
GAFSP GRANT NUMBER TFB6154-RW

Project Agreement

(Additional Financing for the Sustainable Agricultural Intensification and Food Security Project)

between

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
as Trustee of the Trust Fund for the Global Agriculture and Food Security Program**

and

RWANDA AGRICULTURE AND ANIMAL RESOURCES BOARD

GAFSP GRANT NUMBER TFB6154-RW

PROJECT AGREEMENT

AGREEMENT between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“World Bank”) and the RWANDA AGRICULTURE AND ANIMAL RESOURCES BOARD (“Project Implementing Entity”) (“Project Agreement”) in connection with the Grant Agreement (“Grant Agreement”) of the Signature Date between the Republic of Rwanda (“Recipient”) and the World Bank, concerning Grant No. TF B6154-RW The World Bank and the Project Implementing Entity hereby agree as follows:

ARTICLE I — STANDARD CONDITIONS; DEFINITIONS

- 1.01. The Standard Conditions (as defined in the Appendix to the Grant 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 Grant Agreement or the Standard Conditions.

ARTICLE II — PROJECT

- 2.01. The Project Implementing Entity declares its commitment to the objectives of the Project. To this end, the Project Implementing Entity shall carry out the Project in accordance with the provisions of the provisions of Article II of the Standard Conditions and the Schedule to this Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for the Project.

ARTICLE III — REPRESENTATIVE; ADDRESSES

- 3.01. The Project Implementing Entity’s Representative is its Director General
- 3.02. For purposes of Section 7.01 of the Standard Conditions:
 - (a) the Association’s address is:
International Bank for Reconstruction and Development
1818 H Street, NW
Washington, DC 20433
United States of America; and
 - (b) the World Bank’s Electronic Address is:
Telex: Facsimile:
248423(MCI) or 1-202-477-6391
- 3.03. For purposes of Section 7.01 of the Standard Conditions:

- (a) the Project Implementing Entity's address is:
P. O Box 5016
Huye District,
Rubona
Kigali-Rwanda

AGREED as of the later of the two dates written below.

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**
acting as acting as Trustee for the Trust Fund for the
Global Agriculture and Food Security Program

By

Rolande Pryce

Authorized Representative

Name: Rolande Pryce

Title: Country Manager

Date: 14-Jul-2021

**RWANDA AGRICULTURE AND ANIMAL
RESOURCES BOARD**

By

Patrick Karangwa

Authorized Representative

Name: Patrick Karangwa

Title: Dr

Date: 16-Jul-2021

SCHEDULE

Execution of the Project

Section I. Implementation Arrangements

A. Project Implementation Manual (PIM)

1. The Project Implementing Entity shall carry out the Project in accordance with the PIM, which shall, *inter alia*, set out detailed guidelines, methods and procedures for the implementation of the Project, including:(a) administration and coordination including placement of necessary human resources; (b) performance indicators of the Project; (c) roles and responsibilities of various government levels (national, district, and province) and agencies in the implementation of the Project; (d) budget and budgetary control; (e) disbursement procedures and banking arrangements; (f) financial, procurement and accounting procedures; (g) internal control procedures; (h) accounting system and transaction records; (i) reporting requirements; (j) audit arrangements; (k) corruption and fraud mitigation measures; (l) environmental, social, labor and health and safety (including an environmental and social exclusion list and measures designed to prohibit and address instances of gender based violence and sexual exploitation and abuse); (m) eligibility criteria for irrigation schemes to be supported under the Project, including in relation to water availability and security of land tenure, and any other relevant environmental and social criteria; and (n) such other arrangements and procedures as shall be required for the effective implementation of the Project. The Project Implementing Entity shall not assign, amend, abrogate or waive any provision of the PIM without prior written approval of the World Bank.
2. In case of any conflict between the terms of the PIM and those of this Agreement, the terms of this Agreement shall prevail.

B. Matching Grants for Sub-projects

1. For purposes of the implementation of Parts 2.1 and 3.2(i) of the Project, the Project Implementing Entity shall make matching grants (“Matching Grants”) for Sub-projects to beneficiaries (“Matching Grants Beneficiaries”) in accordance with eligibility criteria and procedures set forth in the manual for Matching Grants (“Matching Grants Manual”) and acceptable to the World Bank which shall include the following:
 - (a) (i) prior to the implementation of any activity under Parts 2.1 and 3.2(i), prepare and adopt the Matching Grants Manual in a manner acceptable to the World Bank; (ii) immediately thereafter, carry out Parts 2.1 and 3.2(i) of the Project in accordance with the requirements set forth in the Matching Grants Manual, including eligibility criteria, selection procedures and implementation condition; and (iii) not assign, amend, abrogate or waive any provision of the Matching Grants Manual without

prior written approval of the World Bank. In case of any conflict between the terms of the Matching Grants Manual and those of this Agreement, the terms of this Agreement shall prevail; and

- (b) upon selection of a Sub-project pursuant to the criteria and procedures established in the Matching Grants Manual, enter into a standard agreement with each Matching Grants Beneficiary, under terms and conditions acceptable to the World Bank, (the Matching Grants Agreement), including, *inter alia*:
 - (i) the amount to be provided in the form of a Matching Grant to each Matching Grants Beneficiary under a Matching Grants Agreement, its terms and conditions and a disbursement schedule;
 - (ii) an amount of co-financing provided by each Matching Grant Beneficiary and/or evaluation of in-kind contribution to the Sub-project, as defined in the Matching Grants Manual;
 - (iii) the obligation of each Matching Grants Beneficiary to carry out the Sub-project in compliance with the Anti-Corruption Guidelines applicable to recipients of grants proceeds other than the Recipient;
 - (iv) the obligation of each Matching Grants Beneficiary to carry out each Sub-project in compliance with the Safeguards Instruments and, when applicable, prepare environmental management plans in accordance with the ESMF, in form and substance satisfactory to the World Bank, and to implement said Sub-project in accordance with the relevant environmental management plan;
 - (v) the obligation of each Matching Grants Beneficiary to report to the Project Implementing Entity on the progress of the implementation of the activity co-financed with the Matching Grants and to enable the Project Implementing Entity, the Recipient and the World Bank, if the World Bank shall so request, to visit the facilities where the Sub-projects are implemented and administered;
 - (vi) the obligation of each Matching Grants Beneficiary to maintain records and accounts for expenditures incurred and financed with the Matching Grants, and make available such documentation to the Project Implementing Entity, the Recipient and the World Bank, if the World Bank shall so request; and
 - (vii) the right of Project Implementing Entity to suspend, cancel or request a refund of the Matching Grant or a portion thereof in case

of the failure of the Matching Grants Beneficiary to perform any of its obligations under the Matching Grants Agreement.

2. The Project Implementing Entity shall exercise its rights and carry out its obligations under each Matching Grants Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate or waive any Matching Grants Agreement or any of its provisions.

C. Service Agreement

1. To facilitate the carrying out of Part 4.2 of the Project, the Project Implementing Entity shall enter into a service agreement (“Service Agreement”) with a provider (“Service Provider”) selected on the basis of terms of reference, qualifications and experience satisfactory to the World Bank.
2. The Project Implementing Entity shall obtain rights adequate to protect the interests of the Recipient and the World Bank, including the right to require the Service Provider to:
 - (a) carry out its activities under its Part of the Project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the World Bank, including, without limitation to the generality of the foregoing, in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of Grant proceeds other than the Recipient, the Project Implementation Manual, and the Safeguards Instruments;
 - (b) maintain policies and procedures, adequate to enable the Service Provider to monitor and evaluate in accordance with indicators acceptable to the World Bank, the progress of the activities carried out under its Part of the Project and the achievement of its objectives;
 - (c) (i) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the World Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the activities carried out by the Service Provider under its Part of the Project; and (ii) at the World Bank’s or the Recipient’s request, have such financial statements audited by independent auditors acceptable to the World Bank, in accordance with consistently applied auditing standards acceptable to the World Bank, and furnish promptly to the Recipient and the World Bank the financial statements as so audited;

- (d) enable the Recipient and the World Bank to inspect the activities carried out by the Service Provider under its Part of the Project, their operation and any relevant records and documents; and prepare and furnish to the Recipient and the World Bank all such information as the Recipient or the World shall reasonably request relating to the foregoing; and
 - (e) refund any or all part of the amount of the Grant then withdrawn, upon the Project Implementing Entity's determination that such Service Provider has failed to perform any of the Service Provider's obligations under the Service Agreement.
3. The Project Implementing Entity shall ensure that the rights of the Recipient are exercised, and its obligations carried out under the Service Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Implementing Entity shall not assign, amend, abrogate or waive any of the Service Agreement or any provisions therein.

D. Safeguards

1. The Project Implementing Entity shall: (a) carry out, the Project in accordance with the provisions of the Safeguards Instruments; and (b) ensure that any contracts for civil works under the Project include codes of conduct in form and substance acceptable to the World Bank, detailing measures on environmental, health and safety, labor and preventing and responding to HIV/AIDS, gender-based violence, and violence against children. The Project Implementing Entity shall ensure that no provision of the Safeguard Instruments is amended, suspended, abrogated, repealed or waived without the prior written approval by the World Bank.
2. Without limitation to the excluded expenditures provision set forth in the PIM, Matching Grants Manual and/or the Safeguard Instruments, the following activities shall not be eligible to be included in or funded under the Project ("Negative List"):
- (a) activities involving the use of prohibited pesticides listed in the PMP;
 - (b) any activities that would lead to conversion or degradation of critical natural habitats or their supporting areas;
 - (c) any activities that would lead to conversion or degradation of critical forest areas, related critical natural habitats, clearing of forests or forest ecosystems;
 - (d) activities involving the financing of the rehabilitation or construction of Large Dams; and

- (e) activities involving child or forced labor, as per the national legislation enacted pursuant to the C138 – Minimum Age Convention, the C182 – Worst Forms of Child Labor Convention, and the C029 – Forced Labor Convention.
- 3. The Project Implementing Entity shall ensure that all technical assistance under the Project, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the World Bank, such terms of reference to ensure that the technical assistance takes into account, and calls for application of the World Bank’s environmental and social safeguards policies and the Recipient’s own laws relating to the environment and social aspects including, but not limited to, national legislation enacted pursuant its obligations under the C138 – Minimum Age Convention, the C182 – Worst Forms of Child Labor Convention, and the C029 – Forced Labor Convention).
- 4. The Project Implementing Entity shall ensure that employees, agents, service providers, contractors and subcontractors carry out the Project in conformity with acceptable environmental and social standards, practices and codes of conduct (which shall, *inter alia*, contain measures that prohibit, endeavour to prevent and address Project-related gender based violence and sexual exploitation and abuse), the provisions of the Recipient’s environmental and social laws (including, but not limited to, national legislation enacted pursuant its obligations under the C138 – Minimum Age Convention, the C182 – Worst Forms of Child Labor Convention and C029 –Forced Labor Convention), the Safeguard Instruments.
- 5. If any Project activity would, pursuant to the RPF, require the preparation of a RAP, no such activity shall be implemented, unless: (a) a RAP for such activity has been: (i) prepared in accordance with the requirements of the RPF and furnished to the World Bank; (ii) disclosed as required by the RPF; and (iii) approved by the World Bank and publicly disclosed; and (b) (a) all measures required to be taken under said RAP prior to the initiation of said activity have been taken, including, without limitation to the above, providing funds for resettlement compensation at full replacement cost when and if required under a RAP; (b) a report, in form and substance satisfactory to the World Bank, on the status of compliance with the requirements of said RAP has been prepared and furnished to the World Bank; and (c) the World Bank has confirmed that the implementation of said activity may be commenced.
- 6. Without limitation upon its other reporting obligations under this Agreement, the Implementing Entity shall collect, compile and furnish to the Recipient on a calendar semester basis (or with more frequency or in a separate report whenever the circumstances warrant), reports in form and substance satisfactory to the Recipient and World Bank, on the status of compliance with the Safeguard Instruments, as part of the Project Reports, giving details of:
 - (a) measures taken in furtherance of the Safeguards Instruments including the Supplemental Social and Environmental Safeguard Instruments;

- (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments including the Supplemental Social and Environmental Safeguard Instruments; and
 - (c) remedial measures taken or required to be taken to address such conditions including but not limited to the implementation of a grievance redress mechanism.
7. The Project Implementing Entity shall, and shall cause , throughout Project implementation, maintain and publicize the availability of Project-level grievance and feedback and redress mechanism, in a form and substance satisfactory to the World Bank, to hear and determine fairly and in good faith all complaints and feedback raised in relation to the Project, and take all measures necessary to implement the determinations made by said grievance feedback and redress mechanism in a manner satisfactory to the World Bank.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Project Implementing Entity shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of the indicators acceptable to the World Bank. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later than one (1) month after the end of the period covered by such report for incorporation and forwarding by the Recipient to the World Bank of the overall Project Report.
2. The Project Implementing Entity shall provide to the Recipient not later than three (3) months after the Closing Date, for incorporation in the report referred to in Section 2.06(b) of the Standard Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.