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CREDIT NUMBER 6787-NP

# Financing Agreement

(Rural Enterprise and Economic Development Project)

between

NEPAL

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

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**CREDIT NUMBER 6787-NP**

**FINANCING AGREEMENT**

AGREEMENT dated as of the Signature Date between NEPAL (“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, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to fifty-six million four hundred thousand Special Drawing Rights (SDR 56,400,000) (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 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 The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.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 1 and October 1 in each year.
- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollar.

**ARTICLE III — PROJECT**

- 3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through its Ministry of Agriculture and Livestock Development in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

**ARTICLE IV — EFFECTIVENESS; TERMINATION**

- 4.01. The Additional Conditions of Effectiveness consist of the following:
- (a) The Recipient has established the Office of the Project Director pursuant to the provisions of paragraph 1 of Section I.A of Schedule 2 to this Agreement.
  - (b) The Recipient has adopted the Project Implementation Manual pursuant to the provisions of paragraph 4 of Section I.A of Schedule 2 to this Agreement.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 4.03. 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 the Secretary, Ministry of Finance, or Joint Secretary of the International Economic Cooperation Coordination Division, Ministry of Finance.

- 5.02. For purposes of Section 11.01 of the General Conditions: (a) the Recipient's address is:

Ministry of Finance  
Government of Nepal  
Singha Durbar  
Kathmandu  
Nepal; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
(977-1) 4211-164	secretary@mof.gov.np

- 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

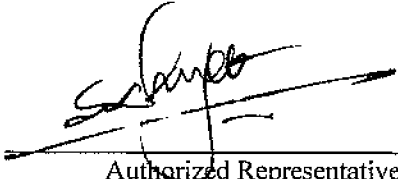
(b) the Association's Electronic Address is:

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

AGREED as of the Signature Date.

NEPAL

By

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


Name: Sishir Kumar Dhungana

Title: Finance Secretary

Date: December 21, 2020

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

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

Name: Faris Hadad-Zervos

Title: Country Director for Maldives, Nepal and Sri Lanka

Date: December 21, 2020

## SCHEDULE 1

### Project Description

The objective of the Project is to strengthen rural market linkages and entrepreneurship ecosystem and to create job opportunities as the recovery actions from COVID-19.

The Project consists of the following parts:

#### **Part 1: Strengthening Market Linkages through Productive Partnerships**

Building productive partnerships to promote rural-based value chains, including: (a) conducting a comprehensive communications campaign, including a targeted communication campaign for women; (b) brokering support for prospective buyers and POs to prepare simple joint profiles; (c) provision of technical assistance to POs with the development of mutually-agreed business plans; (d) provision of Start-up Grants for POs to fulfil the terms of their business plans; and (e) supporting formalization of POs as legal entities.

#### **Part 2: Strengthening the Entrepreneurship Ecosystem in the Federal Structure**

- (a) Building the capacity of provincial and local governments and related agencies in the agriculture sector in: (i) agriculture services development; (ii) climate-induced risks and challenges and strengthen climate resiliency; (iii) strategies to enhance efficiency and resources use along the agri-business value chains; (iv) food safety and certification of organic food; (v) reducing post-harvest losses; (vi) developing mechanism and framework to deepen extension of advisory services; (vii) development of digital platform for market information at local level; (viii) fiduciary and audit capacity; and (ix) implementation of local level agriculture development plans.
- (b) Building the capabilities and outreach of: (i) intermediary institutions to provide services to small and medium enterprises and agritech start-ups; and (ii) small and medium enterprises and agritech start-ups to improve their businesses to enable them to participate in productive partnerships.

#### **Part 3: Restoring and Strengthening COVID-19 Disrupted Food Supply Chain and Local Economy**

Financing investments in: (a) municipal agriculture centers for safe food and seed storage and supply, including distribution of seeds and other agricultural inputs to local population, agri-businesses, producers and farmers; and (b) upgrading and building demand-driven market and value chain related infrastructure and demand-driven semi-public infrastructure at local level, including through financing of labor-intensive works, which could include regional market centers, collection centers, storage centers, cold-chain centers, packaging and processing centers, value addition facilities.

**Part 4: Project Management**

Provision of support to MoALD as well as the respective provincial and local governments for Project implementation and management, including support for procurement, financial management, environmental and social risk management, monitoring and evaluation and reporting; provision of Training and Incremental Operating Costs.

**Part 5: Contingent Emergency Response Component**

Provision of immediate response to an Eligible Crisis or Health Emergency.

## SCHEDULE 2

### Project Execution

#### Section I. Implementation Arrangements

##### A. Institutional Arrangements

1. For the purposes of overall coordination and supervision of the Project the Recipient shall establish, no later than three (3) months from the Effective Date, and thereafter maintain, throughout the period of implementation of the Project, the Project Steering Committee which shall be chaired by the Secretary, MoALD, and shall include representatives of each participating Province, and with the composition, resources and terms of reference satisfactory to the Association.
2. The Recipient shall vest the overall responsibility for the implementation of the Project in MoALD and shall establish within MoALD and thereafter maintain, throughout the period of implementation of the Project, the Office of the Project Director, to be headed by the Project Director, and with the composition, resources and terms of reference satisfactory to the Association and adequate for successful implementation of the Project.
3. The Recipient shall, and shall cause the respective Provincial Governments to, establish for each Economic Corridor, no later than three (3) months from the Effective Date, and thereafter maintain, throughout the period of implementation of the Project: (a) Economic Corridor Office for the purposes of day-to-day implementation and management of Project activities within the respective Economic Corridor; and (b) Economic Corridor Technical and Coordination Committee for the purposes of overall coordination and supervision of the Project activities within the respective Economic Corridor; all with the composition, resources and terms of reference satisfactory to the Association.
4. No later than six (6) months from the Effective Date MoALD shall employ, and thereafter maintain, throughout the period of implementation of the Project a technical assistance consultant, with the terms of reference and capacity satisfactory to the Association, to assist the OPD with the implementation of the Project, including development of operational procedures for the Project, development of the communication campaign strategy and provision of Project related training.



5. The Recipient shall:
  - (a) adopt and thereafter maintain, throughout the period of implementation of the Project, the Project Implementation Manual in form and substance satisfactory to the Association, including, inter alia, the Project administrative, accounting, auditing, reporting, financial, disbursement, safeguards and procurement procedures, as agreed with the Association; and
  - (b) carry out the Project in accordance with the Project Implementation Manual and refrain from amending, revising, waiving, voiding, suspending or abrogating any provision of the PIM, whether in whole or in part, without the prior written agreement of the Association. In the event of any conflict between the provisions of the Project Implementation Manual and those of this Agreement, the provisions of this Agreement shall prevail.
  
6. The Recipient shall:
  - (a) prepare and furnish to the Association for its review by not later April 30 of each year of Project implementation (or such later date as the Association may agree), a consolidated Annual Work Plan for the Project, containing a detail of the Project activities proposed to be carried out during the next Fiscal Year, as well as the respective eligible expenditures, budgetary requirements and envisioned sources of funds;
  - (b) promptly thereafter discuss each such Annual Work Plan with the Association; and
  - (c) thereafter implement each such Annual Work Plan as reviewed/discussed with the Association.

**B. Start-up Grants**

1. For the purposes of Start-up Grants under Part 1 (d) of the Project the Recipient shall: (i) adopt and thereafter maintain, throughout the period of implementation of the Project, the Start-up Grants Manual in form and substance satisfactory to the Association and in line with the broader framework of grant policy of the Recipient; and (ii) ensure that Start-up Grants are provided to eligible Producer Organizations by OPD in accordance with eligibility criteria and procedures acceptable to the Association and set forth in the Start-up Grants Manual.

2. The OPD shall make each Start-up Grant under a Start-up Grant Agreement with the respective PO on terms and conditions agreed by the Association, which shall include the following:
  - (a) The Start-up Grant shall be denominated in Nepalese Rupees.
  - (b) The OPD shall obtain rights adequate to protect interests of the Recipient and those of the Association, including the right to: (i) suspend or terminate the right of the PO to use the proceeds of the grant, or obtain a refund of all or any part of the amount of the grant then withdrawn, upon the PO's failure to perform any of its obligations under the Start-up Grant Agreement; and (ii) require each PO to: (A) carry out its Sub-project with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Association, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Start-up Grant in accordance with the provisions of this Agreement; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Association, the progress of the Sub-project and the achievement of its objectives; (E) (1) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards acceptable to the Association, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project; and (2) at the Association's or the Recipient's request, have such financial statements audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association, and promptly furnish the statements as so audited to the Recipient and the Association; (F) enable the Recipient and the Association to inspect the Sub-project, its operation and any relevant records and documents; (G) prepare and furnish to the Recipient and the Association all such information as the Recipient or the Association shall reasonably request relating to the foregoing; and (H) ensure completion of the Sub-project before the Closing Date.
3. The OPD shall exercise its rights under each Start-up Grant Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Credit.

**C. Environmental and Social Standards**

1. The Recipient 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 Recipient 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 Recipient shall ensure that:
  - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as 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. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Recipient 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, including, , in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.
- 5. The Recipient shall establish, publicize, maintain and operate an accessible grievance 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.
- 6. The Recipient shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors and supervising entities, as the case might be, 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.

**D. Contingent Emergency Response**

- 1. In order to ensure the proper implementation of contingent emergency response activities under Part 5 of the Project ("Contingent Emergency Response Part"), the Recipient shall:
  - (a) prepare and furnish to the Association for its review and "no-objection", a Contingent Emergency Response Component Manual (CERCM) which shall set forth detailed implementation arrangements for the Contingent Emergency Response Part, including: (i) any special institutional arrangements for coordinating and implementing the Contingent Emergency Response Part; (ii) specific activities which may be included in the Contingent Emergency Response Part. Eligible Expenditures required therefor ("Emergency Expenditures"), and any procedures for such inclusion; (iii) financial management arrangements for the Contingent Emergency Response Part; (iv) procurement methods and procedures for the Contingent Emergency Response Part; (v) documentation required for withdrawals of Emergency Expenditures; (vi) application of the any relevant safeguard instruments to the Contingent Emergency Response Part; and (vii) any other

arrangements necessary to ensure proper coordination and implementation of the Contingent Emergency Response Part;

- (b) afford the Association a reasonable opportunity to review the proposed CERCM;
  - (c) promptly adopt the CERCM for the Contingent Emergency Response Part as accepted by the Association;
  - (d) ensure that the Contingent Emergency Response Part is carried out in accordance with the CERCM; provided, however, that in the event of any inconsistency between the provisions of the CERCM and this Agreement, the provisions of this Agreement shall prevail; and
  - (e) not amend, suspend, abrogate, repeal or waive any provision of the CERCM without the prior written "no-objection" by the Association.
2. The Recipient shall ensure that no activities are undertaken under the Contingent Emergency Response 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 Health Emergency has occurred, has furnished to the Association a request to include said activities in the Contingent Emergency Response Part in order to respond to said crisis or emergency, and the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and
  - (b) the Recipient has ensured the disclosure of all safeguards instruments required for said activities in accordance with the CERCM, the Recipient has approved all such instruments, and the Recipient has ensured the implementation of any actions which are required to be taken under said instruments.
3. Notwithstanding any provision to the contrary in this Section, Emergency Expenditures required for activities included in Part 5 of the Project shall be procured in accordance with the procurement methods and procedures set forth in the CERCM.

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

The Recipient shall furnish to the Association each Project Report not later than one month after the end of each calendar semester, covering the calendar 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: (a) 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, Incremental Operating Costs and Training for the Project	28,200,000	100%
(2) Start-up Grants under Part I (d) of the Project	28,200,000	50%
(3) Emergency Expenditures	0	
<b>TOTAL AMOUNT</b>	<b>56,400,000</b>	

**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;
  - (b) for Start-up Grants under Category (2) unless and until the Start-up Grants Manual satisfactory to the Association has been adopted by the Recipient;  
or

- (b) for Emergency Expenditures under Category (3), unless and until the Association is satisfied that all of the following conditions have been met in respect of said expenditures:
- (i) the Recipient has determined that an Eligible Crisis or Health Emergency has occurred, has furnished to the Association a request to include said activities in the Contingent Emergency Response Part in order to respond to said 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 safeguard instruments, agreed with the Association, required for said activities, and has ensured that any actions which are required to be taken under said documents have been implemented, all in accordance with the provisions of Sections I.D (1)(a) of this Schedule;
  - (iii) the entities in charge of coordinating and implementing the Contingent Emergency Response Part, has provided sufficient evidence satisfactory to the Association that it has adequate staff and resources for the purposes of said activities; and
  - (iv) the Recipient has adopted the CERCM, in form and substance acceptable to the Association, and the provisions of the CERCM remain relevant or have been updated in accordance with the provisions of Section I.D of this Schedule so as to be appropriate for the inclusion and implementation of the activities under the Contingent Emergency Response Part.

2. The Closing Date is July 15, 2025.

**SCHEDULE 3**

**Repayment Schedule**

<b>Date Payment Due</b>	<b>Principal Amount of the Credit repayable (expressed as a percentage) *</b>
On each April 1 and October 1, commencing April 1, 2027 to and including October 1, 2058	<b>1.5625%</b>

\* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.



## APPENDIX

### Definitions

1. “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.
2. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
3. “Contingent Emergency Response Component Manual” or the acronym “CERCM” means the plan referred to in Section I.D of Schedule 2 to this Agreement, to be adopted by the Recipient for the Contingent Emergency Response Part in accordance with the provisions of said Section.
4. “Contingent Emergency Response Part” means Part 5 of the Project.
5. “COVID-19” means the coronavirus disease caused by the 2019 novel coronavirus (SARS-CoV-2).
6. “Economic Corridor Office” means a unit to be established by the respective Province of the Recipient for each Economic Corridor pursuant to paragraph 3 of Section I.A of Schedule 2 to this Financing Agreement for the purposes of day-to-day implementation and management of Project activities within the respective Economic Corridor, and “Economic Corridor Offices” in plural means all such units.
7. “Economic Corridor Technical and Coordination Committee” means a committee to be established by the respective Province of the Recipient for each Economic Corridor pursuant to paragraph 3 of Section I.A of Schedule 2 to this Financing Agreement for the purposes of overall coordination and supervision of the Project activities within the respective Economic Corridor, and “Economic Corridor Technical and Coordination Committees” in plural means all such committees.
8. “Economic Corridors” in plural means the following highways, including the surrounding them areas, of the Recipient: Mid-Hill Highway in Provinces 1; Bagmati and Gandaki; East-West Highway in Province 2; Postal Highway in Province 2; Bhalubang-Rolpa Highway in Province 5; Mahakali Highway in Sudurpashchim; and some other locations as may be further

agreed upon by the Association and the Recipient; and “Economic Corridor” in singular means any one of these highways with the respective surrounding area.

9. “Eligible Crisis” 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.
10. “Emergency Expenditure” means any of the eligible expenditures set forth in the Contingency Emergency Response Component Manual in accordance with the provisions of Section I.D of Schedule 2 to this Agreement. and required for the Contingent Emergency Response Part.
11. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated August 28, 2020, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
12. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Association.
13. “Fiscal Year” means a fiscal year of the Recipient, commencing on or around July 16 of a calendar year and concluding on or around July 15 of the next following calendar year.

14. "General Conditions" means the "International Development Association General Conditions for IDA Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020).
15. "Health Emergency" means an event that has caused, or is likely to imminently cause, a major adverse health impact to the Recipient, associated with a natural or man-made crisis or disaster.
16. "Incremental Operating Costs" means reasonable costs incurred by the Recipient for purposes of the management and supervision of the Project, including costs of office utilities and supplies, communication, printing services, bank charges, advertising expenses, vehicle rental, operation and maintenance of vehicles, office equipment and facilities, travel, lodging and per diem expenses, and salaries and allowance of contractual staff (other than consultants) working for the Project implementation, but excluding salaries and allowances of the Recipient's civil servants or other regular government staff.
17. "Ministry of Agriculture and Livestock Development" or "MoALD" means the Ministry of Agriculture and Livestock Development of the Recipient, or any successor thereto.
18. "Ministry of Finance" means the Ministry of Finance of the Recipient, or any successor thereto.
19. "Nepalese Rupees" or "NPR" means Nepalese Rupees, the currency of the Recipient.
20. "Office of the Project Director" or "OPD" means a project management unit to be established by the Recipient within MoALD pursuant to paragraph 1 of Section I.A of Schedule 2 to this Financing Agreement.
21. "Procurement Regulations" means, for purposes of paragraph 87 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated July 2016, revised November 2017 and August 2018.
22. "Producer Organizations" or "POs" means small farmers and rural producers organized in groups, organizations, cooperatives or other forms of association.
23. "Project Implementation Manual" or "PIM" means a project implementation manual, in form and substance satisfactory to the Association, to be adopted by the

Recipient pursuant to paragraph 4 of Section I.A of Schedule 2 to this Financing Agreement.

24. "Project Steering Committee" or "PSC" means a committee to be established by the Recipient pursuant to paragraph 2 of Section I.A of Schedule 2 to this Financing Agreement.
25. "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.
26. "Start-up Grants" means grants to be provided by the OPD to eligible Producer Organizations under Part 1 (d) of the Project in accordance with the selection criteria, procedures and other requirements set forth in the Start-up Grants Manual.
27. "Start-up Grants Manual" means a manual, in form and substance satisfactory to the Association, to be adopted by the Recipient pursuant to paragraph 1 of Section I.B of Schedule 2 to this Financing Agreement.
28. "Sub-project" means a set of activities of an eligible Producer Organization selected in accordance with the criteria and procedures set forth in the Start-up Grants Manual for financing by a Start-up Grant.
29. "Training" means cost associated with the training, workshops and study tours, based on approved Annual Work Plans and Budgets for reasonable expenditures (other than expenditures for consultants' services), including: (a) travel, room, board and per diem expenditures incurred by trainers and trainees in connection with their training and by non-consultant training facilitators; (b) course fees; (c) training facility rentals; and (d) training material preparation, acquisition, reproduction and distribution expenses.