GEF GRANT NUMBER TF094205

Global Environment Facility Grant Agreement

(Lake Victoria Environmental Management Project II)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT acting as an Implementing Agency of the Global Environment Facility

and

THE EAST AFRICAN COMMUNITY

Dated May 5, 2009

GEF GRANT NUMBER TF094205

GLOBAL ENVIRONMENT FACILITY GRANT AGREEMENT

AGREEMENT dated May 5, 2009, entered into between: INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVLOPMENT ("World Bank"), acting as an implementing agency of the Global Environment Facility ("GEF") and the EAST AFRICAN COMMUNITY ("Recipient"), for the benefit of the Republic of Kenya, the Republic of Uganda, The United Republic of Tanzania, The Republic of Rwanda, and the Republic of Burundi ("Member Countries").

WHEREAS (A) The United Republic of Tanzania ("Tanzania"), the Republic of Kenya ("Kenya") and the Republic of Uganda ("Uganda") have, pursuant to the Protocol for the Sustainable Development of Lake Victoria Basin dated November 29, 2003, undertaken to co-operate in the joint and efficient management and sustainable utilization of natural resources within the Lake Victoria Basin;

(B) In order to assist in the carrying out of activities aimed at improving the collaborative management of the trans-boundary natural resources of the Lake Victoria Basin and reducing environmental stress in targeted pollution hotspots and selected degraded sub-catchments so as to improve livelihoods of the communities living in the Lake Victoria Basin:

(1) the Recipient has requested the International Bank for Reconstruction and Development ("World Bank"): (A) acting as an implementing agency for the Global Environment Facility, to assist in the financing of the Project described in Schedule 1 to this Agreement (the Project); and (B) acting as administrator of various funds made available by the Swedish International Development Agency ("SIDA"), to assist in the financing of activities related to the Project that are designed to further the objectives of the Project and the Protocol ("SIDA Supported Project"); and

(2) Tanzania, Kenya and Uganda have each requested the Association to assist in the financing of activities related to the Project that are designed to further the objectives of this Project and the Protocol (respectively, "Tanzania Project", "Kenya Project" and "Uganda Project"); and

WHEREAS the World Bank has agreed, on the basis, *inter alia*, of the foregoing, to extend the Grant to the Recipient upon the terms and conditions set forth in this Agreement

The Recipient and the World Bank hereby agree as follows:

Article I Standard Conditions; Definitions

- 1.01. The Standard Conditions for Grants Made by the World Bank Out of Various Funds, dated July 1, 2008 ("Standard Conditions"), as modified 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 Standard Conditions or in the appendix to this Agreement.

Article II The Project

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement ("Project"). To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Recipient and the World Bank 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 III The Grant

- 3.01. The World Bank agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a grant in an amount equal to seven million United States Dollars (\$7,000,000) ("Grant") to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section IV of Schedule 2 to this Agreement.

Article IV Additional Remedies

- 4.01. The Additional Events of Suspension referred to in Section 4.02 (i) of the Standard Conditions consist of the following:
 - (a) Any one of the Uganda Financing Agreement, the Kenya Financing Agreement, the Tanzania Financing Agreement or the SIDA Grant Agreement has failed to become effective by September 30, 2010

- (b) Either of the EAC Treaty or the Protocol has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of: (i) the EAC to perform any of its obligations under the GEF Grant Agreement; or (ii) the Republic of Kenya, the United Republic of Tanzania or the Republic of Uganda to perform their obligations under their respective Financing Agreements.
- (c) The right of any one of the United Republic of Tanzania ("Tanzania"), the Republic of Kenya ("Kenya") and the Republic of Uganda ("Uganda") to withdraw the proceeds of the financing under its respective Financing Agreement has been suspended, canceled or terminated in whole or in part, pursuant to the terms of the financing agreement providing therefor.

Article V Effectiveness; Termination

- 5.01. This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the conditions specified below have been satisfied:
 - (i) The Recipient has established, in a manner satisfactory to the World Bank, the Regional Project Coordination Team (RPCT) and designated a Project Coordinator, recruited a senior accountant, and a procurement assistant in accordance with the Section I.A.3 of Schedule 2 to this Agreement.
 - (ii) Any one of the Financing Agreements has been executed and all conditions precedent to its effectiveness or to the right of the recipient thereunder to make withdrawals under it (other than the effectiveness of this Agreement) has been fulfilled.
- 5.02. Except as the Recipient and the World Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the World Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the World Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the World Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.
- 5.03. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement.

Article VI Recipient's Representative; Addresses

- 6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its Secretary General.
- 6.02. The Recipient's Address referred to in Section 7.01 of the Standard Conditions is:

5th Floor Kilimanjaro Wing, AICC Complex, P.O. Box 1096, Arusha, Tanzania.

Facsimile: 255 27 250 4481 255 27 250 4255

6.03. The World Bank's Address referred to in Section 7.01 of the Standard Conditions is:

International Bank for Reconstruction and Development 1818 H Street, N.W. Washington, D.C. 20433 United States of America

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED at Dar-es-Salaam, United Republic of Tanzania, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT acting as an Implementing Agency of the Global Environment Facility

By /s/ John McIntire

Authorized Representative

EAST AFRICAN COMMUNITY

By /s/ Juma V. Mwapachu

Authorized Representative

SCHEDULE 1

Project Description

The objectives of the Project are to: (i) improve the collaborative management of the trans-boundary natural resources of the LVB for the shared benefits of the LVB Countries; and (ii) reduce environmental stress in targeted pollution hotspots and selected degraded sub-catchments to improve the livelihoods of communities, who depend on the natural resources of LVB.

The Project consists of the following parts:

Part 1. <u>Strengthening Institutional Capacity for Managing Shared Water and</u> <u>Fisheries Resources</u>

(a) Harmonization of Policies and Regulatory Standards

Carrying out a program to strengthen the capacity of the LVBC and LVFO to coordinate the harmonization of regulatory standards for utilization of water and fisheries resources of LV, such program to consist of:

- (i) Review of the LVB Countries' water and fisheries policies and regulatory standards (in coordination with the LVB Countries) and development of recommendations for the harmonization of these policies and standards;
- (ii) development, in coordination with the LVB Countries, of the environmental and natural resources management frameworks, including a water resources management plan, an updated fisheries management plan and a basin wide sustainable land management strategy; and establishment of an independent and transparent mechanism for monitoring releases and major abstractions from LVB; and
- (iii) carrying out a study of options for establishing a Lake Victoria environmental trust fund in consultation with the LVB Countries.

All through the provision of goods, consultants' services, training, and Incremental Operating Costs.

(b) Ecosystem Monitoring and Applied Research

Carrying out a program to strengthen the capacity of the LVBC and LVFO to coordinate monitoring of the LVB ecosystem and applied research relating to the LVB ecosystem, such program to consist of:

- (i) development (in coordination with the LVB Countries) of regional scientific and socio-economic data gathering protocols; ecosystem monitoring tools; and data sharing mechanisms; and
- (ii) coordination of priority regional research activities on water and fisheries resources with particular focus on transboundary and multi-disciplinary issues; all through the provision of goods, consultants' services, training, and Incremental Operating Costs.

Part 2. Project Coordination and Management

(a) **Project coordination and communication**

Carrying out of a program to strengthen the capacities of RPSC and RPCT for Project management, implementation and coordination, such program to consist of:

- (i) development and operationalization of an internal and regional communication system and protocol for sharing information among LVB countries; and
- development and implementation of a communications strategy on the sustainable use of LVB resources; all through the provision of goods, consultants' services and Incremental Operating Costs,

(b) Monitoring and Evaluation

Carrying out of a program to strengthen the monitoring and evaluation capacity of the LVBC and LVFO, such program to consist of:

- (i) establishment of a regional hub for the geographical information system-based monitoring and evaluation and management information system; and
- (ii) collation of LVB Countries' data, analysis, storage, and dissemination of regional data and information of the Project's implementation performance, outcomes, and impact; all through the provision of incremental operating costs, goods and consultants' services.

SCHEDULE 2

Project Execution

Section I. <u>Implementation Arrangements</u>

A. Institutional Arrangements

1. <u>LVBC</u>

The Recipient shall maintain, throughout Project implementation, the LVBC, with an institutional framework, functions and resources satisfactory to the World Bank, assisted by qualified and experienced staff in adequate numbers with responsibility for overall coordination, monitoring and evaluation of the Project and coordination of the Kenya Project, the Tanzania Project and the Uganda Project.

- 2. <u>RPSC</u>
- (a) The Recipient shall maintain, throughout Project implementation, the RPSC with an institutional framework, functions, and resources satisfactory to the World Bank, assisted by qualified and experienced staff in adequate numbers, chaired on a rotational basis, by permanent secretaries of the National Focal Point Ministries and its membership shall include permanent secretaries for the Ministry responsible for: (i) water in Kenya; (ii) environment in Tanzania; and (iii) fisheries in Uganda.
- (b) The RPSC shall be responsible for: (a) providing strategic guidance on the Project; (b) providing advice about collaborative needs and arrangements on initiatives and on going projects in the LVB, including the Kenya Project, the Tanzania Project and the Uganda Project; and (c) approving the annual work plans and budgets for regional activities proposed by the Recipient.
- 3. <u>RPCT</u>
- (a) The Recipient shall establish and maintain, throughout Project implementation, the RPCT within the LVBC, with composition, terms of reference and resources satisfactory to the World Bank to be responsible for overall day to day implementation of the Project and for implementing policies and work plans approved by the RPSC.
- (b) Without limitation on the foregoing, the RPCT shall at all times be assisted by competent staff in adequate numbers, including a regional Project coordinator, a senior accountant, an accountant, a procurement assistant, an economist/planning officer, a water resource management officer, information and communications

officer, a monitoring and evaluation officer and an operations officer, all with qualifications, experience and terms of reference satisfactory to the World Bank.

(c) By not later than September 30 2009, the Recipient shall recruit an accountant referred to in sub-paragraph (b) of this Section for the RPCT with qualifications and terms of reference satisfactory to the World Bank.

B. Implementation Covenants

1. Water Resources Management Plan under Part 1(a) (ii) of the Project

By not later than June 30, 2011, the Recipient shall, following consultations with the LVB Countries and in accordance with terms of reference acceptable to the World Bank, develop the water resources management plan for the LVB satisfactory to the World Bank and submit the said plan to the LVB Countries for its adoption.

2. Water Release and Abstractions under Part 1(a) (ii) of the Project

By not later than September 30, 2009, the Recipient shall establish an independent and transparent mechanism for monitoring water releases and major abstractions from the Lake Victoria basin water system under which the releases and abstractions can be measured at all times by the Partner States.

3. <u>Harmonization of Water and Fisheries Policies and Regulatory Standards in the</u> LVB Countries

For purposes of Part 1(a) of the Project, the Recipient shall by not later than March 31, 2012, following consultations with the LVB Countries, develop recommendations for harmonization of the water and fisheries policies and regulatory standards in accordance with terms of reference acceptable to the World Bank and submit the said recommendations to the LVB Countries for implementation and to the World Bank.

4. <u>Consultation and Cooperation with the LVB Countries</u>

Without limitation to the provisions of Section 2.08 of the Standard Conditions, the Recipient shall, at all times during Project implementation, and in accordance with the provisions of the EAC and the Protocol:

(a) exchange views with the LVB Countries on the Project and its objectives, and shall promptly inform the LVB Countries of any condition that interferes with or threatens to interfere with the accomplishment of the objectives of the Project or the Recipient's performance under this Agreement; and

- (b) take all measures required on its part to enable each of Kenya, Tanzania and Uganda to carry out, respectively, the Kenya Project, Tanzania Project and the Uganda Project.
- 5. <u>Annual Work Plans</u>
- (a) The Recipient shall prepare in accordance with guidelines acceptable to the World Bank and furnish to the World Bank not later than December 31 in each calendar year, a proposed annual work plan and budget for the Project for the following fiscal year of the Recipient, of such scope and in such detail as the World Bank shall reasonably request.
- (b) The Recipient shall: (i) afford the World Bank reasonable opportunity to exchange views with the Recipient on such proposed work plan; and (ii) thereafter carry out such work plan and according to such budget, both as shall have been approved by the World Bank.
- 6. <u>Project Implementation Manual</u>
- (a) The Recipient shall carry out the Project, or cause the Project to be carried out in accordance with the arrangements and procedures set out in the Project Implementation Manual (provided, however, that in case of any conflict between the arrangements and procedures set out in this manual and the provisions of this Agreement, the provisions of this Agreement shall prevail).
- (b) Except as the World Bank shall otherwise agree in writing, the Recipient shall not amend, abrogate or waive any provision of the said manuals.

C. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 ("Anti-Corruption Guidelines").

Section II. <u>Project Monitoring, Reporting and Evaluation</u>

A. Project Reports; Completion Report

 (a) The Recipient shall monitor and evaluate the progress of the Project and consolidate the LVB Countries' Project Reports in accordance with the provisions of Section 2.06 of the Standard Conditions and on the basis of indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one calendar quarter, and shall be furnished to the World Bank not later than one month after the end of the period covered by such report.

- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
 - (i) adoption by the LVB Countries of harmonized policy, legislation and regulatory frameworks for water and fisheries management in Lake Victoria;
 - (ii) adoption by the LVB Countries of basin wide water and fisheries resources management frameworks;
 - (iii) percentage reduction in untreated effluent disposed by targeted municipals and industries into Lake Victoria; and
 - (iv) percentage increase in land productivity for households selected to participate in watershed management activities.
- 2. The Recipient shall prepare the Completion Report in accordance with the provisions of Section 2.06 of the Standard Conditions. The Completion Report shall be furnished to the World Bank not later than six months after the Closing Date.

B. Financial Management; Financial Reports; Audits

- 1. The Recipient shall ensure that a financial management system is maintained in accordance with the provisions of Section 2.07 of the Standard Conditions.
- 2. The Recipient shall ensure that interim unaudited financial reports for the Project are prepared and furnished to the World Bank, as part of the Project Report, not later than forty five days after the end of each calendar quarter, covering the quarter, in form and substance satisfactory to the World Bank.
- 3. The Recipient shall have its Financial Statements for the Project audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. Each such audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than six months after the end of such period.

Section III. <u>Procurement</u>

A. General

1. **Procurement and Consultant Guidelines.** All goods, works and services required for the Project and to be financed out of the proceeds of the Grant shall be procured in accordance with the requirements set forth or referred to in:

- (a) Section I of the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the World Bank in May 2004 and revised in October 2006 ("Procurement Guidelines") in the case of goods and works, and Sections I and IV of the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the World Bank in May 2004 and revised in October 2006 ("Consultant Guidelines") in the case of consultants' services; and
- (b) the provisions of this Section III, as the same shall be elaborated in the procurement plan prepared and updated from time to time by the Recipient for the Project in accordance with paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines ("Procurement Plan").
- 2. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the World Bank 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 and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
- 2. **Other Methods of Procurement of Goods and Works.** The following methods, other than International Competitive Bidding, may be used for procurement of goods and works for those contracts specified in the Procurement Plan: (a) Limited International Bidding; (b) Shopping; and (c) Direct Contracting.

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.
- 2. Other Methods of Procurement of Consultants' Services. The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those assignments which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection; (f) Selection of Individual Consultants; and (g) Sole Source Procedures for the Selection of Individual Consultants.

D. Review by the World Bank of Procurement Decisions

1. The Procurement Plan shall set forth those contracts which shall be subject to the World Bank's Prior Review. All other contracts shall be subject to Post Review by the World Bank.

Section IV. <u>Withdrawal of Grant Proceeds</u>

A. General

- 1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; (b) this Section; and (c) such additional instructions as the World Bank may 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 World Bank 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 Grant ("Category"), the allocations of the amounts of the Grant to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Grant Allocated (expressed in USD)	Percentage of Expenditures to be Financed ([inclusive of Taxes)]
(1) Goods and consultants' services for the Project	3,700,000	100%
(2) Training and Incremental Operating Costs for the Project	3,300,000	100%
TOTAL AMOUNT	7,000,000	

B. Withdrawal Conditions; Withdrawal Period

- 1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made for payments made prior to the date of this Agreement.
- 2. The Closing Date referred to in Section 3.06 (c) of the Standard Conditions is June 30, 2013.

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.
- 2. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
- 3. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" published by the World Bank in May 2004 and revised in October, 2006.
- 4. "East African Community" or "EAC" means the inter-governmental organization established by the LVB Countries under Article 2 of the EAC Treaty.
- 5. "EAC Treaty" means the treaty dated November 30, 1999 establishing the EAC, and pursuant to which the LVB Countries have undertaken to cooperate in relation to the LVB in a coordinated and sustainable manner.
- 6. "Financing Agreements" means collectively the Tanzania Financing Agreement, the Uganda Financing Agreement and the Kenya Financing Agreement. "Financing Agreement" means any one of the said Financing Agreements.
- 7. "Incremental Operating Costs" means the incremental expenses incurred by the Recipient on account of Project implementation, management, and monitoring, including office space rental, utilities, and supplies, bank charges, communications, advertising, vehicle operation, maintenance, and insurance, building and equipment maintenance costs, travel and supervision costs, and salaries of supporting staff.
- 8. "Kenya Financing Agreement" means the agreement to be entered between Republic of Kenya and the Association providing for a credit to the Republic of Kenya to assist it in the carrying out of the Kenya Project.
- 9. "Kenya Project" means the project to be carried out by the Republic of Kenya in parallel with this Project, and for which a credit is proposed to be made by the Association.
- 10. "Lake Victoria" or "LV" means the lake located in an elevated plateau west of East Africa's Rift Valley and bordered by the LVB Countries, known as Lake Victoria.

- 11. "Lake Victoria Basin" or "LVB" means the Lake Victoria Basin.
- 12. "Lake Victoria Basin Countries" or "LVB Countries" means the United Republic of Tanzania, the Republic of Kenya, the Republic of Uganda, the Republic of Rwanda and the Republic of Burundi.
- 13. "Lake Victoria Basin Commission" or "LVBC" means the commission established by the EAC pursuant to the Protocol with responsibility for regional coordination of the sustainable development of the Lake Victoria Basin and its ecosystems.
- 14. "Lake Victoria Fisheries Organization" or "LVFO" means the organization established and operating pursuant to the Convention signed by the United Republic of Tanzania, the Republic of Kenya, and the Republic of Uganda and which entered into force on May 24, 1996 (as amended by its Council of Ministers on November 12, 1998), setting out among others, the objectives, functions and responsibilities, organs, scope and the legal status of the organization.
- 15. "National Focal Point Ministries" means the Ministry of Environment and Mineral Resources for the Republic of Kenya, the Ministry of Water and Irrigation for the United Republic of Tanzania, and the Ministry of Water and Environment for the Republic of Uganda, or any successor thereto.
- 16. "Project Implementation Manual" means the Recipient's manual dated October 31, 2008, outlining *inter alia*, financial management, procurement, and disbursement arrangements, environmental and social management and monitoring arrangements for the Project, and includes the Project implementation plan, financial management manual, and the procurement manual, as the same may be amended from time to time with the prior written agreement of the World Bank, and such term includes any schedules to the implementation manual.
- 17. "Procurement Guidelines" means the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the World Bank in May 2004 and revised in October, 2006.
- 18. "Procurement Plan" means the Recipient's procurement plan for the Project, dated October 31, 2008, 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.
- 19. "Protocol for the Sustainable Development of Lake Victoria Basin" or "Protocol" means the instrument of same name, signed by the LVB Countries dated November 29, 2003, pursuant to which the LVB Countries have undertaken to

implement concerted measures to co-operate in the joint and efficient management and sustainable utilization of natural resources within the LVB.

- 20. "Regional Project Co-ordination Team" or "RPCT" means the team referred to in Section I.A.2 (b) of Schedule 2 to this Agreement.
- 21. "Regional Policy Steering Committee" or "RPSC" means the committee referred to in Section I.A.1 of Schedule 2 to this Agreement.
- 22. "SIDA Grant" means the funds made available by the Swedish International Development Agency ("SIDA") to the World Bank to act as an administrator and assist in the financing of activities related to the SIDA Project that are designed to further the objectives of the Project and the Protocol.
- 23. "SIDA Grant Agreement" means the agreement to be entered into between the Recipient and the World Bank, as administrator for certain funds made available by the SIDA, providing for a grant to EAC to assist in the carrying out of the SIDA supported Project.
- 24. "SIDA Supported Project" means the project to be carried out by the Recipient in parallel with this Project, and for which a grant is proposed to be made by the World Bank as administrator of certain funds made available by SIDA.
- 25. "Tanzania Financing Agreement" means agreement to be entered into between the United Republic of Tanzania and the Association providing for a credit to the United Republic of Tanzania to assist it in the carrying out of the Tanzania Project.
- 26. "Tanzania Project" means the project to be carried out by Tanzania in parallel with this Project, and for which a credit is proposed to be made by the Association.
- 27. "Training" means the training of persons under Part 1 of the Project carried out in accordance with the work plans and budgets referred to in Section I.B.5 of Schedule 2 to this Agreement and approved by the World Bank, such term to include travel and subsistence of participants of seminars, workshops, and study tours, rental of training facilities, services of trainers and presenters, preparation and reproduction of training materials, and other costs directly related to preparation and implementation of training programs.
- 28. "Uganda Financing Agreement" means agreement to be entered into between the Republic of Uganda and the Association providing for a credit to the Republic of Uganda to assist it in the carrying out of the Uganda Project.
- 29. "Uganda Project" means the project to be carried out by Uganda in parallel with this Project, and for which a credit is proposed to be made by the Association.

Modifications to the Standard Conditions

The definition of "Member Country" is modified to read as follows:

"Member Country" means, with respect to each activity under the Project, the member of the World Bank in whose territory such activity is carried out or any of such member's political or administrative subdivisions. If such activity is carried out in the territory of more than one member of the World Bank, the term "Member Country" refers separately to each such member."