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CREDIT NUMBER 6584-VC

# Financing Agreement

(Additional Financing for the Caribbean Regional Communications  
Infrastructure Program – Saint Vincent and the Grenadines Project)

between

SAINT VINCENT AND THE GRENADINES

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

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**CREDIT NUMBER 6584-VC**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between SAINT VINCENT AND THE GRENADINES (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of providing additional financing for the Original Project (as defined in the Appendix to this Agreement). 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 credit, which is deemed as Concessional Financing for purposes of the General Conditions, in the amount of four million and eight hundred thousand Dollars (\$4,800,000) (variously, “Credit” and “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 IV 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 the greater of: (a) the sum of three-fourths of one percent (3/4 of 1%) per annum plus the Basis Adjustment to the Service Charge; and (b) three-fourths of one percent (3/4 of 1%) per annum; on the Withdrawn Credit Balance.
- 2.05. The Payment Dates are February 15 and August 15 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 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 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 the Recipient's 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, Economic Planning, Sustainable Development and  
Information Technology  
Administrative Centre  
Kingstown  
Saint Vincent and The Grenadines; and

(b) the Recipient's Electronic Address is:

Facsimile: (784) 457 2943      E-mail: [office.finance@gov.vc](mailto:office.finance@gov.vc)

- 6.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association's address is:

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

(b) the Association's Electronic Address is:

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

AGREED as of the Signature Date.

**SAINT VINCENT AND THE GRENADINES**

**By**



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

**Name:** Camillo Gonsalves

**Title:** Minister of Finance

**Date:** 27-Apr-2020

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

**By**



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

**Name:** Tahseen Sayed

**Title:** Country Director

**Date:** 16-Apr-2020

## **SCHEDULE 1**

### **Project Description**

The objective of the Project is to increase access to regional broadband networks and to advance the development of an ICT-enabled services industry in the territory of the Recipient and in the Caribbean region.

The Project consists of the following parts as stated in the Original Project:

#### **Part A: Regional Connectivity Infrastructure**

1. Carrying out a program of activities for technical assistance and capacity building of the relevant Recipient's institutions for: (a) the design and implementation of public private partnership (PPP) arrangements, including transactional advice and validation of design and costs for broadband infrastructure; and (b) strengthening the legal and regulatory environment to harmonize the same at the regional level, and to provide effective regulation for the benefit of end-users, including infrastructure sharing and open and non-discriminatory access to the IXP and network infrastructure.
2. Developing the Recipient's national and cross-border infrastructure, under PPP arrangements, required to roll-out submarine and terrestrial broadband backbone networks to reduce communications infrastructure gaps and cost, including the establishment of a high speed broadband backbone network to connect major populated areas to existing regional broadband networks, and to increase cross-border connectivity.
3. Establishing a government intranet (virtual private network) to facilitate connectivity for the Recipient's public agencies.
4. Facilitating regional and local interconnection of internet traffic, including structuring of ownership and management of IXP to reduce the cost of connectivity and increase the quality of service.

#### **Part B: ICT-led Innovation**

1. Developing ICT centers of excellence to facilitate the growth of ICT-enabled industry in the Caribbean region.

2. Carrying out of a program of activities: (a) for skills development and certification (Training Plan) for eligible public and private training institutions and private entities (Beneficiaries), through the provision of Training Grants; and (b) for capacity building and business incubation to support development of local ICT small and medium enterprises (SMEs) (Business Plans) to promote the creation of new ICT-enabled industry, through the provision of Business Incubation Grants to eligible local ICT SMEs (Beneficiaries).

Part C: Implementation Support

Strengthening the institutional capacity for implementation, management, coordination, monitoring and evaluation of the Project, including recruiting key PSIPMU staff, building the capacity for relevant key policy and regulatory institutions, carrying out of the Project financial audits and financing of Operating Costs.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements.

##### 1. Project Steering Committee

- (a) The Recipient shall operate and maintain, at all times during the implementation of the Project, a Project steering committee (the Project Steering Committee), with a composition, mandate, and in form and substance satisfactory to the Association.
- (b) Without limitation to sub-paragraph (a) immediately above, the Recipient shall ensure that the Project Steering Committee will be responsible for providing policy guidance to ensure prompt and efficient implementation of the Project, including, *inter alia*: (i) reviewing progress made towards achieving the Project's objective; (ii) facilitating the coordination of Project activities, and making recommendations for removal of any obstacles to the implementation of the Project; (iii) providing comments on reports and reviews prepared by the PSIPMU under the Project; and (iv) approving the Business or Training Plans whose investment cost fall above the threshold specified in the Business Incubation and Training Grants Manual.

##### 2. PSIPMU

- (a) The Recipient shall operate and maintain, at all times during the implementation of the Project, the PSIPMU within the Recipient's Ministry of Finance, Economic Planning, Sustainable Development and Information Technology with functions, staffing and resources satisfactory to the Association.
- (b) Without limitation to the provisions of Section I.A.1 of this Schedule, the PSIPMU shall be responsible: (i) for fiduciary (*i.e.*, procurement and financial management), environmental and social safeguards compliance and coordination under the Project; and (ii) in coordination with the Project Coordinator for day-to-day administration of overall planning, coordination, monitoring, evaluation, reporting and communication of the activities under the Project; all in accordance with the provisions of this Agreement and the Project Implementation Manual.

- (c) Without limitation to sub-paragraph (a) of this Part A.2, the Recipient shall maintain, at all times during the implementation of the Project, a Project Coordinator housed within the Department of ICT for the purpose of, *inter alia*, coordinating and providing technical support to the PSIPMU and liaising with relevant ministries, departments and other stakeholders.

### 3. **Business Incubation Grants and Training Grants Manager**

- (a) The Recipient shall maintain, at all times during the implementation of the Project, a firm or an individual to serve as the Business Incubation Grants and Training Grants Manager, respectively, with terms of reference and functions satisfactory to the Association.
- (b) Without limitation upon the provisions of paragraph 3 (a) of this Part B, the Business Incubation Grants and Training Grants Manager shall be responsible for: (i) appraising all proposed Business or Training Plans; (ii) approving, subject to the Project Coordinator's no-objection, Business Incubation Grants or Training Grants, which fall below the threshold for approval by the Project Coordinator, or recommending for approval by the Project Coordinator or the Project Steering Committee, as the case may be, Business Incubation Grants or Training Grants, which exceed the thresholds for approval by the Project Coordinator, as specified in the Business Incubation and Training Grants Manual; and (iii) disbursing, administering, monitoring and reporting to the Project Steering Committee on all approved Business Incubation Grants or Training Grants, as the case may be, all in accordance with the provisions and procedures set forth in Part B of this Section and further detailed in the Business Incubation and Training Grants Manual.

## **B. Business Incubation Grants and Training Grants**

### 1. **General**

The Recipient shall appraise, approve and monitor the respective Business Plans or Training Plans and administer the Business Incubation Grant and the Training Grants in accordance with the provisions and procedures set forth or referred to in this Part B and in more detail in the Business Incubation and Training Grants Manual.

### 2. **Eligibility Criteria for Business Plans and Training Plans**

No proposed Business Plan or Training Plan shall be eligible for financing under a Business Incubation Grant or a Training Grant out of the proceeds of the Financing unless the Business Incubation and Training Grants Manager, the Project Coordinator or the Project Steering Committee, as the case may be, have



determined, on the basis of an appraisal conducted by the Business Incubation and Training Grants Manager in accordance with this sub-paragraph and the guidelines set forth in the Business Incubation and Training Grants Manual, that the proposed Business or Training Plan satisfies the eligibility criteria specified below and set forth or referred to in more detail in the Business Incubation and Training Grants Manual, which shall include, *inter alia*, the following:

- (a) The proposed Business or Training Plan shall fall within the areas described under Part B.2 of the Project, and shall exclude any activities and expenditures specified as ineligible in the Business Incubation and Training Grants Manual;
- (b) the proposed Business or Training Plan shall be initiated by a Beneficiary which has the capacity to enter into a binding contract under the laws of the Recipient, and which has met the other eligibility criteria specified or referred to in the Business Incubation and Training Grants Manual, including the Beneficiary's agreement and ability to provide a minimum contribution in cash or in kind as specified in the Business Incubation and Training Grants Manual;
- (c) the Beneficiary has adequate technical, financial management and procurement capacity to implement the proposed Business or Training Plan in compliance with the guidelines set forth in the Business Incubation and Training Grants Manual; and
- (d) the Beneficiary shall be eligible to receive a subsequent Business Incubation Grant or Training Grant if it has completed the preceding Business or Training Plan to the satisfaction of the Project Steering Committee, in accordance with the terms of the Business Incubation Grant Agreement, or Training Grant Agreement.

### 3. **Approval of Business or Training Plans**

The Recipient shall cause the Business Incubation and Training Grants Manager to carry out an appraisal of the compatibility of each proposed Business or Training Plan in accordance with the eligibility criteria and the technical, financial and procurement guidelines and procedures set forth in the Business Incubation and Training Grants Manual and, based on such appraisal: (a) approve the Business or Training Plan whose investment cost falls below the threshold specified in the Business Incubation and Training Grants Manual; (b) recommend for approval by the Project Coordinator and the Project Steering Committee, as the case may be, the Business or Training Plan whose investment cost falls above the threshold specified in the Business Incubation and Training Grants Manual; and (c) without limitation to the foregoing, obtain the Association's no-objection prior to

approving Business or Training Plans whose investment cost exceeds the threshold specified for that purpose in the Business Incubation and Training Grants Manual.

4. **Terms and Conditions of Business Incubation Grants or Training Grants**

A Business or Training Plan shall be carried out pursuant to a Business Incubation Grant Agreement, or a Training Grant Agreement, to be concluded between the Business Incubation and Training Grants Manager, on behalf of the Recipient, and the respective Beneficiary, prior to commencement of any activity under such Business or Training Plan, all under terms and conditions described or referred to in more detail in the Business Incubation and Training Grants Manual and satisfactory to the Association, which, *inter alia*, shall include the following:

- (a) the description of the activities to be implemented, including the outputs and performance targets to be achieved, and the arrangements for monitoring, evaluating and reporting on the implementation of the Business or Training Plan;
- (b) the obligation of the respective Beneficiary to contribute, in cash and/or in-kind, a minimum percentage of the projected Business or Training Plan cost as specified in the Business Incubation and Training Grants Manual;
- (c) the modalities of transfer of funds by the Business Incubation and Training Grants Manager to the respective Beneficiary for the financing of the Business or Training Plan;
- (d) the obligation of the respective Beneficiary to: (i) carry out the Business or Training Plan with due diligence and efficiency and in accordance with sound technical, engineering, environmental, financial, and managerial practices, and in accordance with the provisions of the Anti-corruption Guidelines and the pertinent provisions of this Agreement; and (ii) maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures relating to the Business or Training Plan;
- (e) the requirement that the goods and consultants' services to be financed from the proceeds of the Business Incubation Grant or Training Grant shall be procured in accordance with procedures ensuring efficiency and economy and in accordance with the provisions of Section III of this Schedule, and shall be used exclusively in the carrying out of the Business or Training Plan;
- (f) the right of the Business Incubation and Training Grants Manager, on behalf of the Recipient, to: (i) inspect by itself, or jointly with the Association, if the Association shall so request, the goods, included in the Business or

Training Plan, the operations thereof and any relevant records and documents; (ii) obtain all information as the Recipient, or the Association, shall reasonably request regarding the administration, operation and financial conditions of the respective Business or Training Plan; and (iii) suspend or terminate the right of the pertinent Beneficiary to use the proceeds of the Business Incubation Grant or Training Grant upon failure by said Beneficiary to perform any of its obligations under the Business Incubation Grant Agreement or the Training Grant Agreement; and

- (g) the obligation of the Business Incubation and Training Grants Manager, on behalf of the Recipient, to ensure that the Business or Training Plan is carried out in accordance with the Anti-Corruption Guidelines.

5. **Administration of Business Incubation Grant Agreements or Training Grant Agreements**

The Recipient shall cause the Business Incubation and Training Grants Manager to exercise its rights and carry out its obligations under the Business Incubation Grant Agreements or Training Grant Agreements in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Financing, and, except as the Association shall otherwise agree, the Recipient shall not permit the Business Incubation and Training Grants Manager to assign, amend, abrogate, waive, terminate or fail to enforce any Business Incubation Grant Agreement or Training Grant Agreement or any provision thereof.

**C. Safeguards.**

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the ESMF and the RPF.
2. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, the ESMF and the RPF or any provision thereof without prior approval in writing by the Association, subject to the same approval requirements as applicable to the adoption of the said instruments.
3. The Recipient shall ensure that, in respect of any Project activity that is site specific: (a) if an environmental and social impact assessment, or an environmental and social management plan, or a similar safeguard instrument would be required on the basis of the ESMF; and/or (b) if a resettlement action plan or similar safeguard instrument would be required on the basis of the RPF, all such environmental and social impact assessment, or environmental and social management plan, or strategic environmental assessment, or resettlement action plan, or similar safeguard instrument (Safeguard Instruments), as the case may be, is prepared as required under the ESMF or the RPF; (c) each such Safeguard Instrument is submitted to the Association for its review; (d) each such Safeguard

Instrument is thereafter adopted and disclosed in accordance with the provisions of the ESMF or the RPF; and (e) each Safeguard Instrument is implemented in accordance with its terms.

**D. Project Implementation Manual and Business Incubation and Training Grants Manual**

1. The Recipient shall carry out the Project (except Part B.2 of the Project) in accordance with the provisions of the Project Implementation Manual, containing, *inter alia*, detailed arrangements and procedures for: (a) institutional coordination and day-to-day execution of the Project; (b) Project budgeting, disbursement and financial management; (c) procurement; (d) environmental and social safeguard guidelines; (e) monitoring, evaluation, reporting and communication; and (f) such other administrative, financial, technical and organizational arrangements and procedures as shall be required for the Project.
2. The Recipient shall carry out Part B.2 of the Project in accordance with the provisions of the Business Incubation and Training Grants Manual, containing, *inter alia*: (a) detailed arrangements and procedures for management, supervision, monitoring, evaluation and reporting of the respective Business or Training Plans; (b) disbursement and funds flow arrangements; (c) procedures for procurement and financial management setting forth, *inter alia*, the procurement and financial management responsibilities of the respective Beneficiaries; (d) guidelines for the carrying out of the respective Business or Training Plans, including, the eligibility criteria for determining the Beneficiaries, and detailed procedures for the selection, approval and implementation of respective Business or Training Plans; and (e) a sample format of a Business Incubation Grant Agreement and of a Training Grant Agreement.
3. The Recipient shall not amend, abrogate, waive or fail to enforce any provision of the Project Implementation Manual, or the Business Incubation and Training Grants Manual, without the prior written agreement of the Association; provided, however, that in case of any conflict between the arrangements and procedures set out in any of said manuals and the provisions of this Agreement, the provisions of this Agreement shall prevail.

**E. Anti-Corruption Guidelines**

- (a) The Recipient, through PSIPMU, shall ensure that Project activities with goods, works and services procured as set forth in Section III of Schedule 2 to the Original Financing Agreement and financed out of the proceeds of the Credit are carried out in accordance with the provisions of the Anti-Corruption Guidelines.

- (b) Except as provided in paragraph (a) of Section I.E of this Schedule, the Recipient, through PSIPMU, shall ensure that the Project is carried out in accordance with the provisions of the 2016 Anti-Corruption Guidelines.

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

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

**Section III. Procurement**

- A. All goods, works and services required for the Project and to be financed out of the proceeds of the Credit, and for which the pertinent contract has been awarded for financing under the Original Financing Agreement, shall continue being subject to the requirements set forth in Section III of Schedule 2 to the Original Financing Agreement, including the applicable definitions in the Appendix to the Original Financing Agreement (as amended under Schedule 4 to this Agreement).
- B. Except as provided in section A above, all goods, works, and services required for the Project and to be financed out of the proceeds of the Credit shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan, as such terms are defined in the Appendix to this Agreement.

**Section IV. Withdrawal of the Proceeds of the Financing**

**A. General**

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

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in USD)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consulting services/consultants' services and Operating Costs	4,747,593.88	100%

(2) Business Incubation Grants and Training Grants for goods and services for Business or Training Plans under Part B.2 of the Project	52,406.12	100%
<b>TOTAL AMOUNT</b>	<b>4,800,000</b>	

For the purpose of this Section IV.A the term “Operating Costs” means the incremental expenses, approved by the Association, on account of Project implementation, including office equipment and supplies, rental of office space, vehicle operation and maintenance, communication costs, office administration costs, utilities, travel and *per diem*, excluding the salaries of the Recipient’s civil servants; and

**B. Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed \$960,000 may be made for payments made prior to this date but in no case more than one (1) year prior to the Signature Date, for Eligible Expenditures.
2. The Closing Date is December 31, 2020.

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each February 15 and August 15:	
commencing August 15, 2030 to and including February 15, 2040	<b>1%</b>
commencing August 15, 2040 to and including February 15, 2060	<b>2%</b>

\* 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.

#### **SCHEDULE 4**

##### **Amendment to the Original Financing Agreement**

The Recipient and the Bank hereby agree to amend the Original Financing Agreement as follows:

1. Part C 1 of Schedule 1 to the Original Financing Agreement is hereby modified to read as follows:

**“Part C:Implementation Support**

Strengthening the institutional capacity for implementation, management, coordination, monitoring and evaluation of the Project, including recruiting key PSIPMU staff, building the capacity for relevant key policy and regulatory institutions, carrying out of the Project financial audits and financing of Operating Costs.”

2. The definition of Consultant Guidelines in the Appendix to the Original Financing Agreement is hereby amended to read in its entirety as follows:

“Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).

3. The definition of Procurement Guidelines in the Appendix to the Original Financing Agreement is hereby amended to read in its entirety as follows:

“Procurement Guidelines” means the “Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers” dated January 2011 (revised July 2014).



## **APPENDIX**

### **Definitions**

1. “Anti-Corruption Guidelines” means 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.
2. “2016 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. “Basis Adjustment to the Service Charge” means the Association’s standard basis adjustment to the Service Charge for credits in the currency of denomination of the Credit, in effect at 12:01 a.m. Washington, D.C. time, on the date on which the Credit is approved by the Executive Directors of the Association, and expressed either as a positive or negative percentage per annum.
4. “Beneficiary” means a public or private sector entity (including technology training center)/SME, established and operating under the laws of the Recipient, or an individual engaged in IT or ITES services, which has met the eligibility criteria specified in the Business Incubation and Training Grants Manual (as hereinafter defined) and, as a result, has been extended, or is to be extended, a Business Incubation Grant or a Training Grant (all as hereinafter defined) for the carrying out of a Business or Training Plan (as hereinafter defined).
5. “Business Incubation Grant” means a grant made or proposed to be made out of the proceeds of the Financing by the Recipient, through the Business Incubation and Training Grants Manager (as hereinafter defined), to a Beneficiary for the purpose of financing a Business Plan in accordance with the provisions of Section I.B of Schedule 2 to this Agreement.
6. “Business Incubation Grant Agreement” means an agreement entered into, or to be entered into, between the Business Incubation and Training Grants Manager, on behalf of the Recipient, and a Beneficiary, for the purpose of extending a Business Incubation Grant to such Beneficiary on the terms and conditions set forth or referred to in Section I.B.4 of Schedule 2 to this Agreement.
7. “Business Incubation and Training Grants Manager” means a firm or an individual recruited by the Recipient in accordance with the provisions of Section III of Schedule 2 to this Agreement to assist the Recipient in managing the Business Incubation Grants and Training Grants, respectively.

8. "Business Incubation and Training Grants Manual" means the Recipient's manual, in form and substance satisfactory to the Association, and referred to in Section I.D.2 of Schedule 2 to this Agreement, as such manual may be amended from time to time with the agreement of the Association.
9. "Business or Training Plan" means a set of specific activities carried out or to be carried out by a Beneficiary under Part B.1 of the Project, and financed or proposed to be financed out of the proceeds of the Financing through a Business Incubation Grant or a Training Grant.
10. "Category" means a category set forth in the table in Section IV.A of Schedule 2 to this Agreement.
11. "Department of ICT" means the department responsible for ICT under the Recipient's Ministry of Finance, Economic Planning, Sustainable Development and Information Technology, or any successor thereto.
12. "Environmental and Social Management Framework" or "ESMF" means the Recipient's framework, acceptable to the Association, dated December 2011, and published on February 29, 2012 and on March 2, 2012, respectively, setting forth the modalities for environmental screening and procedures/actions for the preparation and implementation of environmental assessments and management plans under the Project, and such term includes all schedules and annexes to the Environmental and Social Management Framework, as the same may be amended from time to time with the agreement of the Association.
13. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018, with the modifications set forth in Section II of this Appendix.
14. "ICT" and "IT" mean information communications technology, and information technology, respectively.
15. "ITES" means information technology enabled services.
16. "IXP" means an Internet Exchange Point.
17. "Ministry of Finance and Economic Planning" means the Recipient's Ministry responsible for finance and economic planning, and any successor thereto.
18. "PPP" means public private partnership, a legal arrangement that allocates risk between one or more public sector entities and one or more private sector entities concerning the governance, ownership, operation and/or financing of a project.

19. "Program" means the program described in the Whereas clause (A) of the Preamble of the Original Financing Agreement.
20. "PSIPMU" means the Public Sector Investment Programme Management Unit within the Recipient's Ministry of Finance and Economic Planning, and referred to in Section I.A.2 (a) of Schedule 2 to this Agreement, or any successor thereto
21. "Project Coordination Unit or "PCU" mean the coordination unit referred to in Section I.A.2 (a) of Schedule 2 to this Agreement.
22. "Project Implementation Manual" means the Recipient's manual, in form and substance satisfactory to the Association, and referred to in Section I.D.1 of Schedule 2 to this Agreement, as said manual may be amended from time to time with the agreement of the Association.
23. "Project Steering Committee" means the committee referred to in Section I.A.1 (a) of Schedule 2 to this Agreement.
24. "Original Financing Agreement" means the financing agreement for the Original Project between the Recipient and the Association, dated June 26, 2012 (Credit No. 5118-VC).
25. "Original Project" means the project described in Schedule 1 to the Original Financing Agreement.
26. "Procurement Plan" means the Borrower's procurement plan for the Project, provided for under Section IV of the Procurement Regulations, as such plan may be updated from time to time with the Bank's Approval.
27. "Procurement Regulations" means the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
28. "Resettlement Policy Framework" or "RPF" means the Recipient's framework dated January 2011, and published on March 1, 2012 and on March 2, 2012, respectively, acceptable to the Association, setting forth the modalities for resettlement and compensation of any persons who may be affected or displaced under the Project as determined by the Association, and the guidelines for the preparation and implementation of the respective resettlement action plans, as the same may be amended from time to time with the agreement of the Association.
29. "Safeguard Instrument" means either the ESMF, the RPF, any environmental assessments and management plans that may be prepared pursuant to the ESMF or any resettlement action plans that may be prepared pursuant to the RPF.

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. "SME" means a small or a medium size enterprise.
32. "Training Grant" means a grant made or proposed to be made out of the proceeds of the Financing by the Recipient, through the Business Incubation and Training Grants Manager (as hereinafter defined), to a Beneficiary for the purpose of financing a Training Plan in accordance with the provisions of Section I.B of Schedule 2 to this Agreement.
33. "Training Grant Agreement" means an agreement entered into, or to be entered into, between the Business Incubation and Training Grants Manager, on behalf of the Recipient, and a Beneficiary, for the purpose of extending a Training Grant to such Beneficiary on the terms and conditions set forth or referred to in Section I.B.4 of Schedule 2 to this Agreement

**Section II. Modifications to the General Conditions**

The General Conditions are hereby modified as follows:

1. Section 5.13 (Procurement) is deleted in its entirety and the remaining section in Article V is renumbered accordingly.
2. Paragraphs 86 (Procurement Plan) and 87 (Procurement Regulations) in the Appendix are deleted in their entirety and the subsequent paragraphs are renumbered accordingly