
CREDIT NUMBER 7594-KH

Financing Agreement

(Cambodia Water Security Improvement Project)

between

KINGDOM OF CAMBODIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between KINGDOM OF CAMBODIA (“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 one hundred ten million one hundred thousand Special Drawing Rights (SDR110,100,000) (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 Financing in accordance with Section III of Schedule 2 to this Agreement.
- 2.03 The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.
- 2.05. The Interest Charge is one and a quarter percent (1.25%) per annum on the Withdrawn Credit Balance.
- 2.06. The Payment Dates are January 15 and July 15 in each year.
- 2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01 The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out Parts 1, 2 and 4.1 of the Project through MOWRAM; and Parts 3 and 4.2 of the Project through MAFF 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 Additional Condition of Effectiveness is that the Recipient has adopted the Project Operations Manual in form and substance satisfactory to the Association.
- 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 its minister in charge of finance.
- 5.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

Ministry of Economy and Finance
Street 92
Sangkat Wat Phnom, Khan Daun Penh
Phnom Penh
Kingdom of Cambodia; and

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

E-mail:
gdicdm@mef.gov.kh

- 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:
248423 (MCI)

Facsimile:
1-202-477-6391

AGREED as of the Signature Date.

KINGDOM OF CAMBODIA

By



Authorized Representative

Name: _____
H.E. Dr. Aun Pornmoniroth

Title: _____
Minister of Economy and Finance

Date: _____
18-Jul-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Maryam Salim

Authorized Representative

Name: _____
Maryam Salim

Title: _____
Country Manager

Date: _____
27-Jun-2024

SCHEDULE 1

Project Description

The objective of the Project is to build the foundation for improved water security in Cambodia and increase agricultural productivity in Selected River Basins and to provide an immediate and effective response in case of an Eligible Crisis or Emergency.

The Project consists of the following parts:

Part 1: Improve Water Resources Planning and Institutions

Implementing the following activities to contribute to laying the foundation for improved resources management, including strengthening national systems for monitoring, planning, and managing water resources at the basin level:

1.1 Strengthening Water Resources Institutions and National Policies

Providing technical assistance and operational support for: (i) a review of key legislation and policy documents on water allocation and licensing and water quality management; (ii) development of dam safety practice guidelines that incorporate climate risk actions for selected subprojects; and (iii) development of a national dam safety framework.

1.2 Water Resources Monitoring and Information

Strengthening the management of water resources at the national and local levels through the collection, analysis and dissemination of data and information required for effective and climate informed for water resource management, including: (i) purchase, installation and operation of four hydro-met stations for Selected River Basins; (ii) purchase, installation and operation of a sensor-based automated system for water distribution; (iii) technical assistance for establishment and management of databases and updating and calibrating of existing hydraulic/hydrological models using the new database structure within MOWRAM; (iv) purchase of high-performance computing power for running the models; (v) establishment of a national risk-based monitoring framework for dam safety and operation; and (vi) the setting up of transboundary data-sharing arrangements.

1.3 Strengthening of Basin Governance and Planning

Supporting: (i) the preparation and operationalization of river basin management plans for Selected River Basins; (ii) the establishment and strengthening of river basin committees for these basins; (iii) the setting up of a comprehensive and participatory stakeholder engagement process; and (iv) strengthening transboundary water cooperation through water dialogues and development of a

knowledge exchange program on a transboundary approach to address climate change.

Part 2: Improve and Sustain Water Service Delivery for Irrigation and Domestic Use

Carrying out a program of activities to achieve the delivery of improved and sustained water services to end users, including:

2.1 Rehabilitation and Upgrading of Multi-purpose Water Resources Infrastructure

Supporting:

- (i) the rehabilitation and upgrading selected existing water resources infrastructure for irrigation, water supply, flood control and environmental benefits including, *inter alia*: (a) strengthening dyke structures; (b) raising crest levels, broadening the width, and extending the length of existing embankments for supplementary water availability for irrigation; (c) rehabilitating and modernizing discharge gates and spillways and fitting them with automatic and/or mechanical control systems; and (d) supporting the annual operation and management of dams and reservoirs;
- (ii) the preparation of feasibility studies, engineering designs and construction activities for selected water resources infrastructure; and
- (iii) the development of facilities for bulk water offtake for domestic use, and the sustainable management of water resources during climate-induced drought.

2.2 Rehabilitation and Upgrading of Irrigation Infrastructure

Supporting:

- (i) the rehabilitation of existing irrigation systems for Svay Chrum and Srae Huy sub-basins, including: (a) the rehabilitation and upgrading of intake facilities and water regulating structures; (b) the modernization of small-scale water storage units for enhanced drought risk management; (c) the rehabilitation of drainage and irrigation canal systems; and (d) supporting the annual operation and management of the irrigation systems; and
- (ii) the preparation of feasibility studies, engineering designs and carrying out construction activities for selected irrigation systems in flood and drought prone areas.

2.3 *Improving Institutional, Technical, and Financial Capacity of PDWRAMs and FWUCs to Deliver Better Water Services*

Building institutional and technical capacity of the PDWRAMs and FWUCs of the Svay Chrum and Srae Huy irrigation schemes and establishing financial arrangements for irrigation service delivery through: (i) establishing new and strengthening existing FWUCs to build capacity in delivering irrigation services; (ii) building capacity of PDWRAM staff in supporting FWUCs with delivery of irrigation services and in preparing guidelines to address climate-exacerbated floods and droughts; (iii) reviewing existing and preparing new gender-inclusive farmer-centered guidelines and manuals on operation and maintenance of canals, embankments, headworks and other water control infrastructure; and (iv) providing Performance-based Budgets to Eligible Beneficiaries.

Part 3: Support Services to Increase Climate Resilience in Irrigated Agriculture

Carrying out a program of activities to enhance crop productivity through improved farm-level actions and institutional strengthening at the national and local levels, including:

3.1 *Improved Technology Adoption*

Providing capacity-building and pilot activities to enhance both production and productivity within targeted irrigation schemes, including: (i) the piloting of the adoption of CSA/LEA techniques and approaches in demonstration areas and field trials; (ii) the piloting of input-saving technologies related to the efficient use of water, fertilizer, pesticides and other agricultural inputs; (iii) supporting the adoption of circular agriculture production models to manage by-products (crop residues) and reduce waste; (iv) the piloting of the adoption of LEA to contribute to lowering emissions in the agriculture sector; (v) programs to enhance agro-biodiversity and soil health that include the use of native seed varieties and soil rehabilitation projects; (vi) enhancing farmers skills and providing training to farmers on system operation and management; and (vii) providing training program to MAFF and PDAFF in adopting modern farming techniques and approaches.

3.2 *Improved Service Delivery*

Strengthening the institutional and technical capacity of both public and private stakeholders, including: (i) piloting E-extension and certification to support adoption of CSA and LEA agriculture practices; (ii) capacity building for research institutions and technical departments for effective technology transfer in CSA; (iii) enhancing private and public service delivery engagement functions

and the infrastructure of both private and public agricultural service providers; and (iv) providing support to strengthen farmer groups and agricultural cooperatives to enhance their capabilities in collective purchasing, marketing, and the adoption of sustainable agricultural practices.

Part 4: Project Management, Coordination, and Monitoring and Evaluation

4.1. Providing technical and operational support for the implementation of MOWRAM's Respective Part of the Project, including project management and coordination, including financial management and disbursement, procurement, environmental and social risk and impact management, grievance redress mechanisms, and monitoring, reporting and evaluation.

4.2. Providing technical and operational support for the implementation of MAFF's Respective Part of the Project, including project management and coordination, including financial management and disbursement, procurement, environmental and social risk and impact management, grievance redress mechanisms, and monitoring, reporting and evaluation.

Part 5: Contingent Emergency Response

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

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. For the purpose of ensuring the efficient and effective implementation of the Project, the Recipient shall maintain, throughout the period of implementation of the Project, Project implementation structures with composition, functions, staffing and resources satisfactory to the Association and set out in the Project Operations Manual.
2. Without limitation to foregoing, the Recipient shall:
 - (a) maintain a Project Steering Committee, chaired by the Secretary of State of MOWRAM and including representatives of MOWRAM, MAFF, MISTI, MOE, CNMC, and MEF, which shall be responsible, *inter alia*, for providing strategic sectoral direction, planning, and guidance to the PMU and the PIU for the management and operation of the Project;
 - (b) maintain a Project Management Unit within MOWRAM, to be responsible, *inter alia*, for: (i) overall Project coordination, including arrangement for Project audits, and consolidation of Project reports; and (ii) carrying out MOWRAM's Respective Part of the Project, including: day-to-day implementation and management, preparation of relevant Annual Work Plans and Budgets and procurement plan(s), monitoring and evaluation, and management of relevant environmental and social impacts with the coordination and liaison with the IRC / MEF on any resettlement matters;
 - (c) maintain a Project Implementation Unit within MAFF to be responsible, *inter alia*, for: carrying out MAFF's Respective Part of the Project, including day-to-day implementation and management, preparation of relevant Annual Work Plans and Budgets and procurement plan(s), monitoring and evaluation, and management of relevant environmental and social impacts with the coordination and liaison with the IRC / MEF on any resettlement matters; and
 - (d) at provincial level, prior to the commencement of any Project activity in the respective province, establish, and thereafter maintain, a technical team to be responsible, *inter alia*, for overseeing the Project implementation at provincial and district levels.

B. Project Operations Manual and Guidelines for the Performance-based Budgets

The Recipient shall ensure that the Project is carried out in accordance with the arrangements and procedures set out in the Project Operations Manual and the Guidelines for the Performance-based Budgets (provided, however, that in the event of any conflict between the arrangements and procedures set out in the Project Operations Manual or the Guidelines for the Performance-based Budgets and the provisions of this Agreement, the provisions of this Agreement shall prevail), and shall not amend, abrogate or waive any provision of Project Operations Manual and the Guidelines for the Performance-based Budgets unless the Association has provided its prior approval thereof in writing.

C. Annual Work Plans and Budgets

1. The Recipient shall prepare and furnish to the Association for its no-objection not later than November 30 of each fiscal year of the Recipient during the implementation of the Project (or such later date as the Association may agree), an Annual Work Plan and Budget (“AWPB”) for the Project as approved by the MEF, containing relevant 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 relevant expenditures, and environmental and social impact management measures taken or planned to be taken in accordance with the provisions of Section D of this Schedule.
2. The Recipient shall ensure that the Project is implemented in accordance with the AWPB accepted by the Association for the respective fiscal year; 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.
3. The Recipient shall not make or allow to be made any change to the AWPB without prior no-objection in writing by the Association.

D. Environmental and Social Standards.

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Association.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Association. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;

- (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended, or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. 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 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.
- 6. The Recipient 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 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. Performance-based Budgets

1. The Recipient, through MOWRAM, shall ensure that the Performance-based Budgets financed out of the proceeds of the Financing are made and administered in accordance with the Guidelines for the Performance-based Budgets, and the additional terms and conditions set forth in this Section.
2. Prior to the provision of any Performance-based Budgets to an Eligible Beneficiary, the Recipient, through MOWRAM, shall enter into a Performance-based Agreement under terms and conditions satisfactory to the Association, whereby the Recipient, through MOWRAM, shall provide each Performance-based Budget to an Eligible Beneficiary which shall include, *inter alia*, the following provisions:
 - (a) the Recipient, through the MOWRAM, shall obtain rights adequate to protect its interests and the interests of the Association, including the right to suspend or terminate the right of an Eligible Beneficiary to use the proceeds of the Performance-based Budgets and obtain a refund of all or any part of the amount of the Performance-based Budgets then withdrawn, upon any failure of the Eligible Beneficiary to perform any of its obligations under the respective arrangements;
 - (b) the Recipient, through the MOWRAM, shall require each of Eligible Beneficiary to:
 - (i) carry out activities financed from the Performance-based Budgets, with due diligence and efficiency and in accordance with sound health, technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Guidelines for the Performance-based Budgets, the ESCP (including the management tools and instruments referred to therein) and the Anti-Corruption Guidelines applicable to the recipients of the proceeds of the Financing other than the Recipient;
 - (ii) provide, promptly as needed, the resources required for the purpose of the activities under Part 2.3 of the Project;

- (iii) procure the goods, works, and services to be financed out of the Performance-based Budgets in accordance with the provisions of the Procurement Regulations and as further specified in the Guidelines for the Performance-based Budgets;
 - (iv) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the supported activities and the achievement of its objectives;
 - (v) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the supported activities;
 - (vi) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association;
 - (vii) enable the Recipient and the Association to inspect the supported activities, its operation and any relevant records and documents; and
 - (viii) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing.
3. The Recipient shall exercise its rights and carry out its obligations under each Performance-based 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 Investment Support 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 Part"), the Recipient shall ensure that:
- (a) a manual ("CERC Manual") is prepared and adopted in form and substance acceptable to the Association, which shall set forth detailed

implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (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 Part; and (vii) a template Emergency Action Plan;

- (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Association;
 - (c) the Contingent Emergency Response Part 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 or the Emergency Action Plan is amended, suspended, abrogated, repealed, or waived without the prior written approval by the Association.
2. The Recipient shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Association.
3. The Recipient shall ensure that:
- (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Association; and
 - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Association.
4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

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

B. Mid-term Review

The Recipient shall: (a) on or about the date thirty-six (36) months after the Effective Date, prepare and furnish to the Association a mid-term report, in such detail as the Association shall reasonably request, documenting progress achieved in the carrying out of the Project during the period preceding the date of such report, taking into account the monitoring and evaluation activities performed pursuant to this Part A, and setting out the measures recommended to ensure the continued efficient carrying out of the Project and the achievement of its objectives during the period following such date; and (b) review with the Association such mid-term report, on or about the date forty-five (45) days after its submission, and thereafter take all measures required 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 Association's views on the matter.

Section III. Withdrawal of the Proceeds of the Financing

A. General

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

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Parts 1, 2 and 4.1 of the Project	93,400,000	100%

(2) Performance-based Budgets	1,520,000	100% of the amount disbursed
(3) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Parts 3 and 4.2 of the Project	15,180,000	100%
(4) Emergency Expenditures under Part 5 of the Project	0	100%
TOTAL AMOUNT	110,100,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR[2,000,000] may be made for payments made prior to this date but on or after June 30, 2023, for Eligible Expenditures under Categories (1) and (3); or
 - (b) for Emergency Expenditures under Category (4), unless and until all of the following conditions have been met in respect of said expenditures:
 - (i) (A) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw Financing amounts under Category (4); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.
2. The Closing Date is June 30, 2030.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage) *
On each January 15 and July 15:	
commencing July 15, 2029, to and including January 15, 2049	1.65%
commencing July 15, 2049, to and including January 15, 2054	3.40%

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

APPENDIX

Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.
2. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
3. “CNMC” means the Recipient’s Cambodia National Mekong Committee, or any successor thereto.
4. “CSA” means Climate Smart Agriculture which is an approach that helps guide actions to transform agri-food systems toward green and climate resilient practices.
5. “Eligible Beneficiary” means a PDWRAM or a FWUC as selected by MOWRAM in accordance with Guidelines for the Performance-based Budgets, as agreed with the Association; and “Eligible Beneficiaries” means all such Eligible Beneficiary.
6. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
7. “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.
8. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual in accordance with the provisions of Section I.F of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
9. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 24, 2024, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring, and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
10. “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”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.

11. “FWUC” means the Recipient’s Farmer Water User Community; and “FWUCs” means all such Farmer Water User Community.
12. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (Last revised on July 15, 2023).
13. “Guidelines for the Performance-based Budgets” means the guidelines to be adopted by the MOWRAM (as an integral part of the Project Operations Manual) containing the eligibility criteria and detailed arrangements and procedures for the provision of Performance-based Budget to Eligible Beneficiaries; as said guidelines may be modified from time to time with the prior written no-objection of the Association, and such term includes any schedules to such guidelines.
14. “IRC” means the Recipient’s Inter-ministerial Resettlement Committee, or any successor thereto.
15. “LEA” means Low Emission Agriculture.
16. “MAFF” means the Recipient’s Ministry of Agriculture, Forestry and Fisheries, or any successor thereto.
17. “MEF” means the Recipient’s Ministry of Economy and Finance, or any successor thereto.
18. “MISTI” means Recipient’s Ministry of Industry, Science, Technology and Innovation, or any successor thereto.
19. “MOE” means Recipient’s Ministry of Environment, or any successor thereto.

20. “MOWRAM” means the Recipient’s Ministry of Water Resources and Meteorology, or any successor thereto.
21. “Operating Costs” means the reasonable costs of goods and non-consulting services required for the day-to-day coordination, administration and supervision of Project activities, including leasing and/or routine repair and maintenance of vehicles, equipment, facilities and office premises, fuel, office supplies, utilities, consumables, communication expenses (including postage, telephone and internet costs), transportation, translation, printing and photocopying expenses, bank charges, publications and advertising expenses, insurance, Project-related meeting expenses, Project-related travel, subsistence and lodging expenses, contractual support staff and other administrative costs directly related to the Project, but excluding salaries, bonuses, fees and honoraria or equivalent payments of members of the Recipient’s civil service.
22. “PDAFF” means the Recipient’s Provincial Department of Agriculture, Forestry, and Fisheries, or any successor thereto.
23. “PDWRAM” means the Recipient’s Provincial Department of Water Resources and Meteorology, or any successor thereto.
24. “Performance-based Agreement” means the agreement to be entered into between the Recipient, through MOWRAM, and an Eligible Beneficiary for purposes of implementing and financing an activity under Part 2.3 of the Project, and the “Performance-based Agreements” means, collectively, all such Performance-based Agreement.
25. “Performance-based Budget” means a grant to be made available by the MOWRAM out of the proceeds of the Financing to an Eligible Beneficiary in accordance with a Performance-based Agreement; and “Performance-based Budgets” means more than one (1) such Performance-based Budget.
26. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated September 2023.
27. “Project Implementation Unit” or “PIU” means the unit established and to be maintained by the MAFF, in accordance with Sections I.A.2(c) of Schedule 2 to this Agreement, or any successor thereto.
28. “Project Management Unit” or “PMU” means the unit established and to be maintained by the MOWRAM, in accordance with Sections I.A.2(b) of Schedule 2 to this Agreement, or any successor thereto.

29. “Project Operations Manual” means the manual to be adopted by the Recipient for the implementation of the Project referred to in Section I.B of Schedule 2 to this Agreement, containing: (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 impact management; (e) monitoring and evaluation, reporting and communication; (f) detailed grievance redress mechanisms; (g) an integrity action plan; and (h) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project; (B) the CERC Manual; and (C) the Guidelines for the Performance-based Budgets; as said manual may be modified from time to time with the prior written no-objection of the Association, and such term includes any schedules to such manual.
30. “Project Steering Committee” means the committee established and to be maintained by the Recipient in accordance with Section I.A.2(a) of Schedule 2 to this Agreement, or any successor thereto.
31. “Respective Part of the Project” means: (a) Parts 1, 2 and 4.1 of the Project to be implemented by the Recipient through MOWRAM; and (b) Parts 3 and 4.2 of the Project to be implemented by the Recipient through MAFF.
32. “Selected River Basins” means, collectively, river basins of Srepok and Prek Te and/or such other river basin(s) to be identified by the Recipient as agreed with the Association during the Project implementation.
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. “Training” means the reasonable costs of goods and services required for the participation of personnel involved in training activities, workshops and 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, fees and honoraria or equivalent payments of members of the Recipient’s civil service.