inter alia*:

- (a) the amount to be provided in the form of a Matching Grant to the Beneficiary under a Matching Grant Agreement, its terms and conditions;
  - (b) the obligation of the Beneficiary to procure the expenditures to be financed under the Matching Grant Agreement in accordance with the procedures set forth in the PIM;
  - (c) the obligation of the Beneficiary to carry out its activities in compliance with the Anti-Corruption Guidelines and the relevant environmental and social requirements as set forth in the Environmental and Social Commitment Plan (“ESCP”), including, when applicable, prepare an environmental management plan in accordance with the Environmental and Social Management Framework, in form and substance satisfactory to the Association, and to implement said activities in accordance with the relevant environmental management plan;
  - (d) the obligation of the Beneficiary to report to the Recipient on the progress of the implementation of the activity financed with the Matching Grant and to enable the Recipient and the Association, if the Association shall so request, to visit the facilities where the financed activities are implemented and administered;
  - (e) the obligation of the Beneficiary to maintain records and accounts for expenditures incurred and financed with the Matching Grant, and make available such documentation to the Recipient and to the Association, if the Association shall so request; and
  - (f) the right of Recipient to suspend, cancel or request a refund of the Matching Grant or a portion thereof in case of the failure of the Beneficiary to perform any of its obligations under the Matching Grant Agreement.
2. The Recipient shall exercise its rights and carry out its obligations under each Matching Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive any Matching Grant Agreement or any of its provisions.

**D. Annual Work Plan and Budget**

1. The Recipient shall, not later than one (1) month after the Effective Date, and thereafter by November 30 of each subsequent year during the implementation of the Project, prepare and furnish to the Association for its no-objection, the AWPB containing all proposed activities for inclusion in the Project, in line with the PIM, together with the financing plan for such activities and a timetable for their implementation.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on such proposed AWPB and incorporate the views of the Association in the final AWPB to be adopted no later than one (1) month after the date referred to in paragraph 1 above.
3. The Recipient shall ensure that the Project is implemented in accordance with the AWPB provided, however, that in the event of any conflict between the AWPB and the provisions of this Agreement, the provisions of this Agreement shall prevail.

**E. Environmental and Social Standards.**

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the ESCP, in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
  - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
  - (b) sufficient funds are available to cover the costs of implementing the ESCP;
  - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
  - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.

3. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Recipient shall: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
5. The Recipient shall ensure that:
  - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
  - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
6. The Recipient shall 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.
7. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities to: (a) comply with the relevant aspects of ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing

measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

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

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

**Section III. Withdrawal of the Proceeds of the Credit**

**(a) General**

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

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, and consulting services, Training and Operating Costs for the Project (except Part 1.3(a) of the Project)	94,000,000	100%
(2) Matching Grants under Part 1.3(a) of the Project	6,000,000	100%
<b>TOTAL AMOUNT</b>	100,000,000	

**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, except that withdrawals up to an aggregate amount not to exceed USD 3,000,000 may be made for

payments made prior to this date but on or after September 1, 2022, for Eligible Expenditures under Category (1); or

- (b) under Category (2) for Matching Grants, unless the Recipient has prepared and adopted a Matching Grant Manual, in form and substance acceptable to the Association and as referred to in Section I.B.2 above.

2. The Closing Date is December 31, 2030.



**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each June 1 <sup>st</sup> and December 1 <sup>st</sup> :	
commencing December 1, 2029, to and including December 1, 2034	<b>8.3334%</b>
On June 1, 2035	<b>8.33326%</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 Section 3.05 (b) of the General Conditions.

## APPENDIX

### Definitions

1. “Annual Work Plans and Budget” or “AWPB” means each annual work plan and budget referred to in Section I.D of Schedule 2 to this Agreement.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. “Beneficiary” means an eligible beneficiary (including a community entity) selected in accordance with eligibility criteria set forth in the PIM to receive a Matching Grant under Part 1.3(a) of the Project. “Beneficiaries” means two or more of such Beneficiary.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “Collaborative Management Partnerships” or “CMPs” mean a type of partnership in terms of which various stakeholders agree on sharing among themselves the management functions, rights and responsibilities for a territory or protected area.
6. “Department of National Parks and Wildlife” means the Recipient’s Department of National Parks and Wildlife under MOT, or any successor thereto acceptable to the Association.
7. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 9, 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.
8. “Environmental and Social Management Framework” means the framework document prepared and adopted by the Recipient and disclosed in-country on April 26, 2023 in accordance with the ESCP, setting out the modalities to be followed in assessing the potential adverse environmental and social impacts of Project activities; as well as for the preparation of environmental and social management plans, as such framework may be amended by the Recipient from time to time, with the prior written agreement of the Association.

9. “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.
10. “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).
11. “Governance and Accountability Action Plan” means the Recipient’s governance and accountability plan to be prepared and adopted as part of the PIM, and referred to in Section I.B.1 of Schedule 2 to this Agreement, as such plan may be amended from time to time, with the prior written approval of the Association.
12. “IFC Biodiversity Finance Reference Guide” means the guide developed by the International Finance Corporation which provides an indicative list of investment projects, activities and components that help protect, maintain or enhance biodiversity and ecosystem services, and promote the sustainable management of natural resources.
13. “Infrastructure Investments” means the specific investments under Part 2 of the Project to be carried out in target areas, that have been identified and prioritized by the relevant stakeholders in accordance with criteria set forth in the PIM.
14. “Infrastructure Investment Plans” means the plans to be developed in respect of the Infrastructure Investments to be carried out under Part 2 of the Project.
15. “Matching Grant” means a Window One Grant or a Window Two Grant, to be made out of the proceeds of the Financing to eligible Beneficiaries, subject to terms and conditions acceptable to the Association and set forth in the PIM, and in the relevant Matching Grant Agreement.

16. “Matching Grant Agreement” means an agreement between the Recipient and a Beneficiary pursuant to which a Window One Grant or a Window Two Grant shall be made available to the Beneficiary, in respect of activities under Part 1.3(a) of the Project, and under terms and conditions approved by the Association and set forth in the PIM.
17. “Matching Grant Manual” means the manual referred to in Section I.B.2 of Schedule 2 to this Agreement, and to be adopted by the Recipient as referred in Section III.B(1)(b) of this Agreement, as said manual may be amended from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.
18. “Meetings, Incentives, Conferences and Exhibitions” means the Recipient’s meetings, incentives, conferences and exhibitions industry under the tourism sector.
19. “Ministry of Finance and National Planning” or “MoFNP” means the Recipient’s ministry responsible for finance and national planning, or any successor thereto acceptable to the Association.
20. “Ministry of Green Economy and Environment” or “MoGEE” means the Recipient’s ministry responsible for green economy and environment, or any successor thereto acceptable to the Association.
21. “Ministry of Infrastructure, Housing and Urban Development” means the Recipient’s ministry responsible for infrastructure, housing and urban development, or any successor thereto acceptable to the Association.
22. “Ministry of Lands and Natural Resources” means the Recipient’s ministry responsible for lands and natural resources, or any successor thereto acceptable to the Association.
23. “Ministry of Local Government and Rural Development” means the Recipient’s ministry responsible for local government and rural development, or any successor thereto acceptable to the Association.
24. “Ministry of Tourism” or “MoT” means the Recipient’s ministry responsible for tourism, or any successor thereto acceptable to the Association.
25. “Ministry of Transport and Logistics” means the Recipient’s ministry responsible for transport and logistics, or any successor thereto acceptable to the Association.

26. “Operating Costs” means the reasonable incremental costs arising on account of Project implementation, based on the AWPB, and approved by the Association, including costs relating to: office supplies, maintenance of office equipment, communication, advertising, office rentals, utility costs, operation and maintenance of office vehicles, per diem and travel costs for Project staff on official travel, reasonable bank charges, allowances and salaries of Project staff (but excluding the salaries of the Recipient’s civil servants).
27. “Permanent Secretary for MoT” means the Recipient’s Permanent Secretary at the MoT, or any successor thereto.
28. “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.
29. “Project Implementation Manual” or “PIM” means a manual acceptable to the Association to be prepared in accordance with Section I.B.1 of Schedule 2 to this Agreement and to be adopted by the Recipient as referred in Section 4.01(c) of this Agreement, as the same may be amended from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such manual.
30. “Project Implementation Unit” or “PIU” means the implementation unit established in accordance with Section I.A.3 of Schedule 2 to this Agreement, and pursuant to Section 4.01(a) of this Agreement.
31. “Project Manuals” means, collectively, the PIM and the Matching Grant Manual.
32. “Project Steering Committee” or “PSC” means the steering committee established in accordance with Section I.A.2 of Schedule 2 to this Agreement.
33. “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.
34. “Strategic Environmental and Social Assessment” means a systematic process for evaluating the environmental implications of a proposed policy, plan or program to provide a means to consider cumulative effects and appropriately address such effects at the earliest stage of decision making, alongside economic and social considerations.
35. “Subproject” means any eligible investment, selected in accordance with eligibility criteria and procedures acceptable to the Association and set forth in the PIM, proposed by a Beneficiary to be financed with a Matching Grant under the relevant

Matching Grant Agreement, for the activities described under Part 1.3(a) of the Project. “Subprojects” means two or more of such Subproject.

36. “Tourism Development Areas” or “TDAs” means the ten (10) priority areas which the Recipient has identified for further development under the Zambia Tourism Master Plan (2018-2038).
37. “Training” means the costs of training under the Project, based on the AWPB referred to in Section I.D of Schedule 2 to this Agreement, as approved by the Association, and attributable to seminars, workshops, and study tours, along with travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.
38. “Window One Grant” means a grant made out of the proceeds of the Financing and referred to under Part 1.3(a)(i) of the Project.
39. “Window Two Grant” means a grant made out of the proceeds of the Financing and referred to under Part 1.3(a)(ii) of the Project.
40. “Zambia” means the Republic of Zambia.
41. “Zambia Statistics Agency” means the Recipient’s agency established pursuant to the Statistics Act No.13 of 2018, and responsible for the publication of official statistics in Zambia.
42. “Zambia Tourism Agency” or “ZTA” means the Recipient’s agency established pursuant to the Tourism and Hospitality Act No.13 of 2015, and responsible for marketing and promoting Zambia as a tourism destination and to regulate the tourism industry.
43. “Zambia Tourism Master Plan 2018-2083” means the Recipient’s master guide to strengthening the systematic development of Zambia’s vast tourism resources.