
**CREDIT NUMBER 7110-SB
GRANT NUMBER E034-SB**

Financing Agreement

(Second Solomon Islands Roads and Aviation Project)

between

SOLOMON ISLANDS

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

CREDIT NUMBER 7110-SB
GRANT NUMBER E034-SB

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between SOLOMON ISLANDS (“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 fifteen million and five hundred and seventy thousand Special Drawing Rights (SDR 15,570,000) (“Grant”); and
 - (b) an amount equivalent to forty-eight million and nine hundred and seventy thousand Special Drawing Rights (SDR 48,970,000) (“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 The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.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 objective of the Project. To this end, the Recipient shall: (a) carry out Parts 1, 3(a)(ii), 3(a)(iii), 3(a)(vii) and 3(b) of the Project through the Ministry of Communication and Aviation (MCA); (b) carry out Parts 2, 3(a)(iv), 3(a)(v) and 3(a)(vi) of the Project through the Ministry of Infrastructure Development (MID); and (c) carry out Parts 3(a)(i) and 4 of the Project through the Ministry of Communication and Aviation and Ministry of Infrastructure Development, all in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.02. 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 years after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its minister at the time responsible for finance and treasury.
- 5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient's address is:

Ministry of Finance and Treasury
P.O. Box 26
Honiara,
Solomon Islands; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
677-27855	hkuma@mof.gov.sb

5.03. For purposes of Section 11.01 of the General Conditions: (a) The Association's address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Association's Electronic Address is:

Telex:	Facsimile:	E-mail:
248423 (MCI)	1-202-477-6391	cdpngpacific@worldbank.org

AGREED as of the Signature Date.

SOLOMON ISLANDS

By



Authorized Representative

Name: Harry Kuma

Title: Minister of Finance and Treasury

19-Jun-2022
Date: _____

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Stephen N. Ndegwa

Title: Country Director, PNG & Pacific Islands

09-Jun-2022
Date: _____

SCHEDULE 1

Project Description

The objective of the Project is to improve the climate resilience and safety of the Recipient's road and aviation sectors, and in case of an Eligible Crisis or Emergency, respond promptly and effectively to it.

The Project consists of the following parts:

Part 1: Climate Resilience and Safety Investments in the Aviation Sector

- (a) Improving operational safety and overall climate resilience of infrastructure at Honiara Airport, including: (i) overlay of the existing asphalt paved runway, and installation of energy-efficient airfield ground lighting, precision approach path indicators, and simple approach lighting; (ii) designing and constructing a rescue fire service vehicle station; (iii) installing an automatic weather observation station; (iv) purchasing and installing standby generators to support aeronautical operations; (v) designing and constructing an air traffic control tower; (vi) constructing a new aviation complex building; (vii) purchasing and installing crash alarms; (viii) replacing selected sections of the perimeter fence; and (ix) provision of essential ground equipment to support the operation of the Honiara Airport.
- (b) Carrying out of activities designed to improve operational safety and overall climate resilience of infrastructure at Munda Airport, including: (i) designing and constructing an air traffic control tower; (ii) constructing a car parking facility; and (iii) purchasing and installing crash alarms.
- (c) Carrying out selected activities to improve operational safety and overall climate resilience of infrastructure at Santa Cruz Airfield, including, *inter alia*, drainage improvements, seawall and base course construction, and sealing of the runway, taxiway, and apron.
- (d) Carrying out of activities designed to improve air traffic safety and climate resilience of air traffic navigation within Makira-Ulawa and Temotu Provinces, including: (i) purchasing and installing surveillance broadcast stations; (ii) purchasing and installing communications systems; and (iii) providing alternative energy sources to support the operation of such surveillance broadcast stations and communications systems.
- (e) Implementing critical mechanical and electrical asset maintenance at Honiara Airport and Munda Airport to improve its safety and climate resilience, through a multi-year Performance-Based Contract.

Part 2: Climate Resilience and Safety Investments in the Road Sector

- (a) Replacing the Kolofe1 and Kolofe2 Bridges on the North Road, and Su'u Harbor and Bira Bridges on the South Road.
- (b) Carrying out of activities designed to enhance the resilience and connectivity of Noro Roads, including: (i) sealing 4.4 kilometers of selected gravel sections of Noro Roads; (ii) resealing 5.5 kilometers of selected sealed sections of Noro Roads; and (iii) selected works for pothole/edge repairs, surfacing raising, base and subbase courses correction, crossfall correction, culvert/drainage improvements, and road safety improvements.

Part 3: Institutional Strengthening and Project Management

- (a) Providing technical assistance to strengthen the Recipient's capabilities in the areas of aviation planning, climate resilience transport, and road safety, including: (i) providing technical support for the design and supervision of building and civil works under Parts 1(a), 1(b), 1(c) and 2 of the Project; (ii) preparing a national airports development plan; (iii) providing technical support and building the capacity of MCA and Solomon Airlines Limited to improve aviation safety and security; (iv) improving climate resilient road asset management through enhancing the existing asset management system, expanding the road network criticality and vulnerability assessments, and developing a sustainable transport financing strategy; (v) carrying out road safety audits for Noro Roads to be improved under Part 2(b) of the Project, through technical assistance and Training to MID staff to carry out said audits; (vi) provision of technical assistance and Training to establish a road safety committee and unit within MID to enhance roads safety capacity improvement; and (vii) carrying out of GBV Training and other related awareness activities to address MCA gender gap.
- (b) Providing technical, operational, and administrative support to strengthen the Recipient's capacity for Project implementation, including, *inter alia*, providing capacity building and technical support for the Project Support Team.

Part 4: Contingent Emergency Response

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

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

National Steering Committee

1. To ensure proper oversight of the Project at the national level, the Recipient shall maintain throughout Project implementation, the National Steering Committee, with a mandate, composition and resources satisfactory to the Association, which shall be: (a) responsible for, *inter alia*, providing Project oversight, approving Annual Work Plans and Budgets, and advising on Project related matters; and (b) comprised of, *inter alia*: (i) the Permanent Secretary of the Ministry of Finance and Treasury (or his or her designee); (ii) the Permanent Secretary of the Ministry of Infrastructure Development (or his or her designee); (iii) the Permanent Secretary of the Ministry of Communication and Aviation (or his or her designee); (iv) the Provincial Secretary of Malaita Province (or his or her designee); (v) the Provincial Secretary of Western Province (or his or her designee); (vi) the Provincial Secretary of Temotu Province (or his or her designee); and (vii) the Deputy Secretary – Technical of the Ministry of Infrastructure Development (or his or her designee).

Project Support Team

2. The Recipient shall maintain throughout Project implementation, the Project Support Team within the Ministry of Communication and Aviation, with a mandate, composition and resources satisfactory to the Association, which shall: (a) be responsible for, *inter alia*, day to day implementation of the Project including contract management, procurement, financial management, preparing and/or consolidating Annual Work Plans and Budgets, technical aspects, environmental and social risks management, monitoring, reporting, and evaluation; (b) report to the focal point within the Ministry of Communication and Aviation and the focal point within the Ministry of Infrastructure Development; and (c) be comprised of, *inter alia*: (i) a project manager; (ii) a deputy project manager; (iii) a national safeguards officer; (iv) a community liaison officer; (v) a Project accountant; (vi) a procurement specialist; (vii) an administrative assistant; and (viii) a finance manager.

Ministry of Communication and Aviation

3. The Recipient shall maintain, throughout Project implementation, a focal point within the Ministry of Communication and Aviation, with terms of reference,

qualifications and experience satisfactory to the Association, who shall be responsible for, *inter alia*, day-to-day implementation, reporting and monitoring and evaluation of the Ministry of Communication and Aviation's Respective Part of the Project.

Ministry of Infrastructure Development

4. The Recipient shall maintain, throughout Project implementation, a focal point within the Ministry of Infrastructure Development, with terms of reference, qualifications and experience satisfactory to the Association, who shall be responsible for, *inter alia*, day-to-day implementation, reporting and monitoring and evaluation of the Ministry of Infrastructure Development's Respective Part of the Project.

B. Performance-Based Contract

1. In order to carry out Part 1(e) of the Project, the Recipient shall enter into a Performance-Based Contract, with a private sector contractor selected on the basis of terms of reference, qualifications and experience satisfactory to the Association, in accordance with the provisions included or referred to in this Agreement ("PBC Contractor"), under terms and conditions acceptable to the Association.
2. The Recipient shall carry out its obligations and exercise its rights under the Performance-Based Contract in such a 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, terminate, waive or fail to enforce any provision of the Performance-Based Contract.

C. Project Operations Manual

3. By not later than three (3) months after the Effective Date (or such other date which the Association has confirmed in writing to the Recipient is reasonable and acceptable under the circumstances, as determined by the Association in its sole discretion), the Recipient shall:
 - (a) prepare and furnish to the Association, for its review and no-objection, a Project operations manual, which shall set forth, *inter alia*, the following detailed arrangements and procedures for the implementation of the Project: (i) the institutional arrangements for day-to-day execution of the Project; (ii) the arrangements for the implementation of the environmental and social instruments; (iii) budgeting, disbursement, and financial management arrangements; (iv) procurement arrangements; (v) Project monitoring, reporting, and evaluation arrangements; (vi) technical coordination for regional airport asset maintenance contracts, including

the Performance-Based Contract; and (vii) any other administrative, financial, technical and organizational arrangements and procedures as shall be necessary for the implementation of the Project and the achievement of its development objective (“Project Operations Manual”);

- (b) afford the Association a reasonable opportunity to review the proposed Project Operations Manual; and
- (c) adopt the Project Operations Manual as accepted by the Association, and thereafter ensure that the Project is carried out in accordance with the Project Operations Manual.

D. Annual Work Plans and Budgets

1. The Recipient shall prepare and furnish to the Association, not later than November 30 of each year during the implementation of the Project (or such later interval or date as the Association may agree), an Annual Work Plan and Budget containing all eligible Project activities and expenditures proposed to be included in the Project for the following fiscal year of the Recipient, including a specification of the source or sources of financing for all eligible expenditures, and environmental and social safeguard measures taken or planned to be taken in accordance with the provisions of Section I.E of this Schedule 2.
2. The Recipient shall ensure that the Project is implemented in accordance with the Annual Work Plans and Budgets approved by the Association for the respective fiscal year; provided, however, that in case 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 not make or allow any changes to be made to the Annual Work Plans and Budgets without prior written approval by the Association.

E. Environmental and Social Standards

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

- (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Association shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
- 3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 4. The Recipient shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Association through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Association, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Association, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Association is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Association.
- 6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, 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.

F. 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 Association, which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any structures or institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Financing amounts to finance Emergency Expenditures; (vi) a description of the environmental and social assessment and management arrangements for the Contingent Emergency Response Part; and (vii) a template Emergency Action Plan;
 - (b) the Emergency Action Plan is prepared and adopted in form and substance acceptable to the Association;
 - (c) the Emergency Response Part is carried out in accordance with the CERC Manual and the Emergency Action Plan; provided, however, that in the event of any inconsistency between the provisions of the CERC Manual or the Emergency Action Plan and this Agreement, the provisions of this Agreement shall prevail; and
 - (d) neither the CERC Manual or the Emergency Action Plan is amended, suspended, abrogated, repealed or waived without the prior written approval by the Association.
2. The Recipient shall ensure that the structures and arrangements referred to in the CERC Manual are maintained throughout the implementation of the Contingent Emergency Response Part, with adequate staff and resources satisfactory to Association.

3. The Recipient shall ensure that:
 - (a) the environmental and social instruments required for the Contingent Emergency Response Part are prepared, disclosed and adopted in accordance with the CERC Manual and the ESCP, and in form and substance acceptable to the Association; and
 - (b) the Contingent Emergency Response Part is carried out in accordance with the environmental and social instruments in a manner acceptable to the Association.
4. Activities under the Contingency Emergency Response Part shall be undertaken only after an Eligible Crisis or Emergency has occurred.

Section II. Project Monitoring, Reporting and Evaluation

Project Reports

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

Mid-Term Review

2. The Recipient shall carry out, jointly with the Association, not later than three (3) years after the Effective Date, or such other period as may be agreed with the Association, a mid-term review of the Project (the "Mid-Term Review") to assess the status of Project implementation, as measured against the Project indicators acceptable to the Association, and compliance with the legal covenants included or referred to in this Agreement. Such review shall include an assessment of the following: (a) overall progress in implementation; (b) results of monitoring and evaluation activities; (c) progress on procurement and disbursement; (d) progress on implementation of safeguards measures; (e) implementation arrangements and Project staff turnover; and (f) the need to make any adjustments to the Project to improve performance. To this end, the Recipient shall:
 - (i) prepare and furnish to the Association, at least one (1) month before the date of the Mid-Term Review, a report, in scope and detail satisfactory to the Association and integrating the results of the monitoring and evaluation activities performed pursuant to Section II.1 of this Schedule 2 and the General Conditions, on the progress achieved in the carrying out of the Project during the period preceding the date of such report and

setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof; and

- (ii) review, jointly with the Association, the report referred to in the preceding paragraph and thereafter take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of such report and the Association's views on the matter.

Section III. Withdrawal of the Proceeds of the Financing

A. General

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

Category	Amount of the Credit Allocated (expressed in SDR)	Amount of the Grant Allocated (Expressed in SDR)	Percentage of Expenditures to be Financed (Inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Training, and Operating Costs for Parts 1, 2, and 3 of the Project	48,970,000	15,570,000	100%
(2) Emergency expenditures under Part 4 of the Project	0	0	100%
TOTAL AMOUNT	48,970,000	15,570,000	

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) for Emergency Expenditures under Category (2), 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 (2); and
 - (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
 - (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.
2. The Closing Date is June 30, 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, 2032, to and including April 1, 2042	1%
commencing October 1, 2042, to and including April 1, 2062	2%

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

APPENDIX

Definitions

1. “Annual Work Plan and Budget” means each annual work plan and budget (including related cash forecasts) for the implementation of the Project approved by the Association, referred to in Section I.D of Schedule 2 to this Agreement; and “Annual Work Plans and Budgets” means, collectively, all such plans and budgets.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 5 of the Appendix to the General Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011 and as of July 1, 2016.
3. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
4. “CERC Manual” means the manual referred to in Section I.F.1.(a) 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 Operations Manual.
5. “Contingent Emergency Response Part” means any activity or activities to be carried out under Part 4 of the Project to respond to an Eligible Crisis or Emergency.
6. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
7. “Emergency Action Plan” means the plan referred to in Section I.F.1.(b), detailing the activities, budget, implementation plan, and monitoring and evaluation arrangements, to respond to the Eligible Crisis or Emergency.
8. “Emergency Expenditures” means any of the eligible expenditures set forth in the CERC Manual referred to in Section I.F.1.(a) of Schedule 2 to this Agreement and required for the Contingent Emergency Response Part.
9. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated April 26, 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.

10. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; and (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
11. “GBV Plan” means the Recipient’s gender-based violence, violence against children and trafficking strategy and action plan.
12. “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).
13. “Honiara Airport” means the Honiara International Airport, formerly known as Henderson Field, located on Guadalcanal Island within the Recipient’s territory.
14. “Mid-Term Review” means the review of the Project described in Section II.2 of Schedule 2 to this Agreement.
15. “Ministry of Communication and Aviation” means the Recipient’s Ministry of Communication and Aviation, or any successor thereto.
16. “Ministry of Communication and Aviation’s Respective Part of the Project” means, collectively, Parts 1, 3(a)(i), 3(a)(ii), 3(a)(iii), 3(a)(vii), 3(b) and 4 of the Project, to be carried out by the Ministry of Communication and Aviation.
17. “Ministry of Finance and Treasury” means the Recipient’s Ministry of Finance and Treasury, or any successor thereto.
18. “Ministry of Infrastructure Development” means the Recipient’s Ministry of Infrastructure Development, or any successor thereto.

19. “Ministry of Infrastructure Development’s Respective Part of the Project” means, collectively, Parts 2, 3(a)(i), 3(a)(iv), 3(a)(v), 3(a)(vi) and 4 of the Project, to be carried out by the Ministry of Infrastructure Development.
20. “Munda Airport” means the airport located in Munda on New Georgia Island within the Recipient’s territory.
21. “National Steering Committee” means the committee established under the Solomon Islands Roads and Aviation Project, referred to in Section I.A.1 of Schedule 2 to this Agreement.
22. "Noro Roads" means the existing road network in Noro in Western Province within the Recipient’s territory.
23. "North Road" means the existing main road between Auki and Fouia in Malaita Province within the Recipient’s territory.
24. “Operating Costs” means incremental expenses incurred by the Recipient on account of the implementation, management, and monitoring and evaluation of the Project, based on the Annual Work Plans and Budgets approved *ex ante* by the Association, including rental of office space, bank charges, communications, advertising, utilities, stationery, vehicle operation, maintenance, and insurance, transportation costs, and accommodations and allowances of the Recipient’s staff, but excluding salaries, fees, honoraria, bonuses, and any other salary supplements of the Recipient’s civil servants.
25. “PBC Contractor” shall have the meaning ascribed to it in Section I.B.1 of Schedule 2 to this Agreement.
26. “Performance-Based Contract” means a multi-year contract between the Recipient and a PBC Contractor, referred to Section I.B.1 of Schedule 2 to this Agreement, setting forth, inter alia, the PBC Contractor’s responsibilities in carrying out activities under Part 1(e) of the Project; and “Performance-Based Contracts” means all such contracts.
27. “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.
28. “Project Operations Manual” means the Recipient’s manual, referred to in Section I.C of Schedule 2 to this Agreement, in form and substance satisfactory to the Association, to be adopted by the Recipient in accordance with the provisions of the said section; as said manual may be modified from time to time with the prior written agreement of the Association, and such term includes any schedules or annexes to the manual.

29. “Project Support Team” means the team referred to in Section I.A.2 of Schedule 2 to this Agreement.
30. “Santa Cruz Airfield” means the airfield located in Lata on Nendo Island of Santa Cruz Islands within the Recipient’s territory.
31. “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.
32. “Solomon Airlines Limited” means the Recipient’s state-owned enterprise incorporated under the Recipient’s *Companies Act (Cap. 175)* on March 15, 1968 and re-registered under the Recipient’s *Companies Act 2009* on March 15, 2011.
33. “South Road” means the existing main road between Auki and Huahui in Malaita Province within the Recipient’s territory.
34. “Training” means the reasonable costs of training under the Project, based on the Annual Work Plans and Budgets approved *ex-ante* by the Association, and attributable to seminars, workshops, and study tours, along with domestic and international travel and subsistence allowances for training participants, services of trainers, rental of training facilities, preparation and reproduction of training materials, and other activities directly related to course preparation and implementation.