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GRANT NUMBER E369-TV

# **Financing Agreement**

**(Pacific Strengthening Correspondent  
Banking Relationships Project)**

**between**

**TUVALU**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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## **FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between TUVALU (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”).

WHEREAS (A) The Recipient and the Participating Pacific Island Countries have undertaken to carry out a regional project designed to enable continuous access to correspondent banking services in Participating Pacific Island Countries; and

(B) The Recipient, having satisfied itself as to the feasibility and priority of the project described in Schedule 1 to this Agreement, has requested the Association to extend a grant to assist in the financing of the Project.

WHEREAS the Association has agreed, on the basis, *inter alia*, of the foregoing, to extend a grant to the Recipient upon the terms and conditions set forth in this Agreement.

NOW THEREFORE, the Association and the Recipient 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 grant, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to six million nine hundred thousand Special Drawing Rights (SDR 6,900,000) (“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 Payment Dates are February 15 and August 15 in each year.
- 2.05. 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 cause the Project to be carried out by the Pacific Islands Forum (“PIF” or “Project Implementing Entity”), in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

### **ARTICLE IV — REMEDIES OF THE ASSOCIATION**

- 4.01. The Additional Event of Suspension consists of the following, namely that the PIF Treaty 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 referred to, or arising from this Agreement, the PIF Financing Agreement and the Subsidiary Agreement.

### **ARTICLE V — EFFECTIVENESS; TERMINATION**

- 5.01. The Additional Conditions of Effectiveness consist of the following:
  - (a) the Financing Agreement between the Association and the Pacific Island Forum, providing a grant in support of the Project (“PIF Financing Agreement”), has been executed and delivered and all conditions precedent to its effectiveness have been fulfilled; and
  - (b) the Subsidiary Agreement referred to in Section I.B.1 of Schedule 2 to this Agreement has been executed and delivered on behalf of the Recipient and the Project Implementing Entity, and has become effective and binding upon the parties in accordance with its terms.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. 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 VI — REPRESENTATIVE; ADDRESSES**

6.01. The Recipient's Representative is its minister responsible for finance.

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

(a) the Recipient's address is:

Ministry of Finance and Economic Development  
Vaiaku  
Funafuti  
Tuvalu; and

(b) the Recipient's Electronic Address is:

E-mail:  
[pnelesone@gov.tv](mailto:pnelesone@gov.tv)

6.03. 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:	E-mail:
248423 (MCI)	1-202-477-6391	<a href="mailto:cdpngpacific@worldbank.org">cdpngpacific@worldbank.org</a>

AGREED as of the Signature Date.

TUVALU

By



\_\_\_\_\_  
Authorized Representative

Name: Panapasi Nelesone

Title: Minister of Finance and Economic Development

Date: 22-Oct-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



\_\_\_\_\_  
Authorized Representative

Name: Stephen N. Ndegwa

Title: Country Director, PNG & Pacific Islands

Date: 22-Oct-2024

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to enable continuous access to correspondent banking services in Participating Pacific Island Countries.

The Project consists of the following parts:

#### **Part 1: Ensuring continuous access to correspondent banking relationships (CBR) services.**

- 1.1. Support continuous access to CBR Services to eligible financial institutions operating in Participating Pacific Island Countries (“PICs”) through a CBR Service Provider.

#### **Part 2: Improving the enabling environment and regulatory harmonization.**

- 2.1. Provision of technical assistance to support:
  - (a) access to CBR Services and improve AML/CFT compliance, through: (i) the assessment of Participating PICs against the entry and exit criteria for accessing the CBR Services; (ii) the development and implementation of remedial plans tailored to country-specific circumstances and risk exposure; and (iii) the implementation of key actions and recommendations under the CBR Roadmap;
  - (b) payment system oversight and regulation, through: (i) payment systems regulatory harmonization and strengthening oversight at the domestic level; (ii) institutional strengthening programs to increase the capacity of domestic financial institutions to access a potential Pacific Payments Mechanism (“PPM”) and meet minimum eligibility criteria; and (iii) the collection of relevant remittance data and gender-disaggregated data on usage of financial services;
  - (c) comprehensive feasibility study to inform the design of a regional PPM;
  - (d) regional technical assistance and institutional capacity building, through delivery of tailored technical assistance in CBR contract management, AML/CFT supervision, payment systems oversight and development; and
  - (e) Project management, stakeholder coordination, and outreach, through establishment of a Project Management Unit (“PMU”) within the PIF to coordinate closely with the economic/finance ministries of the Participating PICs on implementing all Project activities, including enable

Participating PICs to oversee upstream work, AML/CFT risk assessments, feasibility studies, and the design of the payment aggregation mechanism.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

##### 1. Project Steering Committee

The Recipient shall cause the Project Implementing Entity to establish, by not later than three (3) months after the Effective Date, and thereafter maintain throughout Project implementation, a steering committee (“Project Steering Committee” or “PSC”), with a mandate, composition and resources satisfactory to the Association. To this end, the PSC shall: (a) be composed of (i) the PIF Director for Programs and Initiatives and (ii) secretaries of finance or other officials from the finance ministries of each of the Participating PICs; (b) report annually to the finance and economic ministers of the Participating PICs; (c) meet at least quarterly; and (d) be responsible for, *inter alia*, providing oversight and guidance towards achieving Project objectives and a better regional integration, and for approving the annual work plans and budget, all as set forth in the Project Operations Manual (“POM”).

##### 2. Technical Advisory Committee

Without limitation upon paragraph 1 above, the Recipient shall cause the Project Implementing Entity to establish, by not later than three (3) months after the Effective Date, and thereafter maintain throughout Project implementation, a technical advisory committee (“Technical Advisory Committee” or “TAC”), with a mandate, composition and resources satisfactory to the Association. To this end, the Technical Advisory Committee shall: (a) be composed of selected financial sector regulators of the Participating PICs; (b) meet at least quarterly; and (c) be responsible for, *inter alia*, providing oversight and advice, as well as guidance on technical aspects of the Project, all as set forth in the POM.

##### 3. Project Management Unit

The Recipient shall cause the Project Implementing Entity to:

- (a) at all times throughout Project implementation, maintain a management unit with terms of reference, composition and resources satisfactory to the Association (“Project Management Unit” or “PMU”), which shall be responsible for, *inter alia*, overseeing the day-to-day implementation of the Project, including technical areas, environmental and social management, procurement, financial management, and monitoring and evaluation; and



- (b) ensure that the PMU is staffed with necessary personnel at all times throughout Project implementation. To this end, the Recipient shall cause the Project Implementing Entity to: (i) maintain, at a minimum, a Project coordinator, a financial management specialist, and a procurement specialist; (ii) recruit by no later than three (3) months after the Effective Date, a monitoring and evaluations specialist; and (iii) recruit by no later than six (6) months after the Effective Date, a country-based focal point for each of the Participating PICs, each with qualifications, experience and terms of reference satisfactory to the Association, and all as set forth in the POM.

**B. Subsidiary Agreement**

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Financing available to the Project Implementing Entity under a subsidiary agreement between the Recipient and the Project Implementing Entity (“Subsidiary Agreement”), under terms and conditions acceptable to the Association, which shall include, *inter alia*, the following:
  - (a) the proceeds of the Financing shall be made available by the Recipient to the Project Implementing Entity on a non-reimbursable grant basis;
  - (b) the Project Implementing Entity shall: (i) carry out the Project with due diligence and efficiency and in accordance with appropriate technical, economic, financial, managerial, environmental and social standards and practices; including in accordance with the provisions of this Agreement, the POM, the ESCP (including management tools and instruments referred to therein), and the provisions of the Anti-Corruption Guidelines applicable to recipients of Financing proceeds other than the Recipient; and (ii) provide, promptly as needed, the resources required for such purpose;
  - (c) the Project Implementing Entity shall ensure that any goods and/or services to be financed out of the Financing are procured in accordance with the Procurement Regulations and as further specified in the Project Operations Manual;
  - (d) the Project Implementing Entity shall: (i) 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 and financial condition of the Project Implementing Entity, including the operations, resources and expenditures related to the Project; (ii) retain all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures under the Project until at least the later of one

(1) year after the Recipient and the Association have received the audited financial statements covering the period during which the last withdrawal from the Financing Account was made, and two (2) years after the Closing Date; (iii) prepare and furnish to the Recipient and the Association interim unaudited financial reports not later than forty-five (45) days after the end of each semester covering the semester; and (iv) have its records, accounts and financial statements audited annually 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, but in any event not later than six (6) months after the end of the Project Implementing Entity's Fiscal Year;

- (e) the Project Implementing Entity shall enable the Recipient and the Association to inspect the Project, its operation and any relevant records and documents;
- (f) the Project Implementing Entity shall permit the Association to make the Subsidiary Agreement and all financial statements audited pursuant to paragraph (d) above available to the public in accordance with the Association's policies on access to information;
- (g) the Project Implementing Entity shall maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association and set forth in the POM, the progress of the Project and the achievement of its objective;
- (h) the Project Implementing Entity shall 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; and
- (i) the Recipient shall have the right to suspend or terminate the right of the Project Implementing Entity to use the proceeds of the Financing or obtain a refund of all or any part of the amount of the Financing then withdrawn, upon the Project Implementing Entity's failure to perform any of its obligations under the Subsidiary Agreement.

2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate, or waive the Subsidiary Agreement or any of its provisions.

**C. Project Operations Manual**

1. The Recipient shall, and shall cause the Project Implementing Entity to, maintain at all times during implementation of the Project, an operations manual in form and substance satisfactory to the Association, containing detailed arrangements and procedures for implementation of the Project including *inter alia*: (a) institutional arrangements for the day-to-day execution of the Project; (b) disbursement and flow of funds arrangements; (c) fiduciary arrangements including financial management, procurement, and anti-corruption; (d) environment and social management systems; (e) monitoring and evaluation, reporting and communication; (f) a comprehensive administrative, accounting and financial manual of procedures; (g) eligibility criteria for hiring a CBR Service Provider and modalities for accessing CBR Services; (h) responsibilities of the CBR Service Provider, including pre-assessing the eligibility of financial institutions in qualified Participating PICs and establishing contractual relationships with these institutions upon evidence of actual or impending loss of a country's last CBR in one or more key currencies; and (i) such other administrative, financial, technical and organizational arrangements, procedures and necessary terms of reference as shall be required for the Project ("Project Operations Manual" or "POM").
2. The Recipient shall, and shall cause the Project Implementing Entity to, carry out the Project in accordance with the POM, and except as the Association shall otherwise agree, the Recipient or the Project Implementing Entity shall not assign, amend, abrogate, or waive the POM, or any provision thereof.
3. In the event of any conflict between the provisions of the POM and those of this Agreement, the provisions of this Agreement shall prevail.

**D. CBR Service Provider under Part 1.1 of the Project**

1. For the purposes of carrying out Part 1.1 of the Project, the Recipient shall cause the Project Implementing Entity to, not later than three (3) months after the Effective Date, or such other date as the Association may agree in writing, recruit a CBR Service Provider, pursuant to an agreement to be entered into between the Recipient, the Project Implementing Entity, and the CBR Service Provider ("CBR Service Provider Agreement") satisfactory to the Association, for the purpose of providing CBR Services to the Recipient in accordance with the eligibility criteria and procedures set forth in the POM.
2. The CBR Service Provider Agreement shall contain, *inter alia*, provisions pursuant to which the CBR Service Provider undertakes to:
  - (a) provide CBR Services to eligible financial institutions in Participating PICs upon notification to the Association by the Participating PIC of the

impending or actual loss of its last CBR in one or more key currencies;  
and

- (b) support eligible financial institutions in Participating PICs to strengthen their compliance and governance functions.
3. The Recipient shall, and shall cause the Project Implementing Entity to exercise its rights under the CBR Service Provider Agreement in such a manner as to protect the interests of the Recipient and the Association. Except as the Association shall otherwise agree in writing, the Recipient shall not, and shall cause the Project Implementing Entity not to, assign, amend, abrogate or waive any provisions of the CBR Service Provider Agreement.

**E. Annual Work Plans and Budgets**

1. The Recipient shall, by not later than three (3) months after the Effective Date for the first year of Project implementation, and October 31 of each subsequent year during the Project implementation period, cause the Project Implementing Entity to prepare and furnish to the Association, for the Association's review and no-objection, an annual work plan and budget ("Annual Work Plan and Budget"), which shall, *inter alia*: (a) list all activities proposed to be included in the following fiscal year; (b) provide a budget for their financing (with a financial plan specifying all sources of financing including the Financing and any other resources provided by the Project Implementing Entity); and (c) describe the environmental and social risks management measures taken or planned to be taken in accordance with the provisions of Section I.F of this Schedule 2.
2. The Recipient shall, and shall cause the Project Implementing Entity to, ensure that the Project is implemented in accordance with the Annual Work Plans and Budgets accepted by the Association for the Project Implementing Entity's fiscal year; provided, however, that in the event of any conflict between the Annual Work Plans and Budgets and the provisions of this Agreement, the provisions of this Agreement shall prevail.
3. The Recipient shall, and shall cause the Project Implementing Entity not to make or allow to be made any change to the Annual Work Plans and Budgets unless the Association has provided its prior no-objection thereof in writing.

**F. Environmental and Social Standards**

1. The Recipient shall, and shall cause the 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 Association.

2. Without limitation upon paragraph 1 above, the Recipient shall, and shall cause the 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 Association. To this end, the Recipient shall, and shall cause the 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 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, and shall cause the Project Implementing Entity to, 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, and shall cause the 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 Association.

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

The Recipient shall cause the Project Implementing Entity to 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.

**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:

<b>Category</b>	<b>Amount of the Financing Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, non-consulting services, consulting services, Training and Operating Costs for the Project (except Part 2.1(c) of the Project).	6,900,000	100%
<b>TOTAL AMOUNT</b>	<b>6,900,000</b>	

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 1,380,000 may be made for payments made prior to this date but on or after July 15, 2024, for Eligible Expenditures under Category (1).

2. The Closing Date is September 30, 2030.

## APPENDIX

### Definitions

1. “Annual Work Plan and Budget” means each annual work plan, together with the related budget and updated procurement plan, for the Project accepted by the Association pursuant to the provisions of Section I.E of the Schedule 2 to this Agreement as the said plan and budget may be modified from time to time with the prior written no-objection of the Association.
2. “AML/CFT” means anti-money laundering and combating the financing of terrorism.
3. “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.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “CBR” means correspondent banking relationships.
6. “CBR Roadmap” means the document of the same name and its updates endorsed by the Pacific Economic Sub-Committee to address the decline of correspondent banking relationships in the Pacific.
7. “CBR Service Provider” means the financial intermediary(ies) to be recruited by the Project Implementing Entity on behalf of the Participating PICs, to be: (i) responsible for conducting due diligence and pre-assessing the eligibility of financial institutions in qualified Participating PICs; (ii) capable of establishing contractual relationships with said institutions; and (iii) capable of providing CBR Services, upon evidence of the actual or impending loss of a Participating PIC’s last CBR in one or more key currencies, all as set forth in the POM.
8. “CBR Service Provider Agreement” means the agreement referred to in Section I.D.1 of Schedule 2 to this Agreement.
9. “CBR Services” means *inter alia*, (i) executing cross-border payments on behalf of agreed respondent, and clearing transactions through established correspondent networks; (ii) ensuring timely settlement of transactions; and (iii) providing end-to-end payment tracking as further detailed in the POM.
10. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated July 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.

11. “Environmental and Social Standards” or “ESSs” means, collectively:  
(i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
12. “Forum Economic Ministers Meetings” means the annual meeting of the Finance and/or Economic Ministers of the Pacific Islands Forum member states to address the key economic and socio-economic issues facing the region.
13. “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).
14. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient and the Project Implementing Entity on account of the implementation, management and monitoring and evaluation of the Project, based on the Annual Work Plans and Budgets accepted ex-ante by the Association, including rental of office space, office supplies, bank charges, communications, advertising expenses, utilities, stationery, vehicle operation, maintenance, insurance and transportation costs, but excluding salaries, fees, honoraria, bonuses, and any other salary supplements of the Recipient’s civil servants.
15. “Pacific Economic Sub-Committee” means the sub-committee set up by Pacific Island Countries to follow-up on regional work programs established by the Forum Economic Ministers Meetings.

16. “Pacific Islands Forum” means the regional legal entity established and operating pursuant to the PIF Treaty.
17. “Participating Pacific Island Countries” or “Participating PICs” means the Republic of Fiji, the Republic of Kiribati, the Republic of the Marshall Islands, the Independent State of Samoa, the Solomon Islands, the Kingdom of Tonga, Tuvalu, the Republic of Vanuatu, and any other Pacific Island Countries that may join the Project as agreed between the Recipient and the Association.
18. “Pacific Payments Mechanism” or “PPM” means a medium-term solution to ensure sustainable CBR Services by aggregating transaction flows to improve economies of scale and cross-border payment enhancements.
19. “PIF Financing Agreement” means the agreement between the Association and the Pacific Island Forum, providing a grant in an amount equivalent to three million nine hundred thousand Special Drawing Rights (SDR 3,900,000) in support of the Project described in Schedule 1 to this Agreement.
20. “PIF Treaty” means the 2005 Agreement Establishing the Pacific Islands Forum that entered into force on September 13, 2021.
21. “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
22. “Project Implementing Entity” means the Pacific Islands Forum.
23. “Project Management Unit” or “PMU” means the unit referred to in Section I.A.3 of Schedule 2 to this Agreement.
24. “Project Operations Manual” or “POM” means the manual referred to in Section I.C.1 of Schedule 2 to this Agreement.
25. “Project Steering Committee” or “PSC” means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.
26. “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.
27. “Subsidiary Agreement” means the agreement referred to in Section I.B of Schedule 2 to this Agreement.
28. “Technical Advisory Committee” or “TAC” means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement.

29. “Training” means the reasonable costs of training and workshop activities under the Project, based on the Annual Work Plans and Budgets accepted ex-ante by the Association, including preparation and reproduction of training materials, rental of facilities, reasonable transportation costs, per diem of trainers and trainees and/or participants (if applicable), excluding consultant’s fees under consulting services, and any other expenses directly related to course preparation and implementation.