
**CREDIT NUMBER 7156-ET
GRANT NUMBER E080-ET**

Financing Agreement

**(Food Systems Resilience Program for Eastern and Southern Africa
Phase 1 under the Multi-Phase Programmatic Approach)**

between

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 7156-ET
GRANT NUMBER E080-ET

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA (“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 grant and a credit, which are deemed as Concessional Financing for purposes of the General Conditions (collectively, “Financing”) in the following amounts to assist in financing the project described in Schedule 1 to this Agreement (“Project”):
 - (a) an amount equivalent to one hundred forty-eight million Special Drawing Rights (SDR 148,800,000) (“Grant”); and
 - (b) an amount equivalent to two hundred ninety-seven million six hundred thousand Special Drawing Rights (SDR 297,600,000) (“Credit”).
- 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 The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.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 Payment Dates are April 1 and October 1 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the MPA Program. To this end, the Recipient shall carry out the Project through the Ministry of Agriculture (MOA), 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 Co-financing Deadline for the effectiveness of the Co-financing Agreement is June 30, 2024.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
 - (a) The Recipient has adopted the Project Implementation Manual in form and substance satisfactory to the Association;
 - (b) In accordance with the Environmental and Social Commitment Plan, the Recipient has: (i) prepared, carried out consultation on, adopted and publicly disclosed a Security Risk Assessment and Security Management Plan; and (ii) has established, and publicized an accessible grievance mechanism for the Resettlement Framework and the Stakeholder Engagement Plan; and
 - (c) The Recipient through MOA has contracted an United Nations agency for activities under the Project in high risk of ongoing conflict areas, with terms of reference, mandates, staffing, and other resources satisfactory to the Association.
- 5.02. The Effectiveness Deadline is the date one hundred twenty (120) 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 20 (twenty) 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
King George VI Street
P.O. Box 1905
Addis Ababa
Federal Democratic Republic of Ethiopia; and

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

Cable:	Telex:	Facsimile:
MINFIN	21147	(251-111) 551355

- 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:
248423 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By



Authorized Representative

H.E. Ato Ahmed Shide

Name: _____

Minister of Finance Ethiopia

Title: _____

Date: _____ 24-Jun-2022

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Boutheina Guerhazi

Name: _____

Director, Regional Integration

Title: _____

Date: _____ 22-Jun-2022

SCHEDULE 1

Project Description

The objectives of the Project are to increase the resilience of food systems and the Recipient's preparedness for food insecurity in Project areas.

The Project constitutes Phase 1 of the MPA Program and consists of the following parts:

Part 1: Transforming Agricultural Services and Innovation Systems

Promoting the adoption of climate-smart agricultural practices at the national level to strengthen regional food security at the regional and Woreda levels, including by:

1.1 Promoting the Efficiency, Efficacy, and Scale-Up of Agricultural Services

Supporting the improvement of the quality, relevance and coverage of agricultural services by financing the following:

- (a) Strengthening agricultural extension services by: (i) strengthening the public extension system and promoting private sector engagement in extension service delivery by piloting and/or scaling up public-private arrangements; (ii) promoting advisory and other specialized services [tailored to women] that encourage the adoption and scaling up of climate-smart agriculture for increased production, enhanced resilience and reduced greenhouse gas emissions through training, capacity building, and information dissemination; (iii) supporting large-scale climate-smart demonstration activities and the upgrading of farmer training centers; (iv) developing and rolling out public-private modalities for extension service delivery that improve the financial sustainability of public extension services; (v) creating structures that enhance connectivity of farmers, such as farmer training/knowledge centers that give smallholders access to information, technologies, and the resources they need to adapt to climate change and access new markets; and (vi) supporting farmers to adopt agronomic practices that help reduce the carbon intensity of agricultural land.

- (b) Supporting agricultural training services by: (i) reforming the Agricultural Technical Vocational Education and Training colleges (ATVET) system, including to attract women and strengthen the gender-sensitivity of the curriculum; and (ii) improving the in-service and pre-service training of development agents and subject matter specialists including by supporting the development of skillsets and curriculums for agricultural training services.
- (c) Supporting plant protection and animal health services by: (i) promoting climate and pest monitoring services that help predict and enable rapid responses to new, emerging, and existing pests; (ii) promoting integrated pest management approaches that emphasize preventive measures; (iii) investing in strengthening of, *inter alia*, animal health posts, animal health clinics, cattle crush, livestock quarantine stations, and livestock genetic improvement centers; (iv) supporting livestock veterinary services to control and/or prevent major livestock diseases; and (v) promoting and incentivizing the private and community-based provision of animal health and plant protection services including, *inter alia*, the surveillance, monitoring, and diagnosis of plant pests and pathologies, plant quarantine and management services, and the organization and licensing of spraying service providers.
- (d) Supporting public agricultural regulatory services by: (i) strengthening inspection, quality assurance, testing, certification and other regulatory services; and (ii) building institutional capacity for public sector regulation and self-regulation by market actors and associations.

1.2. **Transforming Agricultural Technology Generation and Research System**

Supporting the generation of agricultural technologies that improve crop and livestock productivity as well as the management of natural resources, while enhancing resilience and reducing agricultural greenhouse gas emission, by supporting: (a) agricultural research activities within public and private institutions; (b) the development of strong public-private partnerships; (c) participatory research projects; (d) pre-extension demonstrations that enhance linkages among farmers, extension services, and research; (e) participatory appraisals of the agricultural extension system; and (f) the ongoing elaboration of a climate smart agriculture research agenda.

1.3. **Digital Agricultural Services**

Supporting digital agricultural services including: (a) the delivery of digital agricultural extension and advisory services; (b) the implementation of a national roadmap on digital agricultural extension and advisory services; (c) the upgrade of MOA's data systems and infrastructure; and (d) a platform that facilitates private sector start-ups' delivery of digital services to Project beneficiaries.

Part 2: Resilient Small Scale Irrigation Development and Management

Supporting the development and management of irrigation with a focus on small scale irrigation schemes and micro-scale irrigation technologies at the regional and Woreda levels, including by:

2.1. **Small-Scale and Household-Level Irrigation Development**

Supporting small-scale and household-level irrigation development including, *inter alia*: (a) the development of irrigation infrastructure through the rehabilitation of existing small scale irrigation schemes and construction of new gravity-flow irrigation schemes; (b) scale-up of household-based gender-related activities; and (c) the promotion and demonstration of household or community-level irrigation technologies and water saving irrigation methods.

2.2. **Water Management and Infrastructure Governance**

Supporting the establishment of irrigation water users' associations and targeted capacity building including, *inter alia*, climate change related trainings, enhancing community institutions, enhancing irrigation water users' associations, and establishing or strengthening farmers' associations.

Part 3: Food Market Development

Supporting food market development to strengthen agrifood value chains at national, regional and Woreda levels, including by:

3.1. **Improved Market Services**

Strengthening market services by supporting: (i) the development or upgrade of certification, traceability and quality standards; (ii) market promotion; (iii) financial services including by building the capacity of financial institutions, exploring credit facilitation mechanisms, and promoting access to financial services with a particular focus on female

farmers and agro-entrepreneurs;(iv) weather-resistant foot bridges; and (v) climate resilient market infrastructure upgrades.

3.2. Enterprise Development

Supporting enterprise development including via Financing Mechanisms by: (i) supporting climate-informed business development, incubation services, and skills training with a specific gender-related focus; and (ii) fostering productive partnerships between farmers and both input suppliers and agribusinesses.

3.3. Strengthening Smallholder Farmers' Market Linkages

Strengthening smallholder farmers' market linkages including by: (i) supporting pilot contract farming and outgrower schemes for climate-smart agricultural products; (ii) providing technical support to aggregation platforms; (iii) strengthening value chain alliances and agribusiness associations; and (iv) facilitating value chain finance arrangements, including by leveraging digital tools when appropriate.

3.4. Strengthening Regionally Strategic Value Chains

Developing competitive value chains of strategic importance for regional food security including by: (a) investing in cold chain facilities, milk collection facilities, post-harvest storage infrastructure, and other infrastructure bottlenecks; (b) providing climate-informed Financing Mechanisms to enterprises; and (c) strengthening producers' linkages to markets and aggregation arrangements.

Part 4: Improving the Enabling Environment for Food Systems Resilience, and Project Management

Supporting the development and operationalization of policies that help scale up climate-smart agriculture and build food system resilience, and supporting Project management including through:

4.1. Support for National Agriculture and Rural Development Policy Reforms and Mainstreaming of Cross-Cutting Issues

- (a) Supporting national agricultural and rural development policy reforms, including by: (i) supporting the design, and piloting of new approaches, and providing technical assistance to take forward new initiatives introduced by the Recipient's agricultural and rural development policy; (ii) supporting the development of more detailed policy actions and instruments by undertaking analytical work to identify detailed policy

actions and formulate or revise regulations and policies; (iii) providing legal support for drafting regulations and policies; and (iv) strengthening oversight mechanisms with a focus on sector-specific monitoring and evaluation systems, by providing technical assistance to improve MOA's management information system and supporting its capacity to monitor and evaluate policies and make strategic use of such system.

- (b) Supporting knowledge and awareness among Project and Recipient staff on topics that are critical to food systems resilience including by supporting the development, update, and quality-control of training materials, brochures and curricula and by supporting experience sharing.

4.2. Project Management, Monitoring, Evaluation and Learning

Supporting Project implementation and management of Project activities and results and supporting the development and implementation of a monitoring, evaluation and learning systems.

Part 5: Contingent Emergency Response

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

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall carry out the Project through the MOA [and with the assistance of regional and other implementing agencies as further detailed in the PIM], and maintain at all times during Project implementation:
 - (a) Steering Committees at the federal, regional, and *woreda* levels with functions, composition, and resources acceptable to the Association, to be responsible for the overall strategic oversight for Project implementation at the respective levels as further detailed in the PIM. The Steering Committee at the federal level shall provide policy guidance for the Project and said committee shall meet at least twice per year to undertake, among other tasks, the review and approval of the draft Annual Work Plan and Budget described in section I.E. of Schedule 2 to this Agreement, approve the annual report, and review of the status of Project implementation progress;
 - (b) Technical Committees at the federal, regional, zonal, and *woreda* levels with functions, composition and resources acceptable to the Association, to be responsible for providing technical support for implementing Project activities at the respective levels as further detailed in the PIM;
 - (c) Project Management Units (“PMUs”) at the federal, regional, and *woreda* levels with functions, composition and resources acceptable to the Association, to be responsible for the coordination of the Project activities at the respective levels as further detailed in the PIM.
2. Prior to expanding the Project to a Region which currently does not have adequate implementation arrangements, the Recipient shall ensure that Steering Committees, Technical Committees, and PMUs are established at regional and *woreda* levels in said Region and thereafter maintained throughout the Project implementation.
3. Prior to disbursing any proceeds out of the Credit and/or Grant under the respective Parts 1 and 3 of the Project for the new established regional states and/or new Woredas, the Project, the Recipient shall ensure that: (a) each newly established regional state has hired, and thereafter maintain throughout the Project implementation, one environmental specialists and one social specialists; and (b) each new Woreda has officially assigned, and thereafter maintain throughout

the Project implementation, an environmental and social focal point, all in a manner satisfactory to the Association.

B. Project Implementation Manual

1. The Recipient shall prepare, in accordance with terms acceptable to the Association and furnish to the Association for prior review, a manual (“Project Implementation Manual” or “PIM”), containing detailed Project arrangements and procedures for: (i) institutional administration, coordination and day-to-day implementation of the Project; (ii) monitoring, evaluation, reporting and communication; (iii) arrangements on administration, financial management, and accounting, setting forth the detailed policies and procedures for financial management under the Project; (iv) procurement management procedures, including a manual to guide procurement at the Federal, regional and local levels as well as applicable procedures on recruitment and/or use of contracted entities or firms, with the required expertise, mobilization capacity, and geographical access to engage in Woredas of high-risk of ongoing conflict; (v) grievance redress; and (vi) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for purposes of implementation of the Project.
2. Except as the Association shall otherwise agree in writing, the Recipient shall not amend, waive or otherwise modify the Project Implementation Manual, or any provision thereof if, in the opinion of the Association, such amendment, waiver or other modification may materially and adversely affect the implementation of the Project.
3. In the event of any inconsistency between this Agreement and the PIM, the provisions of this Agreement shall prevail.

C. Third Party Implementation Agency

For the purpose of implementing Project activities in high risk of ongoing conflict areas, the Recipient, through the MOA, shall enter into and thereafter maintain, throughout implementation of the Project, an agreement with an United Nations agency, under terms and conditions approved by the Association,

D. Financing Mechanisms

1. The Recipient shall provide Financing Mechanisms under Parts 3.A.2 and 3.A.4 and equivalent subparts of Part 3.B. of the Project to selected beneficiaries in accordance with eligibility criteria and procedures set forth in the Financing Mechanisms Manual to be adopted and thereafter maintain in a manner acceptable to the Association.

2. The Recipient shall establish each Financing Mechanism under an agreement with the respective selected beneficiary on terms and conditions approved by the Association, which shall include the following:
 - (a) the Financing Mechanism shall be provided in accordance with the financial conditions set forth in the Financing Mechanisms Manual;
 - (b) the Recipient shall obtain rights adequate to protect its interests and those of the Association, including the right to require each selected beneficiary to:
 - (i) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, and managerial practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient;
 - (ii) provide, promptly as needed, the resources required for the purpose of its Sub-project;
 - (iii) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives;
 - (iv) (A) 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 Sub-project; and (B) 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;
 - (v) enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; and
 - (vi) 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 under each 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 in writing, the Recipient shall not assign, amend, abrogate, or waive any agreement related to the Financing Mechanisms or any of its provisions.

E. Annual Work Plan and Budget

1. The Recipient shall, not later than thirty (30) days after the Effective Date, (and thereafter by June 15th of each subsequent Fiscal Year) prepare and furnish to the Association, a work plan and budget containing all activities proposed for implementation in the following calendar year including: (a) a detailed timetable for the sequencing and implementation of said activities; (b) the types of expenditures required for such activities, including a proposed financing plan; and (c) a budget establishing the proposed amounts and sources of financing.
2. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on such proposed work plan and budget by providing a draft annual work plan and budget not later than May 15th of each Fiscal Year and thereafter ensure that the Project is implemented with due diligence in accordance with such work plan and budget as shall have been approved by the Association (“Annual Work Plan and Budget”).
3. The Annual Work Plan and Budget shall ensure equitable allocation of funds to all regional states participating in the Project based on identified conflict impacts, including damages to public infrastructure and services as well as the hosting of internally displaced people.
4. The Recipient shall not make or allow to be made any change to the approved Annual Work Plan and Budget without prior approval in writing by the Association.

F. 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, and 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.

G. 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 (“CER 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 of an 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 CER Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CER Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
 - (d) neither the CER 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 CER Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to the 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 CER 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 Contingent Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

Section II. Project Monitoring, Reporting and Evaluation

The Recipient shall furnish to the Association each Project Report not later than sixty (60) days after the end of each calendar quarter, covering the calendar quarter.

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)	Amount of the Grant Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training under Parts 1, 2, 3 (except for the Financing Mechanisms under Parts 3.2 and 3.4.) and 4 of the Project	269,200,000	134,600,000	100%

(2) Financing Mechanisms under Parts 3.2 and 3.4 of the Project	28,400,000	14,200,000	100%
(3) Emergency Expenditures under Part 5 of the Project	0	0	100%
TOTAL AMOUNT	297,600,000	148,800,000	

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;
 - (b) under Category (2) unless and until the Recipient has adopted the Financing Mechanisms Manual in a manner satisfactory to the Association; and
 - (c) for Emergency Expenditures under Category (3) 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 (3); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CER Manual and Emergency Action Plan, in form and substance acceptable to the Association.
2. The Closing Date is June 29, 2029.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage) *
On each April 1 and October 1, commencing October 1, 2028, to and including August 1, 2060	1.5625%

* 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. “Annual Work Plan and Budget” or “AWPB” means the annual work plan and budget to be prepared by the Recipient including a program of activities and budget proposed for inclusion for the Project during the following fiscal year, as described in Section I.E of Schedule 2 to this Agreement.
3. “ATVET” means Agricultural Technical Vocational Education and Training colleges system.
4. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
5. “CER Manual” means the manual referred to in Section I.G. of Schedule 2 to this Agreement, as such manual may be updated from time to time with the agreement of the Association, and which is an integral part of the Project Implementation Manual.
6. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 5 of the Project to respond to an Eligible Crisis or Emergency.
7. “Co-financier” means, for purposes of paragraph 13 of the Appendix to the General Conditions, the Association acting as administrator of the [Food Systems Resilience Program] Multi-Donor Trust Fund.
8. “Co-financing” means, for purposes of paragraph 14 of the Appendix to the General Conditions, an amount to be provided by the Co-financier to assist in financing the Project.
9. “Co-financing Agreement” means the agreement to be entered into between the Recipient and the Co-financier providing for the Co-financing.
10. “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.

11. “Emergency Expenditures” means any of the eligible expenditures set forth in the CER Manual referred to in Section I.G. of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
12. “Emergency Action Plan” means the plan referred to in Section I.G. 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.
13. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated May 16, 2022, 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.
14. “Environmental and Social Instruments” means the environmental and social instruments to be adopted and complied with by the Recipient in accordance with the Environmental and Social Commitment Plan, as the same may be amended from time to time in accordance with the provisions thereof.
15. “Environmental and Social Standards” or “ESSs” means, collectively:
(i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan 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.
16. “Fiscal Year” or “FY” means the fiscal year of the Recipient commencing on July 8th and ending on July 7th of each year.

17. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020, April 1, 2021, and January 1, 2022).
18. “Financing Mechanisms” means the financing mechanisms to be provided under 3.A.2 and 3.A.4 and equivalent subparts of Part 3.B of the Project subject to compliance of the eligibility criteria set out in the Financing Mechanisms Manual.
19. “Financing Mechanisms Manual” means the manual referred to in Section I.D of Schedule 2 to this Agreement.
20. “Ministry of Finance” means the Recipient’s ministry responsible for finance, or any successor thereto.
21. “Ministry of Agriculture” or “MOA” means the Recipient’s ministry responsible for agriculture, or any successor thereto.
22. “MPA Program” means the multiphase programmatic approach program designed to increase the resilience of food system and preparedness for food insecurity in participating countries.
23. “Operating Costs” means the reasonable incremental expenditures incurred by the Recipient and agreed to by the Association in the Annual Work Plan and Budget which are directly associated with implementation of the Project.
24. “PMU” means the Project Management Units referred to in Section I.A.1.(c) of Schedule 2 to this Agreement.
25. “Procurement Regulations” means, for purposes of paragraph 85 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
26. “Project Implementation Manual” or “PIM” means the manual described in Section I.B. of Schedule 2 to this Agreement, satisfactory to the Association and adopted by the Recipient for the purposes of the Project, as such manual may be revised from time to time with prior written consent of the Association.
27. “Region” means one of the national regional states of the Recipient established under the Recipient’s Federal Constitution of 1995; and the term “Regions” means the plural thereof.
28. “Resettlement Framework” means the resettlement framework set forth in the ESCP.

29. “Security Risk Assessment and Security Management Plan” means the security risk assessment and the security management plan set forth in the ESCP.
30. “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.
31. “Stakeholder Engagement Plan” means the stakeholder engagement plan set forth in the ESCP.
32. “Steering Committees” means the committees referred to in Section I.A.1(a) of Schedule 2 to this Agreement.
33. “Sub-project” means the list of activities to be financed out of the Financing Mechanisms under 3.A.2 and 3.A.4 and equivalent subparts of Part 3.B of the Project.
34. “Technical Committees” means the committees referred to in Section I.A.1(b) of Schedule 2 to this Agreement.
35. “Training” means the activities provided under the Project, including seminars, workshops, knowledge sharing activities and study tours, and covers the following costs associated with such activity (other than those for consultants’ services) travel and subsistence expenditures and other travel-related allowances for training participants such as *per diems* and reasonable accommodation costs, costs associated with securing the services of trainers, rental of training facilities, preparation and reproduction of training materials, and other costs directly related to training preparation and implementation, all based on Annual Work Plan and Budget acceptable to the Association.
36. “Woreda” means one of the tiers of government in the Recipient’s administrative system, as established pursuant to the relevant regional legislation; and “Woredas” means more than one Woreda.

Gregoria Dawson-Amaah