

Public Disclosure Authorized

CONFORMED COPY

CREDIT NUMBER 4386 - BD

Financing Agreement

(National Agricultural Technology Project)

between

PEOPLE'S REPUBLIC OF BANGLADESH

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated February 28, 2008

Public Disclosure Authorized



CREDIT NUMBER 4386 - BD

FINANCING AGREEMENT

AGREEMENT dated February 28, 2008, entered into between PEOPLE'S REPUBLIC OF BANGLADESH ("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) constitute an integral 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, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to thirty nine million four hundred thousand Special Drawing Rights (SDR 39,400,000) (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 payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 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 Dollars.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project and the Program. To this end, the Recipient shall carry out the Project in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely that a situation has arisen which shall make it improbable that the Program, or significant part of it, will be carried out.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness consists of the following, namely that the Co-financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Recipient to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Recipient's Representative is the Secretary, or the Additional Secretary, or any Joint Secretary, or Deputy Secretary, or Senior Assistant Secretary, or Assistant Secretary, or Joint Chief, or Deputy Chief, or Senior Assistant Chief, or Assistant Chief of the Economic Relations Division of the Recipient's Ministry of Finance.
- 6.02. The Recipient's Address is:

Economic Relations Division
Ministry of Finance
Government of the People's Republic of Bangladesh
Sher-e-Bangla Nagar
Dhaka, Bangladesh

Cable address:	Telex:	Facsimile:
BAHIRSAMPAD	642226 SETU BJ	88028113088

6.03. The Association's Address is:

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

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

AGREED at Dhaka, Bangladesh, as of the day and year first above written.

PEOPLE'S REPUBLIC OF BANGLADESH

By

/s/ Mohammad Mejbahuddin
Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

/s/ Mohamed Alhousseyni Toure
Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to support the Recipient's Program to improve the effectiveness of the national agricultural technology system and to improve agricultural productivity and farm income.

The Project constitutes the first phase of the Program, and consists of the following parts:

Part 1: Agricultural Research Support

- A. Establishment, operation and management of a Competitive Grants Program, including provision of short-term grants to a broad range of beneficiaries including, *inter alia*, public or private agricultural research institutes, agricultural universities and nongovernmental organizations, under contractual arrangements, to: (i) carry out applied research on specific issues in the area of crop production, livestock, fisheries and policy analysis; and (ii) carry out short-term adaptive research with respect to natural resource management and production systems, on-farm testing and adaptation, and participatory technology development.
- B. Establishment, operation and management of a Sponsored Public Goods Research program, through selected public agricultural research institutes, including provision of research grants to such institutes, under contractual arrangements, to: (i) carry out multi-institutional and multi-disciplinary research in thematic areas of crop production, livestock, and fisheries; (ii) carry out medium to long term adaptive research with respect to natural resource management and production systems, on-farm testing and adaptation, and participatory technology development; (iii) carry out collaborative research activities through partnership between national and international research institutions; and (iv) enhance scientists' participation in regional and international research networks.
- C. Enhancing institutional efficiency of the NARS, *inter alia*, through: (i) the strengthening of the fiduciary units; (ii) promotion of the use of information technology and strengthening of the management information system; (iii) strengthening of human resource management and development; (iv) research priority setting; and (v) monitoring, evaluation and impact assessment.

Part 2: Agricultural Extension Support

- A. Formation, mobilization, training and strengthening of CIGs and POs through the provision of services of non-governmental organizations and other service providers, including promotion of linkages with public and private sector agencies.
- B. Supporting decentralization of the Recipient's extension services, including: (i) targeting, organization and capacity building of CIGs to prepare and implement participatory extension micro-plans at the Union level reflecting the priority needs of participating CIGs; (ii) aggregation of Union level extension micro-plans to prepare the Upazila extension plan, along with sub-sector budget estimates, for review and approval by the appropriate authority; (iii) implementation of extension micro-plans; (iv) technical support and training of CIGs by the Upazila and Union level extension teams; (v) strengthening of research-extension-farmer linkages; and (vi) provision of national level policy guidance, inter-agency/departmental coordination and monitoring and evaluation of the decentralized extension system by NECC.
- C. Enhancing institutional efficiency of the agencies involved in agricultural extension with a focus on: (i) institutional strengthening, including technical assistance and capacity building activities, rehabilitation of training facilities, production and dissemination of extension material, provision of training, acquisition of office equipment and supplies; and (ii) knowledge and information management.

Part 3: Development of Supply Chains

- A. Strengthening of farmer-market linkages in selected Upazilas on a pilot basis, through the provision of technical advisory services, studies, works and equipment for: (i) the identification of selected CIGs for participation in a high value supply chain; (ii) the promotion of open market channel and contract farming, including the development of guidelines and model contracts; (iii) financing of contractual arrangements with service providers for the implementation of location-specific participatory production and marketing plans; (iv) the promotion of low cost post-harvest management systems and marketing infrastructure; and (v) the improvement of quality and SPS.
- B. Enhancing institutional efficiency through: (i) the strengthening of governance, organizational arrangements, functions and staff skills in Hortex; (ii) the provision of capacity building workshops, seminars and training for producers, agri-business staff and public officials on areas related to supply chain, SPS measures, and export procedures; (iii) the provision of advisory services, training, technical assistance, office equipment and supplies, publicity materials, travel, and logistical assistance to Hortex to facilitate collection and

dissemination of technical and market information based on best practices; and (iv) development of effective linkages with research and extension systems and support for validation trials related to selected supply chains.

Part 4: Project Management and Coordination

- A. Provision of technical advisory services, logistical assistance, goods and equipment, and training required for the implementation, management and coordination of the Project activities and for the operation of the PCU.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall maintain, until the completion of the Project, a PSC with representatives from the key stakeholders of the research and extension systems. The PSC shall be chaired alternatively by the Secretaries of MOA and MOFL, and be responsible for: (a) providing oversight and policy guidance and approving the Project's annual work plan and budget; and (b) facilitating inter-agency cooperation to ensure achievement of the Project's development objectives.
2. The Recipient shall maintain, until the completion of the Project, a PMC which shall include, as members, the heads of PIUs and the institutions directly involved in Project implementation, and the Project Director. The PMC shall be responsible for providing oversight and guidance on Project management and implementation, inter-agency cooperation and coordination, conflict resolution and on the Project's annual work program and budget.
3. The Recipient shall carry out the Project jointly through MOA and MOFL. For that purpose the Recipient shall establish and maintain, until the completion of the Project, a PCU, to be headed by a Project Director, with terms of reference and qualifications acceptable to the Association, and staffed and resourced appropriately. The PCU shall, inter alia, be responsible for: (i) coordinating and facilitating the implementation of the relevant parts of the Project by BARC, DAE, DLS, DOF, Hortex and KGF; (ii) consolidating the annual budget and work plans for the different Parts of the Project for approval by the PSC; (iii) overseeing the implementation of the Project activities, as approved by the PSC; (iv) coordinating technical, financial, administrative, procurement, safeguards and communication management of the Project; (v) organizing independent evaluation and impact assessment of the Project; (vi) arranging for expert advice and input from consultants on any subject matter related to Project implementation, including those related to implementation of the reform agenda; (vii) submitting to the PSC six (6) monthly and annual progress reports within one (1) month after the due date, and the audit reports within six (6) months after the close of the Fiscal Year; (viii) liaising with the Association on operation and management of the Project; and (ix) coordinating the preparation of the second phase of the Program, including special studies required for such purpose.

4. The Recipient shall establish and maintain, until the completion of the Project, a PCT for the Project consisting of a minimum of five (5) members, including one (1) independent procurement expert and one (1) independent technical expert, recruited from the open market, in each case with qualifications and terms of reference acceptable to the Association. The PCT shall be responsible, *inter alia*: (a) for all contracts managed through the PCU, to (i) receive, evaluate and prepare bid/ proposal evaluation reports, along with recommendations for the award of contract; (ii) carry out sample ex-post review of bidding procedures followed in smaller contracts under the Project that are excluded from prior review; (iii) handle complaints; and (iv) visit selected sites and check the quality of procurement of goods and works and performance of the suppliers and contractors; and (b) for all contracts managed by the PIUs, providing procurement and technical guidance and oversight.
5. The Recipient shall maintain, until the completion of the Project, a National Extension Coordination Committee, comprising representatives from the key implementing agencies, to be responsible for providing specific policy guidance and inter-agency coordination for timely implementation of Part 2 of the Project.
6. The Hortex, KGF and the PIUs shall each be responsible for implementing Project activities assigned to institutions/units under their respective organizations, in accordance with the Operational Manual.

B. Competitive Grants Program

1. The Recipient shall, under adequate legal arrangements satisfactory to the Association, cause KGF:
 - (i) to manage and operate the CGP under Part 1.A of the Project, in accordance with the rules, procedures and eligibility criteria specified in the CGP Operational Guidelines and to not assign, amend, abrogate or waive the CGP Operational Guidelines or any provision thereof which, in the opinion of the Association, will materially or adversely affect the implementation of Part 1.A of the Project;
 - (ii) to manage and operate the CGP under Part 1.A of the Project, with due diligence and efficiency and in accordance with sound environmental, technical, financial and managerial standards and to maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures in respect of the CGP;
 - (iii) to ensure that: (A) CGP Grant procedures are acceptable to the Association; and (B) goods and services procured under CGP shall be used exclusively in the carrying out of the CGP Grant;

- (iv) to process and select the best research proposals in accordance with criteria and standards set forth in the CGP Operational Guidelines;
- (v) to make the grants available to the CGP Beneficiary in accordance with the guidelines and criteria set forth in the CGP Operational Guidelines, and under an MOU with terms and conditions acceptable to the Association; and
- (vi) to maintain the right to obtain from the CGP Beneficiary all such information as the Recipient or the Association shall reasonably request pertaining to the utilization of the grants.

C. Sponsored Public Goods Research

1. The Recipient shall, under adequate arrangements satisfactory to the Association, cause BARC:
 - (i) to manage and operate the SPGR under Part 1.B of the Project, in accordance with the rules, procedures and eligibility criteria specified in the SPGR Operational Guidelines and to not assign, amend, abrogate or waive the SPGR Operational Guidelines or any provision thereof which, in the opinion of the Association, will materially or adversely affect the implementation of Part 1.B of the Project;
 - (ii) to manage and operate the SPGR under Part 1.B of the Project, with due diligence and efficiency and in accordance with sound environmental, technical, financial and managerial standards and to maintain adequate records to reflect, in accordance with sound accounting practices, the operations, resources and expenditures in respect of the SPGR;
 - (iii) to ensure that: (A) the SPGR Grant procedures are acceptable to the Association; and (B) goods and services procured under SPGR shall be used exclusively in the carrying out of the SPGR Grant;
 - (iv) to process and select the best research proposals in accordance with criteria and standards set forth in the SPGR Operational Guidelines;
 - (v) to make the SPGR grants available to the SPGR Beneficiary in accordance with the guidelines and criteria set forth in the SPGR Operational Guidelines, and under an MOU with terms and conditions acceptable to the Association; and
 - (vi) to maintain the right to obtain from the SPGR Beneficiary all such information as the Recipient or the Association shall reasonably request pertaining to the utilization of the SPGR grants.

D. Safeguards

1. The Recipient shall: (i) maintain, in a form and substance satisfactory to the Association, the Environmental Management Framework and the Social Management Framework; and (ii) implement the said Frameworks in accordance with the objectives, policies, procedures, time schedules and other provisions set forth in the Frameworks.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators agreed with the Association. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Association not later than one (1) month after the end of the period covered by such report.
2. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than June 30, 2014.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association as part of the Project Report, not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient, commencing with the fiscal year in which the first withdrawal under the Project Preparation Advance was made. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding following the Procurement Guidelines.
2. **Procurement of Goods and Works through the Recipient's Procurement Regulations.** Within the overall context of Procurement Guidelines, local procurement of goods estimated to cost less than US\$300,000 per contract, and works estimated to cost less than US\$500,000 per contract, will follow the Recipient's Procurement Laws. The following table specifies the methods of procurement to be used in accordance with the Recipient's Procurement Laws. The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method	
(a)	National Competitive Bidding
(b)	Shopping
(c)	Direct Contracting

For the purpose of National Competitive Bidding, the following shall apply: (a) post bidding negotiations shall not be allowed with the lowest evaluated or any other bidder; and (b) bids should be submitted and opened in public in one location immediately after the deadline for submission.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection, following the Consultant Guidelines.
2. **Other Methods of Procurement of Consultants' Services.** Within the overall context of the Consultant Guidelines, local procurement of services of firms (for which the shortlist may be comprised entirely of national consultants) estimated to cost less than US\$200,000 per contract, and services of individual consultants estimated to cost less than US\$50,000 per contract will follow the Recipient's Procurement Laws. The following table specifies methods of procurement, other than Quality and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Method	
(a)	Fixed Budget Selection
(b)	Least Cost Selection
(c)	Consultant's Qualifications
(d)	Single-Source Selection
(e)	Individual Consultants

D. Review by the Association of Procurement Decisions

1. Except as the Association shall otherwise determine by notice to the Recipient, the following contracts shall be subject to Prior Review by the Association: (a) the first contract for goods by each implementing agency following the National Competitive Bidding method, and thereafter contracts estimated to cost US\$100,000 equivalent or more, regardless of the procedure; (b) the first contract for works following the National Competitive method, and thereafter all contracts estimated to cost US\$500,000 equivalent or more, regardless of the procedure; (c) each contract for consultants' services provided by a firm, estimated to cost the equivalent of \$100,000 or more; (d) each contract for services of individual consultants, estimated to cost the equivalent of \$50,000 or

more; and (e) all contracts for goods procured through Direct Contracting, and all contracts for consultants' services procured under single source selection. All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (Expressed in SDR)	Percentage of Expenditures to be Financed (Inclusive of taxes)
(1) Works, goods, services, training and Operating Costs	26,700,000	74%
(2) CGP Grants under Part 1.A of the Project	4,660,000	77%
(3) SPGR Grants under Part 1.B of the Project	7,740,000	72%
(4) Refund of Project Preparation Advance	300,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	39,400,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) for payments made prior to the date of this Agreement; and
 - (b) under Category (3), unless the Recipient's Cabinet has approved the amendment of the BARC Act, in form and substance acceptable to the Association.
2. The Closing Date is December 31, 2013.

Section V. Other Undertakings

- A. The Recipient shall, no later than one (1) month after the Effectiveness Date, appoint two external members of the PCT, with terms of reference, qualifications and experience acceptable to the Association.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (Expressed as a percentage)*
On each February 15 and August 15:	
commencing February 15, 2018 to, and including, August 15, 2027	1%
commencing February 15, 2028 to, and including, August 15, 2047	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 3.03(b) of the General Conditions.

APPENDIX

Definitions

1. “BARC” means the Bangladesh Agricultural Research Council, established in 1973 by the Recipient’s Presidential Order 32 of 1973, as amended in 1996 through the BARC Act of 1996 (the BARC Act).
2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
3. “CIG” or “Common Interest Group” means any local groups of farmers formed with the help of non-governmental organizations, that will be based on agricultural livelihoods or other common interests, and who will be eligible to participate in planning, budgeting, implementation and monitoring of extension activities, and/or supply chains for high value agricultural commodities.
4. “Co-financier” means the International Fund for Agricultural Development, a Specialized Agency of the United Nations.
5. “Co-financing” means an approximate amount of \$19,400,000, to be provided by the Co-financier to assist in financing the Project.
6. “Co-financing Agreement” means the agreement to be entered into between the Recipient and the Co-financier providing for the Co-financing.
7. “CGP” or “Competitive Grants Program” means the grants programs implemented under Part 1.A of this Project.
8. “CGP Beneficiary” means the eligible Beneficiary receiving grant funds provided under Part 1.A of the Project.
9. “CGP Operational Guidelines” means the operational guidelines related to the operation and management of CGP, set forth in the Operational Manual (as hereinafter defined), and including the terms and conditions and eligibility criteria for CGPs, proformas for the submission and review of concept notes and full proposals, activity milestones, evaluation criteria, sanctioning of approved proposals, model memoranda of understanding to be signed by KGF while providing grant funds to a Beneficiary, monitoring and evaluation during implementation, and submission of progress reports.
10. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004, revised in October 2006.

11. “DAE” means the Department of Agriculture Extension within the MOA (as hereinafter defined), and any successor thereto.
12. “DOF” means the Department of Fisheries within MOFL (as hereinafter defined), and any successor thereto.
13. “DLS” means the Department of Livestock Services within MOFL (as hereinafter defined), and any successor thereto.
14. “Environmental Management Framework” means the Environmental Management Framework furnished to the Association on December 9, 2007, as such Environmental Management Framework may be amended from time to time by agreement between the Recipient and the Association.
15. “Fiscal Year” means the Recipient’s Fiscal Year commencing on July 1 and ending on June 30 of the following year.
16. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005.
17. “Hortex” means the Horticulture Export Development Foundation, incorporated in 1993, under the Recipient’s Companies Act of 1913 as a non-profit Association for, inter alia, promoting export of horticultural crops and other agricultural commodities from Bangladesh.
18. “KGF” means the Recipient’s Krishi Gobeshona Foundation, incorporated in 2007, under the Recipient’s Companies Act of 1994 as a non-profit Association to manage CGP to finance agricultural research.
19. “MOA” means the Recipient’s Ministry of Agriculture and any successor thereto.
20. “MOFL” means the Recipient’s Ministry of Fisheries and Livestock, and any successor thereto.
21. “MOU” means the Memorandum of Understanding, referred to in Parts B.1(v) and C.1(v) of Schedule 2 to this Agreement.
22. “NARS” means the Recipient’s National Agricultural Research System, consisting of eleven research institutes under the umbrella of BARC.
23. “NECC” means National Extension Coordination Committee, as referred to in Part A.5 of Schedule 2 to this Agreement.
24. “Operational Manual” means the Manual issued by the Recipient on December 9, 2007, for the purpose of carrying out the Project, containing, *inter alia*, work programs, training programs, implementation time-table, key

performance indicators, research grants and operation and management thereof, and financial, procurement and safeguards compliance methods and procedures, to be used in the implementation of the Project, as the same may be amended from time to time, in consultation with, and with the approval of, the Association, and such term includes any schedules to the Operational Manual.

25. “Operating Costs” means: (a) expenditures incurred for the operation and maintenance of facilities, equipment and vehicles used for Project implementation (including, without limitation, office rental, vehicle rental, fuel, routine repair and maintenance of equipment, vehicles and office premises, communication costs, use of internet costs, stationery and other office supplies, and costs of translation, printing, photocopying and advertising); (b) transportation costs and subsistence allowances for staff in travel status for Project implementation; (c) bank charges incurred in connection with the Project; and (d) salaries and allowances of incremental staff assigned for Project implementation but excluding salaries of the Recipient’s civil servants.
26. “PO” or “producer’s organization” means a non-profit organization contracted by the Recipient to carry out Part 2 of the Project.
27. “PCT” means the Recipient’s Procurement Core Team referred to in Part A.4 of Schedule 2 to this Agreement.
28. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004, revised in October 2006.
29. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated December 9, 2007, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
30. “Program” means the fifteen-year adaptable program reflected in the Recipient’s Letter dated December 9, 2007, describing a series of actions, objectives and policies designed to strengthen the overall agricultural sector, to revitalize the national agricultural technology system, and to carry out policy and institutional reforms, investment and institutional development, which the Recipient is committed to executing in three (3) phases, and for which the Recipient has requested the Association’s support through a series of Credits.
31. “PCU” means the Project Coordination Unit referred to in Part A.3 of Schedule 2 to this Agreement.
32. “Project Director” means the Project Director of PCU.

33. "PIU" means the Project Implementation Units established within each of BARC, DAE, DOF and DLS.
34. "Project Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement signed on behalf of the Association on October 20, 2005, and on behalf of the Recipient on December 7, 2005.
35. "PMC" means the Project Management Committee, referred to in Part A.2 of Schedule 2 to this Agreement.
36. "Procurement Act" means the Recipient's Public Procurement Act of 2006.
37. "Procurement Regulations" means the Recipient's Public Procurement Regulations dated October 1, 2003.
38. "Procurement Laws" means collectively the Recipient's Public Procurement Regulations dated October 1, 2003, and the Recipient's Procurement Act 2006.
39. "PSC" means the Project Steering Committee, referred to in Part A.1 of Schedule 2 to this Agreement.
40. "Social Management Framework" means the Social Management Framework furnished to the Association on December 9, 2007, as such Social Management Framework may be amended from time to time by agreement between the Recipient and the Association.
41. "SPGR" or "Sponsored Public Goods Research" means the research grant program implemented under Part 1.B of the Project.
42. "SPGR Beneficiary" means the eligible Beneficiary receiving research grant funds provided under Part 1.B of the Project.
43. "SPGR Operational Guidelines" means the operational guidelines related to the operation and management of SPGR, set forth in the Operational Manual, and including the terms and conditions and eligibility criteria for SPGR, proformas for the submission and review of concept notes and full proposals, activity milestones, evaluation criteria, sanctioning of approved proposals, model memoranda of understanding to be signed between the parties while providing grant funds to a Beneficiary, monitoring and evaluation during implementation, and submission of progress reports.
44. "SPS" means the sanitary and phyto-sanitary standards as defined by the World Trade Organization Agreement on the Application of Sanitary and Phyto-sanitary Measures of 1994.

45. “Union” means the lowest level administrative unit in the territory of the Recipient.
46. “Upazila” means a sub-district level administrative unit in the territory of the Recipient.