

# OFFICIAL DOCUMENTS

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CREDIT NUMBER 6165-ET

## **Financing Agreement**

**(Livestock and Fisheries Sector Development Project)**

**between**

**FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA**

**and**

**INTERNATIONAL DEVELOPMENT ASSOCIATION**

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**CREDIT NUMBER 6165-ET**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between the FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

**ARTICLE II — FINANCING**

- 2.01. The Association agrees to extend to the Recipient, a credit, deemed by the Association to be on concessional terms, as set forth or referred to in this Agreement, in an amount equivalent to one hundred twenty-one million one hundred thousand Special Drawing Rights (SDR 121,100,000) (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 III of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate is one-half of one percent (1/2 of 1%) per annum on the Unwithdrawn Financing Balance.
- 2.04. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance
- 2.05. The Payment Dates are April 15 and October 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 objectives of the Project. To this end, the Recipient shall carry out the Project through MoLF, with the support of ATA, in accordance with the provisions of Article IV 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 (20) years after the Signature Date.

**ARTICLE V — REPRESENTATIVE; ADDRESSES**

- 5.01 The Recipient's Representative is Minister of Finance and Economic Cooperation.
- 5.02. For purposes of Section 11.01 of the General Conditions,

- (a) the Recipient's address is:

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

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

Telex:	Facsimile:
21147	(251-11) 1551355

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

- (a) the Association's Address is:

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

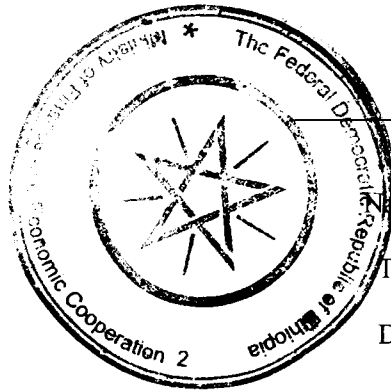
(b) the Association's Electronic Address is:

Telex:                      Facsimile:  
248423 (MCI)              1-202-477-6391

AGREED as of the Signature Date.

FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA

By



A handwritten signature in black ink, appearing to read "Abraham Tekeste".

Authorized Representative

Name: Abraham Tekeste (PhD)

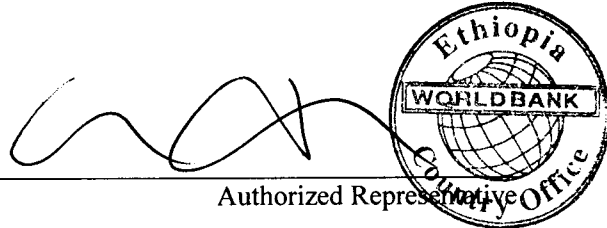
Minister

Title: \_\_\_\_\_

Date: December 21, 2017

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



A handwritten signature in black ink, appearing to read "Carolyn Turk".

Authorized Representative

Name: Carolyn Turk

Title: Country Director for Ethiopia, Sudan & South Sudan

Date: December 21, 2017

## SCHEDULE 1

### Project Description

The objectives of the Project are to increase productivity and commercialization of producers and processors in selected Value Chains, strengthen service delivery systems in the livestock and fisheries sectors, and respond promptly and effectively to an Eligible Crisis or Emergency.

The Project consists of the following parts:

#### Part A. Linking More Productive Farmers to Markets

Carry out a program of activities aimed at increasing productivity and commercialization of producers and processors in selected Value Chains (“VCs”) and targeted areas by improving their access to critical knowledge, services, inputs, equipment and productive infrastructure, and increasing their linkages with markets and VCs through, *inter alia*:

1. Establishment of an enabling environment for implementation of Sub-projects, including carrying out studies and analyses for grouping of *Woredas* and assessments to identify beneficiaries within groups of *Woredas*, providing training to Development Agents on approaches and processes for developing Sub-projects, and carrying out a feasibility study on establishing a line of credit for sub-projects.
2. Carrying out of Basic Sub-projects, consisting of activities focused on establishing primary Cooperatives with members mastering minimum Agricultural Technologies, and provision of support therefor through provision of training, public extension, advisory services, inputs, basic equipment and small scale infrastructure.
3. Carrying out of Intermediate Sub-projects, consisting of activities focused on improving the level of organization of Cooperatives and intensifying production through the implementation of improved Agricultural Technologies, and provision of support therefor through provision of training, public and private sector services, inputs (such as animal feed, and veterinary products), equipment and small- and medium-scale infrastructure.
4. Carrying out of Advanced Sub-projects, consisting of activities focused on linking VC actors through formal contracts and implementing specialized Agricultural Technologies, and provision of support therefor through provision of specialized training, private and public advisory services, specialized inputs and equipment and medium-scale productive and commercial infrastructures.

Part B: Strengthening National Institutions and Programs

Carry out a program of activities to improve the immediate and long-term human, organizational and institutional capacity of MoLF; and to improve organizational and technical capacity of key public and private actors and Cooperatives in livestock and fisheries sectors through, *inter alia*:

1. Development of human resources and organizational capacity, including: carrying out a MoLF capacity development needs assessment; preparing, based on the assessment results, a capacity development program (“CDP”) and carry out consultations thereon; implementing the CDP at federal and regional levels, and in selected *Woredas*; and preparing and implementing a communication strategy for building relationships to promote communications by MoLF.
2. (a) Improving monitoring and assessment of the livestock and fisheries sectors, including development and rolling out of a data analysis and monitoring system for said sectors; providing equipment necessary for surveys and training programs; (b) providing support for evidence-based technical reviews, and updating, as needed, livestock and fisheries sectors policies, laws and regulations, as well as carrying out consultations and consensus building to ensure that new/improved policies take into account stakeholders’ feedback; and (c) providing training and awareness campaigns related to various policy aspects, and supporting pilot operations to test the decentralized implementation of new/improved policies.
3. (a) Enhancing the capacity of MoLF and livestock and fisheries offices at the regional, *Woreda* and local levels, including rehabilitation and construction of training facilities, provision of means of transportation (such as cars, motorcycles and mountain bikes) and critical equipment; (b) reinforcing the capacity of public veterinary services, including establishment of private animal health services networks and development of partnerships between the public authorities, the private veterinarians, and groups of VC actors; and strengthening surveillance and diagnostic capacities of the National Animal Health Diagnostic and Investigation Centre and the regional animal health laboratories; and (c) strengthening extension and advisory services (“EAS”), including development of a plan for improved livestock and fisheries EAS, and promoting, introducing and implementing innovative EAS.
4. Provision of support for the preparation and/or finalization and implementation (in Project areas and for targeted VC) of the following five priority strategic national programs:
  - (a) The system for identifying and tracing livestock, including assessing the current performance of the system and preparing and implementing a roadmap for harmonization and integration of the various systems existing in the Recipient’s country.

- (b) The program for priority animal disease prevention and control, including preparing and implementing a Newcastle disease control strategy in targeted areas; extending small ruminant plague control program in the highlands, and supporting MoLF's One Health Program, which addresses zoonotic diseases, antimicrobial resistance and food safety.
  - (c) The program for feed and forage, including supporting MoLF in finalizing and implementing the overall strategy and implementation plan for feed and forage development.
  - (d) The program for livestock breeding, including supporting MoLF in finalizing the national breeding policy and implementing said policy in Project areas, implementing performance recording systems and promoting use of animal genetic resources and adapted to the agro-ecological and socio-economic situation prevailing within the targeted farming systems.
  - (e) The aquaculture and fisheries master plan, including supporting preparation of an aquaculture and fisheries master plan and implementation of said plan in Project areas.
5. Providing immediate response to an Eligible Crisis or Emergency, as needed.

**Part C: Project coordination, monitoring and evaluation, and knowledge management**

- 1. Provision of support for Project implementation and coordination, including financing of consulting services, goods, Operating Costs and Training
- 2. Provision of support for development of a Project progress and results information monitoring system; the development of a Project monitoring and evaluation manual; and capacity development interventions and services, including organizing surveys (households, focus groups, participants of training events), conducting capacity needs assessments, facilitating action learning events, performing studies and analyses in relevant areas; and carrying out progress evaluations and a community and household survey.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

1. Within one (1) month from the Effective Date, the Recipient shall have in place a full time National Project Coordinator in the Federal PCU, with experience, qualifications and terms of reference acceptable to the Association.
2. The Recipient shall establish and cause to be established:
  - (a) At the federal level, within two (2) months from the Effective Date, and thereafter maintain at all times during the Project implementation, the following with composition and/or qualified staff and resources acceptable to the Association:
    - (i) a Steering Committee to be responsible for the overall strategic oversight for Project implementation at the federal level;
    - (ii) a Technical Committee to be responsible for providing technical support for Project implementation at the federal level; and
    - (iii) a PCU, with a core team comprising the National Project Coordinator, a monitoring and evaluation specialist, a procurement specialist, a financial management specialist and a livestock data management specialist, to be responsible for the coordination of the Project activities at the federal level.
  - (b) At the regional and *Woreda* levels, within seven (7) months from the Effective Date, and thereafter maintain at all times during the Project implementation, the following with composition and/or qualified staff and resources acceptable to the Association:
    - (i) a Steering Committee at the regional (excluding the Gambella and Benishangul Gumuz Regions) and *Woreda* levels to be responsible for the overall strategic oversight for Project implementation at the respective levels;
    - (ii) a Technical Committee at the regional (excluding the Gambella and Benishangul Gumuz Regions) and *Woreda* levels to be responsible for providing technical support for Project implementation at the respective levels;



- (iii) a PCU at the regional (excluding the Gambella and Benishangul Gumuz Regions) and *Woreda* levels, to be responsible for the coordination of the Project activities at the respective levels; and
  - (iv) a coordination framework, approved by the Association, for Project implementation in the Gambella and Benishangul Gumuz Regions.
- 3. Prior to expanding Project activities to a *Woreda* which does not have adequate implementation arrangements, the Recipient shall ensure that a Steering Committee, a Technical Committee and a PCU are established at the *Woreda* level in the Region and thereafter, maintained throughout the Project implementation.

**B. Project Implementation Manual**

- 1. The Recipient shall prepare, and furnish to the Association for approval, a Project Implementation Manual (“PIM”) in accordance with terms of reference acceptable to the Association, including detailed guidelines and procedures for the carrying out of the Project and setting out:
  - (a) a detailed description of Project, financing and institutional arrangements for Project implementation, including eligibility criteria for the selection of Level 1 Beneficiaries, Level 2 Beneficiaries and Level 3 Beneficiaries and criteria and participatory approach for selecting activities and investments to be carried out under Basic Sub-projects, Intermediate Sub-Projects and Advanced Sub-projects respectively, as well as a negative list comprising types of investment that are not eligible for support under the Project;
  - (b) the ESMF, RPF and SAR;
  - (c) monitoring, evaluation, reporting, and governance procedures for the Project; and
  - (d) disbursement, financial management, auditing and procurement procedures for the Project.
- 2. The Recipient, through MoLF, shall: (a) within one (1) month from the Effective Date adopt such PIM as shall have been approved by the Association and thereafter, implement the Project, and cause the Implementing Agencies to implement the Project, in accordance with the PIM; and (b) not amend or waive any provision in the PIM without the Association’s prior written approval.
- 3. In the event that any provision of the PIM shall conflict with any provision of this Agreement, the provisions of this Agreement shall prevail.

**C. Environmental and Social Safeguards**

1. The Recipient shall cause the Project Implementing Agencies to carry out the Project in accordance with the ESMF, RPF, and SAR, and any other Safeguards Document prepared or to be prepared by the Recipient in accordance with subparagraph 2 below, in a manner satisfactory to the Association.
2. Whenever an ESMP and/or RAP shall be required for any proposed Project activities in accordance with the provisions of the ESMF and/or the RPF, the Recipient shall:
  - (a) prior to the commencement of such activities, proceed to have an ESMP satisfactory to the Association: (i) prepared in accordance with the provisions of the ESMF; (ii) furnished to the Association for review and approval; and (iii) thereafter adopted and disclosed, in a manner acceptable to the Association;
  - (b) prior to the commencement of such activities, proceed to have a RAP: (i) prepared in accordance with the provisions of the RPF; (ii) furnished to the Association for review and approval; and (iii) thereafter adopted and disclosed as approved by the Association, in a manner acceptable to the Association;
  - (c) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP and/or RAP; and
  - (d) in the case of any resettlement activity under such activities involving Affected Persons, ensure that no displacement (including restriction of access to legally designated parks and protected areas) shall occur before necessary resettlement measures consistent with the relevant RAP have been executed, including, in the case of displacement, full payment to Affected Persons of compensation and of other assistance required for relocation, prior to displacement.
3. The Recipient shall, prior to expanding Project activities to any new *Woreda*:
  - (a) update, as deemed necessary by the Association based on social screenings for said *Woreda*, the SAR for vulnerable and underserved groups as defined in the SAR; and
  - (b) thereafter, ensure that activities in said *Woreda* are carried out in accordance with the provisions of the updated SAR.
4. The Recipient shall not amend, abrogate or waive, or permit to be amended, abrogated or waived, ESMF, RPF, SAR, and any Safeguards Document adopted

in accordance with the provisions of paragraph 2 of this Part C, unless the Association has provided its prior approval thereof in writing, and the Recipient has complied with the same consultation and disclosure requirements as applicable to the original adoption of the said instruments.

5. Without limitation on its other reporting obligations under this Agreement, the Recipient through MoLF shall collect, compile and submit to the Association every six (6) months (or at such other frequency as may be agreed with the Association) consolidated reports on the status of compliance with the ESMF, RPF, SAR, and any Safeguards Documents prepared for the Project, as applicable, giving details of: (a) measures taken in furtherance of the said instruments; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the said measures; and (c) remedial measures taken or required to be taken to address such conditions.

**D. Annual Work Plans and Budget**

The Recipient shall:

- (a) prepare a draft annual work plan and budget (“AWPB”) for each EFY, setting forth, *inter alia*: (i) a detailed description of the planned activities under the Project for the following EFY; (ii) the sources and proposed use of funds therefor; (iii) procurement arrangements therefor; and (iv) responsibility for the execution of said Project activities, budgets, start and completion dates, outputs and monitoring indicators to track progress of each activity;
- (b) not later than April 30<sup>th</sup> of each EFY, and after considering comments provided by the Steering Committee, furnish the draft AWPB to the Association for its review, and promptly thereafter finalize the AWPB, taking into account the Association’s comments thereon; and
- (c) by June 15<sup>th</sup> of each EFY, adopt and implement the final AWPB after obtaining the Association’s approval thereon.

**E. Implementation of Sub-projects**

For the purposes of carrying out Parts A.2, A.3 and A.4 of the Project, the Recipient, with the assistance of ATA, shall carry out the following and/or cause the following to be carried out:

- (a) Select Sub-project activities and Level 1 Beneficiaries, Level 2 Beneficiaries, Level 3 Beneficiaries for Basic Sub-projects, Intermediate Sub-projects and Advanced Sub-projects respectively, in accordance with

the guidelines, procedures and criteria set forth in the Project Implementation Manual; and

- (b) ensure that Sub-project activities are carried out with due diligence and efficiency and in compliance, *inter alia*, with Safeguards Documents, where applicable.

**F. Contingent Emergency Response**

In order to ensure the proper implementation of Part B.5 of the Project (“Contingent Emergency Response”) (“CERC Part”), the Recipient shall take the measures set for the below:

1. The Recipient shall within one (1) year from the Effective Date:
  - (a) prepare and furnish to the Association for its review and approval, an operations manual which shall set forth detailed implementation arrangements for the CERC Part, including: (i) designation of, terms of reference for and resources to be allocated to, the entity to be responsible for coordinating and implementing the CERC Part (“Coordinating Authority”); (ii) specific activities which may be included in the CERC Part, Eligible Expenditures required therefor (“Emergency Expenditures”), and any procedures for such inclusion; (iii) financial management arrangements for the CERC Part; (iv) procurement methods and procedures for Emergency Expenditures to be financed under the CERC Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) environmental and social Safeguards management frameworks for the CERC Part, consistent with the Association’s policies on the matter; and (vii) any other arrangements necessary to ensure proper coordination and implementation of the CERC Part;
  - (b) afford the Association a reasonable opportunity to review said proposed operations manual;
  - (c) promptly adopt such operations manual for the CERC Part as shall have been approved by the Association (“CERC Operations Manual”);
  - (d) ensure that the CERC Part is carried out in accordance with the CERC Operations Manual; provided, however, that in the event of any inconsistency between the provisions of the CERC Operations Manual and this Agreement, the provisions of this Agreement shall prevail; and
  - (e) not amend, suspend, abrogate, repeal or waive any provision of the CERC Operations Manual without prior approval by the Association.

2. The Recipient shall, throughout the implementation of the CERC Part, maintain the Coordinating Authority, with adequate staff and resources satisfactory to the Association.
3. The Recipient shall undertake no activities under the CERC Part (and no activities shall be included in the CERC Part) unless and until the following conditions have been met in respect of said activities:
  - (a) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
  - (b) the Recipient has prepared and disclosed all safeguards instruments required for said activities, in accordance with the CERC Operations Manual, the Association has approved all such instruments, and the Recipient has implemented any actions which are required to be taken under said instruments.

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

The Recipient shall furnish to the Association each Project Report not later than thirty (30) days after the end of each semester in the EFY, covering the said semester.

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

**A. General**

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Recipient may withdraw the proceeds of the Financing to Credit 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 SDR)</b>	<b>Percentage of Expenditures to be Financed (Inclusive of Taxes)</b>
(1) Goods, works, non-consulting services, consulting services, Operating Cost and Training for the Project but excluding Part B.5 of the Project.	121,100,000	100%
(2) Emergency Expenditures under Part B.5 of the Project	0	100%
<b>TOTAL AMOUNT</b>	121,100,000	

**B. Withdrawal Conditions, Withdrawal Period**

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
  - (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed SDR 400,000 may be made for payments made prior to this date but on or after November 7, 2017, for Eligible Expenditures under Category (1); or
  - (b) under Category (2), for Emergency Expenditures under Part B.5 of the Project, unless and until the Association is satisfied, and notified the Recipient of its satisfaction, that all of the following conditions have been met in respect of said activities:
    - (i) the Recipient has determined that an Eligible Crisis or Emergency has occurred, has furnished to the Association a request to include said activities in the CERC Part in order to respond to said Eligible Crisis or Emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof;
    - (ii) the Recipient has prepared and disclosed all safeguards instruments required for said activities, and the Recipient has implemented any actions which are required to be taken under said

instruments, all in accordance with the provisions of Section I.F.3(b) of Schedule 2 to this Agreement;

- (iii) the Recipient's Coordinating Authority has adequate staff and resources, in accordance with the provisions of Section I.F.2 of this Schedule 2 to this Agreement, for the purposes of said activities; and
- (iv) the Recipient has adopted an CERC Operations Manual in form, substance and manner acceptable to the Association and the provisions of the CERC Operations Manual remain, or have been updated in accordance with the provisions of Section I.F.1 of this Schedule 2 so as to be appropriate for the inclusion and implementation of said activities under the CERC Part.

2. The Closing Date is July 7, 2024.

**Section IV. Other Undertakings**

Notwithstanding any provision to the contrary, Emergency Expenditures required for the CERC Part of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CERC Operations Manual.

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage)*</b>
On each April 15 and October 15, commencing April 15, 2024, to and including October 15, 2055.	1.5625%

\* 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.



## APPENDIX

### Section I. Definitions

1. “Advanced Sub-projects” means the activities to be carried out under Part A.4 of the Project for the benefit of Level 3 Beneficiaries.
2. “Affected Person” means a person who, as a result of: (i) the involuntary taking of land under the Project, is affected in any of the following ways: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas, suffers adverse impacts on his or her livelihood.
3. “Agricultural Technologies” means ET-GAP (1-2-3), which is a generic term that combines ‘Ethiopia Good Animal Husbandry Practices’ (Et-GAHP) and ‘Ethiopia Good Aquaculture and Fisheries Practices’ (Et-GAFP) (level 1: basic; level 2: intermediate; level 3: advanced).
4. “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.
5. “ATA” means the Agricultural Transformation Agency established by the Recipient’s Council of Ministers Regulation 198/2010 and accountable to MoLF.
6. “AWPB” means the annual work plan and budget to be prepared, finalized and implemented by the Recipient under Section I.D of Schedule 2 to this Agreement.
7. “Basic Sub-project” means the activities to be carried out under Part A.2 of the Project for the benefit of Level I Beneficiaries.
8. “Beneficiaries” means, collectively, Level 1 Beneficiaries, Level 2 Beneficiaries and Level 3 Beneficiaries.
9. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
10. “CERC Operations Manual” each means the operations manual referred to in Section I.F of Schedule 2 to this Agreement, to be adopted by the Recipient for the CERC Part of the Project in accordance with the provisions of said Section.
11. “CERC Part of the Project” and “CERC Part” each means Part B.5 of the Project.

12. “Cooperative” means a cooperative society organized and registered as provided in Proclamation No. 147/1998 (A Proclamation to Provide for the Establishment of Cooperative Societies).
13. “Coordinating Authority” means the entity or entities designated by the Recipient in the CERC Operations Manual and approved by the Association pursuant to Section I.F of Schedule 2 to this Agreement, to be responsible for coordinating the CERC Part of the Project.
14. “Development Agent” means MoLF staff dedicated to extension and advisory service activities in support to farmers.
15. “EFY” means the Ethiopian Fiscal Year, which commences July 8 and ends on July 7.
16. “Eligible Crisis or Emergency” means an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact to the Recipient, associated with a natural or man-made crisis or disaster.
17. “Emergency Expenditure” means any of the Eligible Expenditures set forth in the CERC Operations Manual in accordance with the provisions of Section III.A of Schedule 2 to this Agreement and required for the activities included in the CERC Part of the Project.
18. “ESMP” means an environmental and social management plan to be prepared by the Recipient in accordance with the principles and guidance set out in the ESMF, and acceptable to the Association, setting forth a set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of the Project to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, as well as a grievance redress mechanism, and including the actions needed to implement the measures and mechanism; and the term “ESMPs” means the plural thereof.
19. “ESMF” means Environmental and Social Management Framework disclosed in the Recipient’s country and in the Association’s external website in October 2017, prepared by the Recipient and approved by the Association, setting forth: (a) integrated pest management procedures; (b) procedures for assessing impact on natural habitat; (c) procedure for identifying and avoiding or mitigating adverse impact on physical cultural resources; and (d) an environmental and social screening process that will enable the Recipient to identify and assess potential adverse environmental and social impacts, and offset and reduce them to acceptable levels, or enhance positive impacts, and in accordance with which ESMPs will be prepared and submitted to the Association for its approval, as the same may be amended from time to time with the prior written approval of the Association.

20. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Investment Project Financing”, dated July 14, 2017.
21. “Intermediate Sub-projects” means the activities to be carried out under Part A.3 of the Project for the benefit of Level 2 Beneficiaries.
22. “Kebele” means the lowest tier of government in the Recipient’s administrative system, as established according to the relevant Regional legislation.
23. “Level 1 Beneficiaries” means beneficiaries meeting the criteria set out in the Project Implementation Manual and include livestock and fisheries smallholder subsistence producers who produce primarily one of the following: cattle milk, poultry, fish, dairy meat or small ruminants’ meat; and unemployed youth from farming families.
24. “Level 2 Beneficiaries” means beneficiaries satisfying the criteria set out in the Project Implementation Manual and include cooperatives of small and medium-size producers and young entrepreneurs.
25. “Level 3 Beneficiaries” means beneficiaries satisfying the criteria set out in the Project Implementation Manual and include specialized cooperatives of producers and processors.
26. “MoLF” means the Recipient’s Ministry of Livestock and Fisheries, or any successor thereto.
27. “National Project Coordinator” means that coordinator referred to in Section I.A.1 of Schedule 2 to this Agreement.
28. “Operating Costs” means incremental costs incurred by the Project Implementing Agencies on account of the Project coordination, implementation and monitoring, including expenditures for vehicles operation and maintenance, office supplies and consumables, utilities, communication, translation and interpretation, bank charges, Project related national or international travel, including per diem and accommodation, but excluding salaries of the Recipient’s civil servants, and other miscellaneous costs directly associated with the Project implementation, all based on periodic budgets acceptable to the Association.
29. “PCU” means the Project Coordination Units referred to in Sections I.A.2 and I.A.3 of Schedule 2 to this Agreement.
30. “Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for Borrowers under Investment Project Financing”, dated July 1, 2016.

31. "Project Implementing Agencies" means, collectively, MoLF (including PCU, Steering Committee and Technical committee) and its counterparts at the lower levels, each of which shall implement their respective Project implementation activities pursuant to the requirements under this Agreement and the Project Implementation Manual.
32. "Project Implementation Manual" or "PIM" means the manual, satisfactory to the Association, to be adopted and implemented by the Recipient pursuant to Section I.B of Schedule 2 to this Agreement; as such manual may be revised from time to time with prior written agreement of the Association.
33. "RAP" means a resettlement action plan, acceptable to the Association and to be prepared by the Recipient pursuant to the requirements of the RPF for compensation, resettlement and rehabilitation of Affected Persons as a result of implementation of the Project, and a grievance redress mechanism, as such plan may be amended from time to time with the prior written approval of the Association, and such term includes any schedules to such plan; and the term "RAPs" means the plural thereof.
34. "Region" means one of the national regional states of the Recipient established under the Recipient's Federal Constitution of 1995.
35. "RPF" means the resettlement policy framework, disclosed in the Recipient's country and in the Association's external website in October 2017, prepared by the Recipient and approved by the Association, outlining the policies and procedures to be implemented in the event that specific activities implemented under the Project have potentially negative impacts on the livelihoods, assets and land of Affected Persons, as the said framework may be amended and/or supplemented from time to time with the prior written approval of the Association, and such term includes any schedules to such document.
36. "Safeguards Document" means an ESMP or RAP, and the term "Safeguards Documents" means, collectively, all such documents.
37. "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.
38. "SAR" means the Social Assessment Report (which includes a Social Development Plan) disclosed in the Recipient's country and in the Association's external website on October 27, 2017, identifying and assessing the potential social impacts of the Project, evaluating alternatives, and proposing appropriate mitigation, management, and monitoring measures, defining specific measures to be implemented for vulnerable and underserved groups, through free prior informed consultations and broad community support, in order to protect them and

to ensure that they be granted equal legal, financial and organizational opportunities under the Project, as the said plan may be amended and/or supplemented from time to time with the prior written consent of the Association, and such term includes any schedules to such document.

39. "Steering Committee" means the committee referred to Sections I.A.2 and I.A.3 of Schedule 2 to this Agreement.
40. "Sub-projects" means, collectively, Basic Sub-projects, Intermediate Sub-projects and "Advanced Sub-projects, and "Sub-project" means, individually, any of the Sub-projects.
41. "Technical Committees" means the committees referred to in Sections I.A.2 and I.A.3 of Schedule 2 to this Agreement.
42. "Training" means Project related study tours, training courses, seminars, workshops and other training activities, not included under service providers' contracts, including costs of training materials, space and equipment rental, travel, accommodation and per diem costs of trainees and trainers, trainers' fees, and other training related miscellaneous costs.
43. "Value Chain" or "VC" means a set of linked activities that work to add value to a product and the chain consists of actors and actions that improve a product while linking commodity producers to processors and markets.
44. "*Woreda*" means one of the tiers of government in the Recipient's administrative system, as established pursuant to the relevant Regional legislation.