
GRANT NUMBER TF0C5464

*Compact with Africa Green Businesses
Multi-Donor Trust Fund*

Grant Agreement

**(Additional Financing for the Commercialization and De-Risking for Agricultural
Transformation Project)**

between

REPUBLIC OF RWANDA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND INTERNATIONAL DEVELOPMENT ASSOCIATION**

**(acting as administrator of the Compact with Africa Green Businesses Multi-Donor
Trust Fund)**

**COMPACT WITH AFRICA GREEN BUSINESSES
MULTI-DONOR TRUST FUND
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between REPUBLIC OF RWANDA (“Recipient”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INTERNATIONAL DEVELOPMENT ASSOCIATION (“Bank”), acting as administrator of the Compact with Africa Green Businesses Multi-Donor Trust Fund.

The Recipient and the Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard 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 Standard Conditions or in the Appendix this Agreement.

**Article II
The Project**

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient shall (a) implement Part 4 of the Project; and (b) cause: (i) Parts 1, 2.2 and 3.(1) of the Project (collectively “RAB Respective Part of the Project”) to be carried out by Rwanda Agriculture and Animal Resources Development Board; and (b) Parts 2.1 and 3.(2) of the Project (collectively “BRD Respective Part of the Project”) to be carried out by the Development Bank of Rwanda, all in accordance with the provisions of Article II of the Standard Conditions, Schedule 2 to this Agreement, and the respective Project Agreements.

Article III
The Grant

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed four million United States Dollars (\$4,000,000) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donors to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Additional Remedies

- 4.01. The Additional Events of Suspension referred to in Section 4.02(k) of the Standard Conditions consist of the following:
 - (a) the RAB Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under its Project Agreement; and
 - (b) the BRD Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under its Project Agreement.

Article V
Effectiveness; Termination

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank that the conditions specified below have been satisfied:
 - (a) the Project Implementation Manual has been duly updated and adopted by the Recipient and the Project Implementation Entities in form and substance satisfactory to the Bank; and

- (b) the Subsidiary Agreements have been duly updated and executed, in form and substance satisfactory to the Bank.
- 5.02. By signing this Agreement, the Recipient shall be deemed to represent and warrant that on the Signature Date, this Agreement has been duly authorized by, and executed and delivered on behalf of, the Recipient and is legally binding upon the Recipient in accordance with its terms, except where additional action is required to make this Agreement legally binding. Where additional action is required following the Signature Date, the Recipient shall notify the Bank when such additional action has been taken. By providing such notification, the Recipient shall be deemed to represent and warrant that on the date of such notification this Agreement is legally binding upon the Recipient in accordance with its terms.
- 5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 5.04. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date ninety (90) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient’s Representative; Addresses

- 6.01. The Recipient’s Representative referred to in Section 7.02 of the Standard Conditions is its minister responsible for finance.
- 6.02. For purposes of Section 7.01 of the Standard Conditions:
- (a) the Recipient’s address is:
- Ministry of Finance and Economic Planning
12 KN 3 Ave
P.O BOX 158
Kigali, Rwanda; and

AGREED as of the Signature Date.

REPUBLIC OF RWANDA

By:

Yusuf Murangwa

Authorized Representative

Name: Yusuf Murangwa

Title: Minister of Finance and Economic Planning

Date: 25-Jul-2024

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT AND
INTERNATIONAL DEVELOPMENT ASSOCIATION
(acting as administrator of the Compact with Africa Green
Businesses Multi-Donor Trust Fund)**

By:

Sahr Kpundeh

Authorized Representative

Name: Sahr Kpundeh

Title: Country Manager, World Bank, Rwanda

Date: 09-Jul-2024

SCHEDULE 1

Project Description

The objectives of the Project are to increase the use of irrigation and commercialization among producers and agribusiness firms in supported value chains, and to increase access to agricultural finance.

The Project consists of the following parts:

Part 1: Value Chain and Infrastructure Development

- 1.1 Supporting irrigation rehabilitation and development through: (a) the rehabilitation and improvement of existing large - and small - scale irrigation systems and development of new ones, in line with climate-resilient standards, including pre-feasibility and feasibility studies, preparation of detailed designs, construction supervision and quality assurances, construction of irrigation water abstraction, delivery, distribution, and drainage structures; and (b) technical assistance to establish, organize and strengthen irrigation water user associations and to incentivize farmers to adopt energy-saving technologies for water management.
- 1.2 Carrying out land husbandry and climate-smart agronomic measures and surveys for soil conservation and management.
- 1.3 Supporting innovation and services for agri-business value chain development, by:
 - (a) supporting investments to facilitate access to production and agribusiness assets, the development of technology and the increase of capacity in the public seed system that underpins the private seeds supply chains;
 - (b) providing services and technical assistance to commercial producers and agribusinesses for capacity improvement to meet sanitary and phytosanitary and other quality requirements, to develop quality and bankable business plans, to improve post harvesting handling, processing, and marketing; and to market production and improve produce aggregation models for cooperatives; and
 - (c) promoting women and youth engagement in agriculture to enhance innovative technology in production and commercialization of different value chains; including setting up, capitalizing and operationalizing a fund (Innovation Challenge Fund) to contribute to the financing of testing or scaling up ideas, developed by young value chain actors and service providers benefiting actors of the agri-food value chain.

Part 2: Agricultural Finance and Insurance

Expanding the supply of affordable financial services, by:

- 2.1 Scaling up agricultural finance, through: (a) (i) the extension of a line of credit for agriculture and livestock production and post-harvest finance; and (ii) **extension of grants through the Results Based Climate Finance mechanism as an incentive to eligible beneficiaries that have invested in climate smart agriculture technologies**; and (b) the development of the institutional capacity of participating financial institutions in agriculture and livestock production and post-harvest financing to deliver financial services at affordable costs, including the design of new products, the digitalization of financial services and the improvement of financial literacy and risk management.
- 2.2 Strengthening agricultural insurance, through: (a) institutional strengthening; development and delivery of cost effective agricultural/livestock insurance products; improvement of data collection, storage and availability for agriculture insurance use; and development of reinsurance; (b) premia co-financing, including subsidies and outreach to farmers; (c) development and provision of training of public and private insurance actors and outreach activities; and (d) establishment of a digital platform linking producers, insurance and financial services and development of fintech solutions.

Part 3: Project Management

Supporting the management of the Project by: (1) RAB; and (2) BRD, including in each case with respect to procurement and financial management; environmental and social safeguards implementation and compliance; monitoring and evaluation; communication and knowledge management, as well as providing support related to policy, regulatory and technical aspects relevant to the Project and the achievement of its objectives.

Part 4: Contingency Emergency Response Component

Providing immediate response to an Eligible Emergency, as needed.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Project Steering Committee (PSC)

- (a) The Recipient shall maintain throughout the period of implementation of the Project, a committee (the “Project Steering Committee” or “PSC”) with adequate resources, composition, and hierarchic level of membership, in the views of the Bank, for the purpose of, among other things, providing strategic guidance for the implementation of the Project, and approving Annual Work Plans and Budgets and Project Reports.
- (b) Without limitation to the provisions of Section I.A.1(a) of this Schedule, the PSC shall be chaired by MINAGRI and co-chaired by MINECOFIN and include representatives of the ministries and agencies involved in the implementation of the Project, as well as private sector and other stakeholders’ representatives. The PSC shall be supported by the RAB-SPIU acting as the Secretariat of the PSC.

2. Rwanda Agriculture and Animal Resources Development Board (RAB)

- (a) The Recipient shall designate and charge Rwanda Agriculture and Animal Resources Development Board with overall Project coordination responsibility.
- (b) Implementation of the RAB Part of the Project.

Without limitation to the provisions of Section 1.A.2(a) of this Schedule, the Recipient shall cause RAB to implement its Respective Part of the Project.

3. Development Bank of Rwanda

Without limitation to the provisions of Section 1.A.2 (a) of this Schedule, the Recipient shall cause the Development Bank of Rwanda to implement its Respective Part of the Project.

B. Subsidiary Agreements

1. (a) To facilitate the carrying out of the RAB Part of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Categories 1, 2 and 3 of the Disbursement Table available to the RAB under a subsidiary agreement between the Recipient and RAB (the “RAB Subsidiary Agreement”), under terms and conditions approved by the Bank.
- (b) To facilitate the carrying out of BRD Part of the Project, the Recipient shall make part of the proceeds of the Financing allocated from time to time to Categories 4 and 5 of the Disbursement Table available to the BRD under a subsidiary agreement between the Recipient and BRD (the “BRD Subsidiary Agreement”), under terms and conditions approved by the Bank.
2. The Recipient shall exercise its rights under each of the Subsidiary Agreements in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the financing. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive either of the Subsidiary Agreements or any of their provisions.

C. Contingent Emergency Response

1. In order to ensure the proper implementation of contingent emergency response activities under Part 4 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 Bank, 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 Bank;
 - (c) the Contingency 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 Bank.
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 Bank.
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 Bank; and
 - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Bank.
4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

D. Environmental and Social Standards

1. The Recipient shall, and shall cause each Project Implementing Entity to, 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 Recipient shall, and shall cause each Project Implementing Entity to, 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 Recipient shall, and shall cause each Project Implementing Entity to, 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 Recipient shall, and shall cause each Project Implementing Entity to, 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 Recipient shall, and shall cause each Project Implementing Entity to, 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 Recipient shall, and shall cause the Project Implementing Entity to, 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.

E. Project Implementation Manual

1. The Recipient shall maintain throughout the implementation of the Project its manual of administrative, financial and accounting procedures for the implementation of the Project (the “Administrative, Financial and Accounting Procedure Manual”), in form and substance acceptable to the Bank.
2. Without limitation to the generality of Section I.E.1 of this Schedule, the Administrative, Financial and Accounting Procedure Manual shall set forth the rules, methods, guidelines and procedures for the carrying out of the Project, including, among other things on: financial management, including the detailed policies and procedures for the Project; procurement management; institutional administration, coordination, and day-to-day execution of Project activities, with the respective roles and responsibilities of each of the Project implementing Entities; monitoring and evaluation; reporting; information and communication on Project activities. The Administrative, Financial and Accounting Procedure Manual shall constitute the main part of the Project Implementation Manual, and be supplemented by the Innovation Challenge Fund Manual, the Matching Grant Manual and the Line of Credit Manual which shall be parts of the Project Implementation Manual when they become due under the RAB Project Agreement or the BRD Project Agreement even if they take the form of separate manuals.
3. The Recipient shall carry out its Respective Part of the Project, and cause each of the Project Implementing Entities to carry out its Respective Part of the Project, in accordance with the Project Implementation Manual.
4. In case of any conflict between the provisions of the Project Implementation Manual and the provisions of this Agreement or the Project Agreements, the provisions of this Agreement and the Project Agreements shall prevail and, except as the Bank shall otherwise agree, neither the Recipient nor the Project Implementing Entities shall amend, abrogate or waive the Project Implementation Manual, nor any of its sub-parts or provisions.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall ensure that each Project Report is furnished to the Bank not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; 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 Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Training costs, and Incremental Operating Costs for Parts 1, 2.2 and 3.1 of the Project, but expressly excluding (i) land expenditures, (including compensation for land acquisition related to the implementation of a resettlement instrument), or cash compensation and other assistance paid in cash for involuntary resettlement, (ii) Matching Grants, and (iii) Capitalization of fund	600,000	Up to 100% based on the Annual Work Plan and Budget
(2) Matching Grants under Part 1.3(a) of the Project	0	NA
(3) Capitalization of fund (Innovation Challenge Fund) under Part 1.3(c) of the Project	0	NA
(4) Goods, works, non-consulting services, consulting services, Training Costs and Incremental Operating Costs for Parts 2.1(b) and 3.2 of the Project	400,000	Up to 100% based on the Annual Work Plan and Budget
(5) Line of Credit under Part 2.1 (a)(i) of the Project and grants under Part 2.1 (a)(ii) of the Project	3,000,000	Up to 100% based on the Annual Work Plan and Budget

(6) Emergency Expenditures under Part 4 of the Project	0	NA
TOTAL AMOUNT	4,000,000	

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; or
 - (b) Under Category (5) unless and until the Line of Credit Manual has been updated and adopted, in form and substance satisfactory to the Bank; or
 - (c) under Category (6) for Emergency Expenditures, unless and until all of the following conditions have been met in respect of said expenditures:
 - (A) (AA) the Recipient has determined that an Eligible Crisis or Emergency has occurred, and has furnished to the Bank a request to withdraw Financing amounts under Category (6); and (BB) the Bank has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (B) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Bank.”
2. The Closing Date is June 30, 2026.

Section IV. Other Undertakings

- A. Without limitation to Section 2.10 (Disputed Area) of the Standard Conditions, the Recipient shall not, and shall ensure that neither of the Project Implementing Entities shall, allocate any amount of the Financing to activities located in the area known as *Sabanegwa*, or any other location which would have otherwise triggered the application of the Association Policy OP/BP 7.60 (Projects in Disputed Areas).

APPENDIX

Definitions

1. “Administrative, Financial and Accounting Procedure Manual” means the manual describing the administrative, financial and accounting procedures applicable to the Project in accordance with Section I.E(1) of Schedule 2 to this Agreement, as may be updated.
2. “Annual Work Plans and Budgets” means an annual work plan and corresponding budget with sources of financing and other information on the readiness of the activities included in the plan, prepared or to be prepared and consolidated periodically in accordance with Section I.B.2 of the Schedule to the RAB Project Agreement and Section I.B.2 of the Schedule to the BRD Project Agreement.
3. “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard 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.
4. “BDF” means the Business Development Fund, established as a wholly owned subsidiary of BRD, with the objective of assisting SMEs to access finance, particularly those without sufficient collateral to obtain credit from traditional financial institutions at reasonable rates.
5. “BRD Legislation” means the BRD memorandum and articles of association approved by Resolution No. 03/2016/EOGM of the meeting of shareholders of the BRD dated September 19, 2016, as may have been updated from time to time until the Signature Date, as may have been updated from time to time until the Signature Date, and any relevant legislation of the Recipient that regulates the operations of BRD.
6. “BRD Part of the Project” means, collectively, Parts 2.1 and 3.2 of Project.
7. “BRD Project Agreement” means the Project Agreement between the Association and BRD for the implementation of its Respective Part of the Project.
8. “BRD-SPIU” means the Single Project Implementation Unit, composed of key staff for the coordination of various projects, including staff responsible for procurement, financial management, social safeguards, environmental matters, which is responsible for the coordination of the implementation of activities financed by donors including the Bank.
9. “BRD Subsidiary Agreement” means the Subsidiary Agreement entered into between the Recipient and BRD in accordance with the provisions of Section

- I.B.1(b) of Schedule 2 to this Agreement, and to be updated pursuant to Section 5.01(b) of this Agreement.
10. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
 11. “Contingent Emergency Response Part” means Part 4 of the Project.
 12. “CERC Manual” means the Contingent Emergency Response Component Manual to be entered into for the implementation of the Contingent Emergency Response Part, pursuant to Section III.B.1(c) of Schedule 2 to this Agreement and in accordance with the provisions of Section I.C.1(a) of Schedule 2 to this Agreement.
 13. “Development Bank of Rwanda” or the acronym “BRD” means a public company limited by shares, incorporated on March 23, 2012, registered at the Recipient’s office of the registrar general with company code no. 100003547.
 14. “Disbursement Table” means the table set forth under Section III.A of Schedule 2 to this Agreement.
 15. “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.
 16. “Emergency Action Plan” means the plan referred to in Section I.C.1(b) of Schedule 2, detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
 17. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual incurred or to be incurred in accordance with the provision of Section I.C.1(a) of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
 18. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated June 20, 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.
 19. “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.

20. “Financing and Service Agreement” means the agreement to be entered into or entered into between RAB and BDF in accordance with Section I.A.2(a) and (b) of the Schedule to the RAB Project Agreement.
21. “Incremental Operating Costs” means the incremental expenses incurred on account of Project implementation based on the Annual Work Plan and Budget, and consisting of, audit fees, expenditures for office supplies, vehicle operation and maintenance, maintenance of equipment, bank fees, communication and insurance costs, internet service charges, media and advertising expenses, office administration costs, utilities, rental, consumables, accommodation, travel and per diem, and salaries of Project staff, but excluding the salaries, meeting allowances, other sitting allowances, salary top ups and any honorarium of the Recipient’s or any of the Project Implementing Entities’ civil servants.
22. “Innovation Challenge Beneficiary” means a beneficiary which meets the eligibility criteria listed in the Innovation Challenge Fund Manual with which RAB intends to or has entered into an Innovation Challenge Grant Agreement.
23. “Innovation Challenge Grant Agreement” means an agreement entered or to be entered into between the BDF and an Innovation Challenge Beneficiary for the extension of Innovation Challenge Grant, in accordance with Section I.B.4(c) of the Schedule to the RAB Project Agreement.
24. “Innovation Challenge Sub-project” means the sub-project of an Innovation Challenge Beneficiary which meet the eligibility criteria listed in the in the Innovation Challenge Fund Manual.
25. “Innovation Challenge Fund Manual” means the manual prepared by RAB for the implementation of Part 1.3(d) of the Project in accordance with Section I.B.4(a) of the Schedule to the RAB Project Agreement.

26. “Line of Credit Manual” means the manual prepared by BRD for the implementation of Part 2.1(a) of the Project in accordance with Section I.B.3(a) of the Schedule to the BRD Project Agreement, as may be updated pursuant to Section III.B.1(b) of Schedule 2 to this Agreement.
27. “Matching Grant” means a financing which meets the terms and conditions set out in the Matching Grant Manual, extended or to be extended by RAB for the financing of a Matching Grant Sub-project in accordance with Section I.B.3(b) of the Schedule to the RAB Project Agreement.
28. “Matching Grant Beneficiary” means a beneficiary which meets the eligibility criteria listed in the Matching Grant Manual with which RAB intends to or has entered into a Matching Grant Agreement.
29. “Matching Grant Agreement” means an agreement entered or to be entered into between the BDF and a Matching Grant Beneficiary for the extension of a Matching Grant, in accordance with Section I.B.3(c) of the Schedule to the RAB Project Agreement.
30. “Matching Grant Manual” means the manual prepared by RAB for the implementation of Part 1.3(c) of the Project in accordance with Section I.B.3(a) of the Schedule to the RAB Project Agreement.
31. “Matching Grant Sub-project” means the sub-project of a Matching Grant Beneficiary which meet the eligibility criteria listed in the in the Matching Grant Manual.
32. “MINAGRI” means the Recipient’s ministry in charge of agriculture or any successor thereto.
33. “MINECOFIN” the Recipient’s ministry in charge of finance or any successor thereto.
34. “Participation Agreement” means an agreement entered or to be entered into between the BRD and a Participating Financial Institution for the extension of a line of credit, in accordance with Section I.B.3(c) of the Schedule to the BRD Project Agreement.
35. “Participating Financial Institution” is a financial institution which meets the requirements set out in the Line of Credit Manual, for the purpose of entering into a Participation Agreement, and with which BRD intends to or has entered into a Participation Agreement.
36. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated September 2023.

37. “Project Agreement” may refer, individually to the RAB Project Agreement or the BRD Project Agreement, as the context may require, as may be updated, and “Project Agreements” refer to the said agreements collectively.
38. “Project Implementation Manual” means, collectively, the various parts of the manual or the set of manuals for the implementation of the Project, prepared and adopted in accordance with the provisions of Section I.E of Schedule 2 to this Agreement, Section I.B.1 of the Schedule to the RAB Project Agreement and Section I.B.1 of the Schedule to the BRD Project Agreement, as such manual may be amended from time to time in accordance with Section I.E.4 of Schedule 2 to this Agreement, Section I.B.4 of the Schedule to the RAB Project Agreement and Section I.B.4 of the Schedule to the BRD Project Agreement.
39. “Project Implementing Entity” means, individually, RAB or BRD, as the context may require; and “Project Implementing Entities” means, collectively, RAB and BRD.
40. “Project Steering Committee” or “PSC” means the committee to be established by the Recipient in accordance with the provisions of Section I.A.1 of Schedule 2 to this Agreement.
41. “RAB Legislation” means Law N° 14/2017 of 14/04/2017 establishing Rwanda Agriculture and Animal Resources Development Board (RAB) and its implementation regulations.
42. “RAB Part of the Project” means, collectively, Parts 1, 2.2 and 3.1 of the Project.
43. “RAB Project Agreement” means the Project Agreement between the Association and RAB for the implementation of its Respective Part of the Project.
44. “RAB- SPIU” means the Single Project Implementation Unit, located under the RAB’s Office of the Director General, and composed of key staff for the coordination of various projects, including staff responsible for procurement, financial management, social safeguards, environmental matters, which is responsible for the coordination of the implementation of activities financed by donors including the Bank.
45. “RAB Subsidiary Agreement” means the Subsidiary Agreement entered into between the Recipient and RAB in accordance with Section I.B.1(a) of Schedule 2 to this Agreement.
46. “Respective Part of the Project” means RAB Part of the Project or BRD Part of the Project, as the context may require.
47. “Results-based Climate Finance” means a climate finance mechanism that provides a financial reward in the form of grant payments for the achievement of

agreed-upon and verifiable climate-related outcomes, to be designed and piloted under subcomponent 2.1 of the Project, leveraging the existing credit line.

48. “Rwanda Agriculture and Animal Resources Development Board” or “RAB” means the autonomous body established by LAW N°38/2010 OF 25/11/2010 and currently governed by Law N° 14/2017 of 14/04/2017 establishing Rwanda Agriculture and Animal Resources Development Board (RAB).
49. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
50. “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019.
51. “Subsidiary Agreement” means, individually, the RAB Subsidiary Agreement or the BRD Subsidiary Agreement, as the context requires; and “Subsidiary Agreements” means, collectively, the RAB Subsidiary Agreement and the BRD Subsidiary Agreement.
52. “Training” means the costs associated with training, workshops and study tours provided under the Project, based on the Annual Work Plan and Budget consisting of reasonable expenditures (other than expenditures for consultants’ services) for:
(i) travel, room, board and *per diem* expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators;
(ii) course fees; (iii) training facility rentals; and (iv) training material preparation, acquisition, reproduction and distribution expenses.