
GRANT NUMBER E012-ET

Financing Agreement

(Horn of Africa - Groundwater for Resilience Project)

between

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

GRANT NUMBER E012-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, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to one hundred and fifty million six hundred thousand Special Drawing Rights (SDR 150,600,000) (“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 March 15 and September 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 and the MPA Program. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Additional Condition of Effectiveness consists of the following, namely, that the Recipient has prepared and adopted the Project Operations Manual, in accordance with the provisions of Section I.B.1 of Schedule 2 to this Agreement.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE V— REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is its minister responsible for finance.
- 5.02. For purposes of Section 11.01 of the General Conditions:

- (a) the Recipient's address is:

Ministry of Finance
P. O. Box 1905
Addis Ababa
Federal Democratic Republic of Ethiopia; and

Cable: Telex:
MINFIN 21147

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

Facsimile number: (251-111) 551355.

- 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: Cable:
248423 (MCI) 1-202-477-6391 INDEVAS (Washington, D.C)

AGREED as of the Signature Date.

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By



Authorized Representative

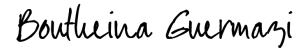
Name: _____
H.E. Ato Ahmed Shide

Title: _____
Minister of Finance Ethiopia

Date: _____
16-Jun-2022

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: _____
Boutheina Guerhazi

Title: _____
Director, Regional Integration

Date: _____
15-Jun-2022

SCHEDULE 1

Project Description

The objective of the Project is to increase the sustainable access and management of groundwater in the Horn of Africa's borderlands.

The Project constitutes a phase of the MPA Program and consists of the following parts:

Part 1: Groundwater potential assessment and infrastructure development for inclusive community-level use

- 1.1 (a) Carrying out of groundwater potential assessment in prioritized areas, including borderland sites; (b) design and implementation of managed aquifer recharge (MAR) in the Dire Dawa plain; and (c) development and management of monitoring wells that will feed into Project's targeted water supply and irrigation subproject sites.
- 1.2 (a) Carrying out a program of activities to develop groundwater-based rural water supply infrastructure/system to increase rural and pastoral access to water supply services, such a program to include such activities as: (i) development of groundwater sources; (ii) carrying out of feasibility studies and engineering designs; and (iii) construction or rehabilitation of small and medium scale multi-village water supply schemes for community and livestock demand, including water distribution to public water taps.
- 1.2 (b) Carrying out a program of activities to enhance water service delivery management capacity and sustainability of rural water supply systems including: (i) strengthening community level rural water supply systems management through: (A) supporting the establishment of WASHCOMs and training of their members; (B) enabling WASHCOMs to design and implement an effective fee collection system to cover operation and maintenance costs; (C) facilitating opening of WASHCOM bank accounts and strengthening of bookkeeping practices; (D) building technical capacity of WASHCOMs to operate and maintain the water schemes; (E) facilitating legalization of the WASHCOMS; and (F) facilitating the increase women share of leadership positions in WASHCOMs; and (ii) establishment, strengthening, and maintenance of the water quality monitoring systems in Project Woredas.
- 1.3 Carrying out a program of activities to enhance utilization groundwater for small scale irrigation through: (a) development of groundwater sources; (b) carrying out of feasibility studies and engineering designs; and

(c) construction or rehabilitation of small-scale groundwater-based irrigation infrastructures; (d) Introduction of the concept of farmer-led irrigation development (FLID) and implementation a set of FLID activities.

Part 2: Strengthening groundwater institutions and information

- 2.1. Strengthening institutional capacity for groundwater management through: (a) development of a groundwater strategy in line with the national policy; (b) establishment of a groundwater management and regulation framework; and (c) building institutional capacity through the design and implementation of training programs for groundwater resources exploration, management, and planning.
- 2.2 Carrying out a program of activities to enhance groundwater information and monitoring systems including through: (a) development of supportive tools for groundwater information access, monitoring and use; (b) collection, collation, analysis and dissemination of groundwater data and information; (c) preparation of a region-aligned national groundwater risk mitigation assessment, with focus on climate resilience, and supporting transboundary collaboration and dialogue on groundwater resource management through regional platforms/forums.

Part 3: Project management, knowledge, and operational support

Provision of support for Project management, including financing of Operating Costs, Training, and costs associated with implementation, financial management, procurement, environmental and social risks management, communications and knowledge management.

Part 4: Contingency Emergency Response Component

Providing preparedness and rapid response measures to address disaster, emergency and/or catastrophic events in Ethiopia, in accordance with the applicable Contingency Emergency Response Manual.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Recipient shall carry out the Project through the Ministry of Water and Energy which will have overall responsibility for Project coordination and implementation including financial management, reporting, and auditing and withdrawal of Financing proceeds.
2. National Groundwater Management Steering Committee. The Recipient shall establish and thereafter maintain, throughout the implementation of the Project, a National Groundwater Management Steering Committee to be chaired by minister for Ministry of Water and Energy (or any official delegated by the minister), with composition, mandate, powers and resources acceptable to the Association. The Committee shall be responsible for, *inter alia*: (a) providing strategic and policy guidance for Project implementation; (b) approving Annual Workplans and Budgets and reviewing Project progress reports; and (c) resolving any Project coordination and implementation bottlenecks that may arise.
3. Project Management and Coordination Unit (PMCU). The Recipient shall establish and thereafter maintain, throughout the implementation of the Project, the Project Management and Coordination Unit in the Ministry of Water and Energy with terms of reference, staffing (including coordinator, a procurement specialist, a financial management specialist, monitoring and evaluation specialist, an environmental specialist, a social safeguards specialist, a gender-based violence specialist, and water resource management specialists) and resources acceptable to the Association, to be responsible for overall Project coordination, planning, management (overseeing the day-to-day implementation and management of Parts 1.1 and 2 of the Project), communication and monitoring and reporting (including serving as the secretariat to the National Groundwater Management Steering Committee).
4. Project Implementation Teams. The Recipient shall establish and thereafter maintain, throughout the implementation of the Project, Project Implementation Teams at each of the Ministry of Water and Energy and the Ministry of Irrigation and Lowlands with terms of reference, staffing and resources acceptable to the Association, to be responsible for overseeing the day-to-day implementation and management of, respectively, Parts 1.2 and 1.3 of the Project.
5. The Recipient shall ensure that adequate implementation arrangements, satisfactory to the Association, have been established and thereafter maintained at

all times during the Project implementation at regional, Woreda, Kebele and community levels (including the WASH Committees), as such implementation arrangements shall be further detailed in the Project Operations Manual.

B. Project Operations Manual and Contingency Emergency Response Manual.

1. The Recipient shall:
 - (a) prepare an operations manual, in form and substance satisfactory to the Association, containing detailed rules, methods, guidelines, arrangements and procedures for implementation of the Project including *inter alia*: (i) implementation arrangements; (ii) disbursement arrangements, reporting requirements, financial management procedures and audit procedures; (iii) the procurement procedures, standard procurement documentation, contracts administration and management procedures; (iv) measures to mitigate fraud and corruption as well as other integrity and fiduciary risks; (v) environmental and social risk management arrangements; (vi) procedures for preparing and reviewing a consolidated annual work plan and budget for each Fiscal Year; (vii) monitoring and evaluation arrangements, reporting and communication; (viii) arrangements to address community health, safety and security risks and impacts; (ix) measures to facilitate sharing of groundwater information and data among Recipient's ministries, departments and agencies (as well across borders with IGAD and other IGAD Member States); and (x) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project;
 - (b) (i) furnish to and exchange views with the Association on such manual promptly upon its preparation; (ii) thereafter adopt such manual as shall have been approved by the Association ("Project Operations Manual"); and (iii) thereafter implement the Project in accordance with the Project Operations Manual; and
 - (c) not amend, suspend, abrogate, repeal or waive any provisions of the Project Operations Manual without the prior written agreement of the Association.
2. In the event of any conflict between the provisions of: (a) the Project Operations Manual; and (b) those of this Agreement, the provisions of this Agreement shall prevail.
3. In order to ensure the proper implementation of Part 4 of the Project ("Contingency Emergency Response Component" or "CERC"), the Recipient shall:

- (a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the CERC, including: (i) designation of, terms of reference for and resources to be allocated to the entity to be responsible for coordinating and implementing the CERC (“Coordinating Agency”); (ii) specific activities which may be included in the CERC, eligible expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the CERC; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CERC; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social risks management frameworks for the CERC, consistent with the Association policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CERC;
 - (b) afford the Association a reasonable opportunity to review said proposed operations manual;
 - (c) promptly adopt such operations manual for the CERC as shall have been approved by the Association (“Contingency Emergency Response Manual”);
 - (d) ensure that Part 4 of the Project is carried out in accordance with the Contingency Emergency Response Manual; and
 - (e) not amend, suspend, abrogate, repeal or waive any provision of the Contingency Emergency Response Manual without prior written approval by the Association.
4. In the event of any conflict between the provisions of: (a) the Contingency Emergency Response Manual; and (b) those of this Agreement, the latter shall prevail.

C. Selection of Beneficiaries.

For purposes of implementing Part 1 of the Project, the Recipient shall select the Woredas and Kebeles (for implementation of Project activities) in accordance with criteria and procedures, and on terms and conditions, all set out in the Project Operations Manual.

D. Annual Work Plan and Budgets.

1. The Recipient shall prepare and furnish to the Association not later than May 31 of each Fiscal Year during the implementation of the Project (beginning in calendar year 2023), a consolidated work plan and budget containing *inter alia*: (a) all activities proposed to be implemented under the Project during the following

Fiscal Year; (b) a proposed financing plan for expenditures required for such activities; and (c) the training plan for such period.

2. The Recipient shall ensure that in preparing any training plan proposed for inclusion in an annual work plan and budget it shall identify in the training plan: (a) the objective and content of the Training envisaged; (b) the selection method of the institutions or individuals conducting such Training, and said institutions if already known; (c) the expected duration and an estimate of the cost of said Training; and (d) the selection method of the personnel who will attend the Training, and number and names of such personnel if already known.
3. The Recipient shall afford the Association a reasonable opportunity to exchange views with the Recipient on each such proposed annual work plan and budget and shall thereafter ensure that the Project is implemented with due diligence during said following Fiscal Year in accordance with such work plan and budget as shall have been approved by the Association (“Annual Work Plan and Budget”).
4. The Recipient shall not make or allow to be made any changes to the approved Annual Work Plan and Budget without prior approval in writing by the Association.
5. Without limitation on the provisions of Part D of this Section, the Recipient shall prepare and furnish to the Association the first proposed Annual Work Plan and Budget required under the Project not later than two (2) months after the Effective Date.

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. Third Party Monitoring.

The Recipient shall collaborate with, and facilitate in its territory the work of, the thirdparty monitoring consultant retained by IGAD under the terms of reference (agreed by Participating IGAD Member States and) satisfactory to the Association.

Section II. Project Monitoring, Reporting and Evaluation

A. 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. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Association, in sharing any information, report or document related to the activities described in Schedule 1 of this Agreement, the Recipient shall ensure that such information, report or document does not include Personal Data.

B. Mid-term review

1. No later than thirty-six (36) months after the Effective Date, the Recipient shall, in conjunction with the Association, carry out a mid-term review of the Project (the “Mid-term Review”), covering the progress achieved in the implementation of the Project.
2. For the purpose of facilitating mid-term review, the Recipient shall prepare, under terms of reference satisfactory to the Association and furnish to the Association not less than three (3) months prior to the beginning of the Mid-term Review, a report integrating the results of the Project’s monitoring and evaluation activities, 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 objective of the Project during the period following such date.
3. Following the Mid-term Review, the Recipient shall act promptly and diligently in order to take, or cause to be taken, measures recommended to ensure the efficient completion of the Project and the achievement of the objective as well as any corrective action deemed necessary by the Association to remedy any shortcoming noted in the carrying out of the Project in furtherance of the objective of the Project.

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 Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, Training, non-consulting services and consulting services for Part 1 of the Project	137,690,000	100%
(2) Goods, works, Training, non-consulting services and consulting services for Part 2 of the Project	5,740,000	100%
(3) Goods, Operating Costs, Training, non-consulting services and consulting services for Part 3 of the project	7,170,000	100%
(4) Emergency Expenditures under Part 4 of the Project	0	100%
TOTAL AMOUNT	150,600,000	

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 (1) until; (i) the Recipient has established the Project's organizational structures referred to in Sections I.A.2, I.A.3 and I.A.4 of Schedule 2 to this Agreement; (ii) the Recipient has established procurement sections, each at the Ministry of Irrigation and Lowlands and at the Ministry of Water and Energy to handle procurement management

activities in their respective ministries; (iii) the Recipient has prepared, consulted upon, adopted and publicly disclosed the Labor Management Procedures and the Gender-Based Violence/ Sexual Exploitation, Abuse and Harassment Action Plan; (iv) the Recipient has prepared and adopted the Security Risks Assessment and the Security Management Plan; (v) the Recipient has prepared a Social Assessment; and (vi) the Recipient has established and operationalized the Project's grievance redress mechanism, all of the above in a manner and substance satisfactory to the Association; and

- (c) under Category (4) until: (i) the Recipient's relevant authority has declared a disaster, emergency or catastrophic event; (ii) the Association and the Recipient have agreed in writing to address such disaster, emergency or catastrophic event under Part 4 of the Project and in accordance with the provisions of this Agreement; (iii) the Recipient has ensured that all environmental and social management instruments required for said activities have been prepared and disclosed, and the Recipient has ensured that any actions which are required to be taken under said instruments have been implemented, all in accordance with the applicable provisions of the Contingency Emergency Response Manual; (iv) the Coordinating Agency in charge of coordinating and implementing the CERC has/ have adequate staff and resources, for the purposes of said activities; and (v) the Recipient has adopted an Contingency Emergency Response Manual in accordance with the provisions of Section I.B.3 of Schedule 2 to this Agreement.

2. The Closing Date is December 31, 2028.

Section IV. Other Undertakings

1. No later than thirty (30) days after the Effective Date, the Recipient shall communicate to IGAD: (a) the institutional location for its National Groundwater Center; and (b) the designated members of its National Focal Group.
2. The Recipient shall contribute, throughout the duration of the Project, to the identification of groundwater knowledge and capacity building needs and groundwater guidelines, policy and strategy priorities that could be addressed through the regional activities under the MPA Program implemented by IGAD.

APPENDIX

Definitions

1. “Annual Work Plan and Budget” means the annual work plan and budget referred to in Section I.D.3 of Schedule 2 to this Agreement.
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. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated March 18, 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.
5. “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.
6. “Fiscal Year” means the twelve-month period starting on July 8 and ending on July 7 of the following calendar year.

7. “Gender-Based Violence/ Sexual Exploitation, Abuse and Harassment Action Plan” means a plan to be prepared by the Recipient, in a manner and substance satisfactory to the Association pursuant to the ESCP, and to be disclosed on the Association’s website, containing measures proposed to address risks of gender-based violence/ sexual exploitation and abuse, sexual harassment under the Project.
8. “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).
9. “IGAD Constitutive Agreement” means the agreement establishing the Inter-Governmental Authority on Development of March 21, 1996.
10. “Inter-Governmental Authority on Development” and the acronym “IGAD” mean the regional organization set up through the IGAD Constitutive Agreement.
11. “Kebele” means the lowest tier of government in the Recipient’s administrative system, as established according to the relevant Regional legislation.
12. “Labor Management Procedures” means procedures, satisfactory to the Association to be developed and adopted by the Recipient, setting out the way in which the Project workers will be managed and requiring *inter alia* fair treatment of Project workers and safe and healthy working conditions for such workers.
13. “Ministry of Finance” means the Recipient’s ministry responsible for finance, or its successor thereto.
14. “Ministry of Irrigation and Lowlands” means the Recipient’s ministry responsible for irrigation, or its successor thereto.
15. “Ministry of Water and Energy” means the Recipient’s ministry responsible for water, or its successor thereto.
16. “MPA Program” means the multiphase programmatic approach program designed to increase the sustainable access and management of groundwater in the Horn of Africa’s borderlands.
17. “National Focal Group” means the working group (comprising of among others relevant government’s ministries, departments and agencies at different levels; academic and research institutions; private sector; non-governmental organizations and community-based organizations) convened by the Recipient to serve (and augment) Recipient’s existing groundwater management structures and to provide advisory services to the IGAD platform for groundwater collaboration.

18. “National Groundwater Center” means the center established within an existing institution involved in groundwater research or management in Recipient’s territory, whose objectives include: (a) leading groundwater data collection, compilation, processing and dissemination, including data quality control; (b) participating in joint assessments, planning, and programing of transboundary aquifers; (c) contributing to the development and management of regional groundwater resources.
19. “National Groundwater Management Steering Committee” means the committee referred to in Section I.A.2 of Schedule 2 to this Agreement.
20. “Operating Costs” means the reasonable incremental expenses incurred by the Recipient on account of Project implementation, including costs related to audits, office equipment and supplies, vehicle operation and maintenance, shipping costs, office rentals, communication and insurance costs, office administration costs, bank charges, utilities, transport costs, travel, *per diem* and supervision costs, and salaries of contracted employees, but excluding salaries of officials of the Recipient’s civil service.
21. “Participating IGAD Member States” means the Federal Democratic Republic of Ethiopia, Federal Republic of Somalia, Republic of Kenya.
22. “Project Operations Manual” means the manual referred to in Section I.B.1(b)ii of Schedule 2 to this Agreement.
23. “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.
24. “Project Implementation Team” mean the unit referred to in Section I.A.4 of Schedule 2 to this Agreement; and the term “Project Implementation Teams” means more than one of such units.
25. “Project Management and Coordination Unit” and the acronym “PMCU” mean the unit referred to in Section I.A.3 of Schedule 2 to this Agreement.
26. “Security Management Plan” means the Project-wide security management plan to be prepared by the Recipient, in a manner and substance satisfactory to the Association pursuant to the ESCP, and to be disclosed on the Association’s website, setting out the security guidelines, protocols and principles, to safeguard the lives and properties of individuals and communities involved in, affected by or benefiting from, the Project activities, as well as the assets created/acquired thereunder, all in accordance with the requirements of the ESSs, as said instrument may be updated from time to time with the prior written concurrence of the Association.

27. “Security Risks Assessment” means the Project-wide security risks assessment to be carried out by the Recipient in a manner and substance satisfactory to the Association and pursuant to the ESCP, and to be disclosed in the Association’s website, which assessment shall provide/collect the necessary information required for the preparation of the Security Management Plan, as said assessment may be updated from time to time with the prior written concurrence of the Association.
28. “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.
29. “Social Assessment” means the study, acceptable to the Association, to be prepared by the Recipient and consisting of *inter alia*: (i) a description of Project activities to be carried out under Part 1 of the Project and the justification of said activities, including alternatives considered during the Project design phase; (ii) the potential and actual social risks and adverse impacts of the activities referred to under sub-paragraph (i) above; and (iii) a social development plan setting forth measures to be taken during the implementation and operation of the Project to mitigate, eliminate or otherwise offset adverse social impacts, or to reduce them to acceptable levels and to ensure compliance of the project activities with such measures.
30. “Training” mean Project-related national and international study tours, training courses, seminars, workshops, and other training activities, not included under service providers’ contracts, which include costs of training materials, space and equipment rental, travel and accommodation; *per diem* costs of trainees and trainers; trainers’ fees; and other training related miscellaneous costs, all as set out in the Annual Work Plan approved by the Association.
31. “Water Supply, Sanitation and Hygiene Committee” and the acronym “WaSHCOMs” mean community level scheme management arrangements consisting of elected community members established to undertake planning, operation and maintenance of water points and rural water pipe systems.
32. “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, collectively, more than one such Woreda.