
CREDIT A (Non-Concessional) NUMBER 7084-RW
CREDIT B (Concessional) NUMBER 7085-RW
GRANT NUMBER E017-RW

Project Agreement

(Commercialization and De-Risking for Agricultural Transformation Project)

between

INTERNATIONAL DEVELOPMENT ASSOCIATION

and

DEVELOPMENT BANK OF RWANDA PLC

PROJECT AGREEMENT

AGREEMENT between INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) and DEVELOPMENT BANK OF RWANDA (“Project Implementing Entity”) (“Project Agreement”) in connection with the Financing Agreement (“Financing Agreement”) of the Signature Date between the Republic of Rwanda (“Recipient”) and the Association, concerning Credit No. 7084-RW, Credit No. 7085-RW and Grant E017-RW. The Association and the Project Implementing Entity hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Financing 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 Financing Agreement or the General 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 BRD Part of the Project in accordance with the provisions of Article V of the General Conditions and the Schedule to this Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.

ARTICLE III — TERMINATION

- 3.01. For purposes of Section 10.05 (c) of the General Conditions, the date on which the provisions of this Agreement shall terminate is twenty (20) years after the Signature Date.

ARTICLE IV — REPRESENTATIVE; ADDRESSES

- 4.01. The Project Implementing Entity’s Representative is its chief executive officer.
- 4.02. For purposes of Section 11.01 of the General Conditions: (a) the Association’s address is:

International Development Association
1818 H Street, NW
Washington, DC 20433
United States of America; and

(b) the Association’s Electronic Address is:

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

- 4.03. For purposes of Section 11.01 of the General Conditions: (a) the Project Implementing Entity's address is:

Development Bank of Rwanda Plc
KN 3 Avenue
P.O. Box 1341
Kigali,
Republic of Rwanda

Facsimile:

+250 25 257 5079

E-mail:

brd@brd.rw

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

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Rolande Pryce

Authorized Representative

Rolande Pryce

Name: _____

Title: _____
Country Manager

Date: _____
29-Apr-2022

DEVELOPMENT BANK OF RWANDA PLC

By

Kampeta Sayinzoga

Authorized Representative

Kampeta Sayinzoga

Name: _____

Title: _____
Chief Executive Officer

Date: _____
10-May-2022

SCHEDULE

Execution of the Project Implementing Entity's Respective Part of the Project

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. Single Project Implementation Unit

- (a) The Project Implementing Entity shall maintain throughout the period of implementation of the Project its Single Project Implementation Unit ("BRD-SPIU") with sufficient resources and staff in adequate numbers, each with terms of reference, qualification and experience acceptable to the Association, for the purpose of implementing the Project in addition to its other responsibilities, as further described the PIM.
- (b) Without limitation to the provisions of Section I.A.1(a) of this Schedule, the Project Implementing Entity shall recruit or appoint for the BRD-SPIU, no later than three (3) months after the Effective Date, the following additional staff dedicated for the Project, each with terms of reference, qualification and experience acceptable to the Association: (i) one project coordinator; (ii) one environmental specialist; (iii) one social specialist; (iv) one procurement specialist; and (v) one accountant.

B. Implementation Arrangements

1. Project Implementation Manuals

- (a) The Project Implementing Entity shall collaborate with RAB and provide its inputs for the preparation of the Administrative, Financial and Accounting Procedure Manual for the implementation of the Project, in accordance with terms of reference satisfactory to the Association and thereafter adopt such in form and substance and in a manner acceptable to the Association.
- (b) Without limitation to the generality of Section I.B.1(a) of this Schedule, the Administrative, Financial and Accounting Procedure Manual shall set forth the rules, methods, guidelines and procedures for the carrying out of the Project, including, among other things on: financial management, including the detailed policies and procedures for the Project; procurement management; institutional administration, coordination, and day-to-day execution of Project activities, with the respective roles and responsibilities of each of the Project implementing Entities; monitoring and evaluation; reporting; information and communication on Project activities; monitoring and reporting on compliance with environmental and social standards and mitigating impacts of the Project activities; Project's results framework and monitoring indicators; and such other technical and organizational arrangements and procedures as shall be required for the effective implementation of the Project.

- (c) Project Implementing Entity shall prepare the Line of Credit Manual for the implementation of the BRD Respective Part of the Project, in accordance with terms of reference satisfactory to the Association and thereafter adopt such manual in form, substance, level of details and in a manner acceptable to the Association.
- (d) The Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the Administrative, Financial and Accounting Procedure Manual and the Line of Credit Manual.
- (e) In case of any conflict between the provisions of the Administrative, Financial and Accounting Procedure Manual or the Line of Credit Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail and, except as the Association shall otherwise agree, neither the Recipient nor the Project Implementing Entities shall amend, abrogate or waive the Project Implementation Manual, nor any of its sub-parts or provisions.

2. Annual Work Plan and Budget

- (a) The Project Implementing Entity shall, not later than one (1) month after the Effective Date for the Fiscal Year in which this Agreement shall become effective, and April 30 of each subsequent Fiscal Year, furnish to RAB for consolidation and to the Association for the Association's no objection, a consolidated draft of its Annual Work Plan and Budget covering the annual program of activities proposed for implementation under the Project during the following Fiscal Year, the evidence of the readiness of such activities' environmental and social instruments and adequate staffing in accordance with the ESCP, and the proposed budget showing sources of financing for all budgeted costs. Starting from the second Fiscal Year of implementation of the Project, an assessment of the results achieved in the implementation of the activities included in the Annual Work Plan and Budget for the previous Fiscal Year will also be included in the draft of the Annual Work Plan and Budget if not already provided in the most recent Project Report at the time.
- (b) The Project Implementing Entity shall exchange views with the Association and the Recipient on each such proposed consolidated annual work plan and budget, consult with the Recipient and seek guidance from the PSC and take into account comments which the Association may have when finalizing its annual work plan and budget. The Project Implementing Entity shall adopt its finalized Annual Work Plan and Budget not later than one (1) month after the date mentioned in Section I.B.2(a) of this Schedule.
- (c) The Project Implementing Entity shall carry out its Respective Parts of the Project included in the Annual Work Plan and Budget for the following Fiscal Year. Annual Work Plans and Budgets are updated as needed on a quarterly basis and may be revised during the Fiscal Year to which they related, in each case with the prior written agreement of the Association.

3. Line of Credits for long term agriculture financing

(a) (i) For the implementation of Part 2.1(a) of the Project, the Project Implementing Entity shall develop and adopt, no later than three (3) months after the Effective Date, a manual on the basis of terms of reference acceptable to the Association, containing selection criteria (and exclusions) and modalities, assessment requirements and procedures, and templates for the extension, assessment, monitoring and evaluation of lines of credit to be provided under Part 2.1(a) of the Project, as well as details of the conditions stated in Section III.B.1(b)(vii) of Schedule 2 to the Financing Agreement, all in form and substance acceptable to the Association and in sufficient details to support compliance with the Project Implementing Entity's obligations under this Agreement and the Recipient's obligations under the Financing Agreement (the "Line of Credit Manual").

(ii) In case of any conflict between the provisions of the Line of Credit Manual and the provisions of this Agreement, the provisions of this Agreement shall prevail, and except as the Association shall otherwise agree, neither the Recipient nor the Project Implementing Entity shall amend, abrogate or waive any provision of the Line of Credit Manual.

(b) (i) For the implementation of Part 2.1(a) of the Project, the Project Implementing Entity shall: (A) enter into legal agreements (each a "Participating Agreement") with eligible financial institutions (each a "Participating Financial Institution"), on the basis of eligibility criteria, assessments, procedure and terms and conditions acceptable to the Association, which shall include terms and conditions set forth in the Line of Credit Manual, to make the proceeds of the BRD Subsidiary Credit available to said Participating Financial Institutions; and (B) except as the Association shall otherwise agree, not assign, amend, abrogate or waive any such Participating Agreements or any of their provisions.

(ii) The Project Implementing Entity shall exercise its rights under the Participating Agreements in such manner as to protect its interests and the interests of the Association in order to accomplish the purposes of the Financing.

C. Environmental and Social Standards.

1. The Project Implementing Entity 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 Project Implementing Entity 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 Project Implementing Entity shall ensure that:

(a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and 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. Without limitation upon the provisions of paragraph 2 above, if sixty (60) days prior to the Closing Date, the Association determines that there are measures and actions specified in the ESCP which will not be completed by the Closing Date, the Project Implementing Entity shall: (a) not later than thirty (30) days before the Closing Date, prepare and present to the Association, an action plan satisfactory to the Association on the outstanding measures and actions, including a timetable and budget allocation for such measures and actions (which action plan shall be deemed to be considered an amendment of the ESCP); and (b) thereafter, carry out said action plan in accordance with its terms and in a manner acceptable to the Association.
4. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
5. The Project Implementing Entity 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.
6. The Project Implementing Entity shall establish, publicize, maintain and operate an accessible grievance redress 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.

7. The Project Implementing Entity 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.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports.

1. The Project Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports for its Respective Part of the Project in accordance with the provisions of Section 5.08 (b) of the General Conditions and on the basis of the indicators acceptable to the Association. Each such Project Report shall cover the period of one calendar semester, and shall be furnished to the Recipient not later than forty-five (45) days after the end of the period covered by such report for incorporation and forwarding by the Recipient to the Association of the overall Project Report.
2. The Project Implementing Entity shall provide to the Recipient not later than five (5) months after the Closing Date, for incorporation in the report referred to in Section 5.08 (c) of the General Conditions all such information as the Recipient or the Association shall reasonably request for the purposes of such Section.

Section III. Other Undertakings

- A. Without limitation to Section 5.12 (Disputed Area) of the General Conditions, the Project Implementing Entity shall not allocate any amount of the Financing to activities located in the area known as Sabanegwa, or any other location which would have otherwise triggered the application of the Association Policy OP/BP 7.60 (Projects in Disputed Areas).