
LOAN NUMBER 9271-PH

Loan Agreement

(Second Additional Financing for Philippine Rural Development Project)

between

REPUBLIC OF THE PHILIPPINES

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF THE PHILIPPINES ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") for the purpose of providing additional financing for the Original Project (as defined in the Appendix to this Agreement).

WHEREAS: (A) the Borrower has requested a second additional financing from the Bank for the Original Project in an amount of two hundred eighty million United States Dollars (\$280,000,000); and the Bank has agreed to extend a loan of this amount for the purpose of providing additional financing to further scale up the Original Project.

WHEREAS: (B) the Borrower has also requested the Bank, acting as administrator of the European Union ("EU") Philippine Rural Development Project Single-Donor Trust Fund to assist in financing Parts 1.1(a)(ii), 1.2(b), 2.1(b), 2.2(b), 3.1(a)(ii), 3.2(b) and 4(b) of the Project, and the Bank, acting in such capacity, has agreed to extend a grant to the Borrower from the Philippine Rural Development Project Single-Donor Trust Fund for such purpose in the amount of eighteen million three hundred thousand Euro (Euro 18,300,000) ("Grant"), pursuant to the Grant Agreement between the Borrower and the Bank for the Project, of the same date as this Agreement ("EU Grant Agreement").

NOW, THEREFORE, the Borrower and the Bank 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, the EU Grant Agreement, or in this Agreement (including the Preamble thereto).

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of two hundred and eighty million Dollars (\$280,000,000), as such amount may be converted from time to time through a Currency Conversion ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.



- 2.05. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are June 15 and December 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall carry out the Project through its Department of Agriculture 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 Condition of Effectiveness consists of the following, namely, that the EU Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Borrower to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled.
- 4.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Borrower's Representative is its Secretary of Finance.
- 5.02. For purposes of Section 10.01 of the General Conditions: (a) the Borrower's address is:

Department of Finance
Department of Finance Building
Roxas Boulevard corner Pablo Ocampo Sr. Street
Manila 1004
Philippines; and

(b) the Borrower's Electronic Address is:

Facsimile:	E-mail:
(63-2) 8523-9216	secfin@dof.gov.ph

- 5.03. For purposes of Section 10.01 of the General Conditions: (a) the Bank's address is:

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



(b) the Bank's Electronic Address is:

Telex:

Facsimile:

E-mail:

248423(MCI) or
64145(MCI)

1-202-477-6391

PhilippinesCMU@worldbank.org



AGREED as of the Signature Date.

REPUBLIC OF THE PHILIPPINES

By



Authorized Representative

Name: Carlos G. Dominguez

Title: Secretary of Finance

Date: JUL 19 2021



INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By

Ndame Diop

Authorized Representative

Name: Ndame Diop

Title: Country Director

Date: 16-Jul-2021

SCHEDULE 1

Project Description

The objectives of the Project are to increase rural incomes and enhance farm and fishery productivity in the Targeted Areas.

The Project consists of Parts 1.1(a), 1.2, 2, 3.1(a), 3.2, and 4 of the Original Project, as modified and described below:

Part 1. Local and National Level Planning

- 1.1 Enhancing the Agriculture and Fisheries Modernization Planning Process. (a) Rationalization of the DA's planning, programming and budgeting processes related to the development of AFMPs as the main basis of decision making and operations in the DA at the national, regional and local levels: (i) nationwide, except for EU Priority Areas; and (ii) in EU Priority Areas; and (b) *[intentionally left blank]*.
- 1.2 Supporting AFMP Implementation. Design of coordinated systems of technical support for the implementation of Sub-projects prioritized in the provincial commodity investment plans (PCIPs): (a) nationwide, except for EU Priority Areas; and (b) in EU Priority Areas.

Part 2. Infrastructure Development

- 2.1 Value Chain Infrastructure Support. Carrying out of specific Sub-projects to support infrastructure development by Participating LGUs in priority commodity value chains (including, among others, farm-to-market roads, bridges, tire tracks, communal irrigation, potable water systems, post-harvest facilities, production facilities, fish landings, fish sanctuaries, tram lines, storage facilities, trading posts, green houses, solar driers, watch towers, and slope stabilization works): (a) nationwide, except for EU Priority Areas; and (b) in EU Priority Areas.
- 2.2 Approaches for Improving the Effectiveness and Sustainability of Infrastructure Investments. Development of technical specifications for climate resiliency and disaster risk mitigation for local infrastructure: (a) nationwide, except for EU Priority Areas; and (b) in EU Priority Areas.

Part 3. Enterprise Development

- 3.1 Rural Agri-Fishery Enterprise and Productivity Enhancement. (a) Carrying out of specific Sub-projects to support vertical and horizontal clustering, joint business planning and investments by Proponent Groups operating within priority commodity value chains: (i) nationwide, except for EU Priority Areas; and (ii) in EU Priority Areas; and (b) *[intentionally left blank]*.
- 3.2 Technology and Information for Enterprise and Market Development. Provision of technical assistance to Proponent Groups to increase their productivity and incomes

through improved and sustainable technological, operational and market knowledge and facilitation of market linkages: (a) nationwide, except for EU Priority Areas; and (b) in EU Priority Areas.

Part 4. Project Implementation Support

Provision of technical and operational assistance for the day-to-day coordination, implementation, monitoring, evaluation and audit of the Project: (a) nationwide, except for EU Priority Areas; and (b) in EU Priority Areas.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional and Implementation Arrangements

1.
 - (a) The Borrower, through the DA, shall carry out the Project in accordance with the Project Operations Manual, the AFMP and the RAFMPs.
 - (b) The Borrower, through the DA, shall not amend, revise, waive, void, suspend or abrogate, or allow to be amended, revised, waived, voided, suspended or abrogated, any provision of the Project Operations Manual, without the prior written concurrence of the Bank.
 - (c) In case of any inconsistency between the provisions of the Project Operations Manual and those of this Agreement, the provisions of this Agreement shall prevail.
2. The Borrower, through the DA, shall maintain throughout the period of implementation of the Project, with composition, terms of reference, staffing and other resources acceptable to the Bank, and with detailed functions as set out in the Project Operations Manual:
 - (a) a NPCO, to be responsible, *inter alia*, for implementation of the overall institutional reforms planned for the DA under the Project and coordination of the relevant government agencies involved in the implementation of the Project;
 - (b) a NPAB, to be responsible, *inter alia*, for overall direction and oversight of Project implementation;
 - (c) RPABs, each chaired by the regional director of DA, to be responsible, *inter alia*, for the oversight of Project implementation at the regional level;
 - (d) RPCOs within the respective DA regional field offices to be responsible, *inter alia*, for coordination and management of Project implementation at the regional level; and
 - (e) PSOs to be responsible, *inter alia*, for providing support to the RPCOs.
3. The Borrower, through the DA, shall: (i) furnish to the Bank, not later than October 31 in each year, starting on the first October 31 after the date of effectiveness of this Agreement, for review and comments, an annual work plan and financing plan for the implementation of the Project in the following year prepared in accordance with the provisions of the Project Operations Manual; and (ii) afford the Bank a reasonable opportunity to exchange views with the Borrower on said plan and, thereafter, promptly take all actions necessary to implement said plan, taking into account the views of the Bank on the matter.

4. The Borrower, through the DA, shall maintain, throughout the course of implementation, a unified and integrated platform of publicly accessible, geo-tagged and geo-mapped records of all Sub-projects.
5. The Borrower, through the DA, shall implement planning guidelines that require all technical and attached agencies of the DA to coordinate with and provide support to RFOs in implementation of the relevant PCIP and to make appropriate provisions in their annual budgets for the same.

B. Safeguards

1. The Borrower, through the DA, shall ensure that:
 - (a) the Project is carried out with due regard to appropriate health, safety, social, and environmental practices and standards, and in accordance with the Safeguards Instruments;
 - (b) for each activity under the Project for which the ESSF, and the LARRF provide for the preparation of an ESMP or RAP:
 - (i) proceed to have such ESMP or RAP as appropriate: (A) prepared and disclosed in accordance with the ESMF and the LARRF, respectively; (B) consulted upon adequately with people affected by the Project as per the ESMF and the LARRF, respectively, and submitted to the Bank for review and approval; and (C) thereafter adopted, prior to implementation of the activity; and
 - (ii) take such measures as shall be necessary or appropriate to ensure compliance with the requirements of such ESMP or RAP in a manner satisfactory to the Bank;
 - (c) all measures are taken to implement the RAPs in a manner and timeframe satisfactory to the Bank. To this end, the Borrower, through the DA, shall ensure that:
 - (i) funds are made available to cover all the costs of implementing the RAPs;
 - (ii) prior to carrying out activities which involve displacement, Affected Persons shall be compensated at full replacement cost, resettled and provided with assistance in accordance with the RAPs, as applicable; and
 - (iii) the implementation, monitoring and evaluation of such RAPs is completed and reported in a manner satisfactory to the Bank;
 - (d) for each activity under the Project for which the IPPF provides for the preparation of an IPP, the Borrower, through the DA, shall: (a) prior to the carrying out of any said activity, prepare and/or cause to be prepared and furnish to the Bank, an IPP,

in accordance with the IPPF and satisfactory to the Bank; and (b) thereafter, adopt and implement said IPP in accordance with its terms and in a manner satisfactory to the Bank.

2. Except as the Bank shall otherwise agree in writing, the Borrower, through the DA, shall ensure that none of the provisions of the Safeguard Instruments be abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the Safeguard Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.
3. The Borrower, through the DA, shall ensure that: (a) all consultancies related to technical assistance, design and capacity building under the Project, the application of whose results could have environmental, social and health and safety implications, shall only be undertaken pursuant to terms of reference reviewed and found satisfactory by the Bank; and (b) such terms of reference shall require the technical assistance, design and capacity building activities to take into account the requirements of the applicable Bank's Safeguards Policies and EHS Guidelines.
4. Without limitation upon its other reporting obligations under this Agreement, the Borrower, through the DA, shall:
 - (a) take all measures necessary on its part to regularly collect, compile, and submit to the Bank, as part of the Project Reports, and promptly in a separate report whenever the Bank may require, information on the status of compliance with the Safeguards Instruments, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the Safeguards Instruments; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the Safeguards Instruments; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) promptly notify the Bank 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.
5. The Borrower, through the DA, shall maintain and publicize, throughout the period of Project implementation, the availability of a grievance mechanism, in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanism in a manner satisfactory to the Bank.

C. Sub-projects

1. To facilitate the carrying out and financing of Parts 2.1 and 3.1 of the Project, the Borrower, through the DA, shall make part of the proceeds of the Loan available to the Beneficiaries on a grant basis ("Sub-grant") for the purpose of making Infrastructure Development Grants or Enterprise Development Grants, as applicable.

2. Prior to making an Infrastructure Development Grant or an Enterprise Development Grant to a Beneficiary, the Borrower, through the DA, shall:
 - (a) ensure that each Beneficiary has the organization, management and resources satisfactory to the Bank for carrying out the proposed Sub-projects; and
 - (b) enter into a grant agreement between the Borrower, through the DA, and each Beneficiary ("Implementation Management Agreement"), under terms and conditions acceptable to the Bank, as set out in the Project Operations Manual, and which shall include, *inter alia*, the following: (i) the implementation and cost-sharing responsibilities of the DA and the Beneficiary in the implementation of the Sub-projects; (ii) the specification of eligible expenditures that may be financed from the proceeds of the Sub-grant; (iii) financial management and audit procedures consistent with those provisions set out in the Project Operations Manual; (iv) procurement procedures consistent with the Procurement Regulations and as further specified in the Project Operations Manual; (v) monitoring and reporting arrangements; and (vi) arrangements for implementation of the Safeguards Instruments.
3. Without limitation on the provisions of paragraph 2(b) of this Section, including the terms and conditions set out in the Project Operations Manual, the Borrower, through the DA, shall obtain rights under each Implementation Management Agreement adequate to protect its interests and those of the Bank, including the right to: (i) suspend or terminate the right of the Beneficiary to use the proceeds of the Sub-grant, or obtain a refund of all or any part of the amount of the Sub-grant then withdrawn, upon the Beneficiary's failure to perform any of its obligations under the Implementation Management Agreement; and (ii) require each Beneficiary 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 Bank, including in accordance with the Safeguards Instruments and the provisions of the Anti-Corruption Guidelines applicable to recipients of loan proceeds other than the Borrower; (B) provide, promptly as needed, the resources required for the purpose; (C) procure the goods, works and services to be financed out of the Sub-grant in accordance with the provisions of the Procurement Regulations and as further specified in the Project Operations Manual; (D) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with indicators acceptable to the Bank, the progress of the Sub-project and the achievement of its objectives; (E) (1) maintain a financial management system and prepare financial reports in a format acceptable to the Borrower and the Bank, both in a manner adequate to reflect the operations, resources and expenditures related to the Sub-project; and (2) at the Bank's or the Borrower's request, have such financial reports audited by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Borrower and the Bank; (F) enable the Bank to inspect the Sub-project, its operation and any relevant records and documents; and (G) prepare and furnish to the Bank all such information as the Bank shall reasonably request relating to the foregoing.
4. The Borrower, through the DA, shall: (a) exercise its rights under each Implementation Management Agreement in such manner as to protect the interests of the Borrower and the

Bank and to accomplish the purposes of the Loan; and (b) except as the Bank shall otherwise agree, not assign, amend, abrogate or waive any Implementation Management Agreement or any provision thereof.

Section II. Project Monitoring Reporting and Evaluation

1. The Borrower, through the DA, shall furnish to the Bank each Project Report not later than sixty (60) days after the end of each calendar semester, covering the calendar semester.
2. Not later than one (1) year after the Effective Date, or such other period as may be agreed with the Bank, the Borrower, through the DA, shall carry out, jointly with the Bank, a review of the Project to assess the status of Project implementation, with particular reference to the EU Priority Areas. Such review shall include an assessment of the following: (a) overall progress in implementation; (b) progress on procurement and disbursement; (c) implementation arrangements; and (d) the need to make any adjustments to the Project.

Section III. Withdrawal of Loan Proceeds

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 Borrower may withdraw the proceeds of the Loan to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods, non-consulting services, consulting services, Infrastructure Development Grants, Enterprise Development Grants, Training and Operating Costs for Parts 1.1(a)(i), 1.2(a), 2.1(a), 2.2(a), 3.1(a)(i), 3.2(a) and 4(a) of the Project	248,000,000	100%
(2) Goods, non-consulting services, consulting services, Infrastructure Development Grants, Enterprise Development Grants, Training and Operating Costs for Parts 1.1(a)(ii), 1.2(b), 2.1(b), 2.2(b), 3.1(a)(ii), 3.2(b) and 4(b) of the Project	32,000,000	Up to 100% of the Loan's agreed share of the amounts disbursed as specified in the Disbursement and Financial Information Letter
TOTAL AMOUNT	280,000,000	

B. Withdrawal Conditions; Withdrawal Period.

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made for payments made prior to the Signature Date.
2. The Closing Date is July 31, 2025.

SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

Level Principal Repayments

Principal Payment Date	Installment Share
On each June 15 and December 15 Beginning December 15, 2031 through December 15, 2045	3.33%
On June 15, 2046	3.43%

APPENDIX

Definitions

1. "Affected Person" means a person or entity who, on account of the execution of the Project and/or Sub-projects, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and, "Affected Persons", means more than one such Affected Person.
2. "AFMP" means the agriculture and fisheries modernization plan which is prepared and implemented by the DA under Republic Act 8435 of 1997 in consultation with stakeholders and which includes plans on food security, poverty alleviation and social equity, income enhancement and profitability, global competitiveness, and sustainability.
3. "Anti-Corruption Guidelines" means, for purposes of paragraph 6 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.
4. "BARMM" means the Borrower's Bangsamoro Autonomous Region in Muslim Mindanao.
5. "Beneficiary" means a Participating LGU or a Proponent Group, as applicable; and "Beneficiaries" means more than one such Beneficiary.
6. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
7. "DA" or "Department of Agriculture" means the Borrower's Department of Agriculture, and any successor or successors thereto.
8. "DENR" or "Department of Environment and Natural Resources" means the Borrower's Department of Environment and Natural Resources, and any successor or successors thereto.
9. "EHS Guidelines" means the World Bank Group Environmental, Health and Safety Guidelines published on www.ifc.org/ehsguidelines, as said guidelines are updated from time to time.
10. "EMFG" means the Borrower's environmental management framework and guidelines, prepared by the Borrower, through the DA, and included in the ESSF, as acceptable to the Bank, setting out the mitigating, monitoring and institutional measures to be taken during the implementation and operation of the Project to offset or reduce potential adverse environmental impacts to levels acceptable to the Bank.

11. "Enterprise Development Grant" is a grant made by the Borrower, through the DA, to a Proponent Group under an Implementation Management Agreement for the purpose of carrying out Sub-projects under Parts 3.1(a)(i) and 3.1(a)(ii) of the Project; and "Enterprise Development Grants" means more than one such Enterprise Development Grant.
12. "ESMP" means a site-specific environmental and social management plan, as provided for under the ESSF (including the EMFG), to be prepared by the Borrower, through the DA, and satisfactory to the Bank, defining details of measures to manage potential environmental and social risks and mitigate, reduce and/or offset adverse environmental and social impacts associated with the implementation of activities under the Project, together with adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, its terms, as the same may be amended and supplemented from time to time with the prior agreement of the Bank; and "ESMPs" refers to more than one such ESMP.
13. "ESSF" means the environmental and social safeguards framework, for the Project, dated November 28, 2012, updated June 5, 2014, disclosed in Infoshop on June 6, 2014, and updated and re-disclosed on September 18, 2020, which includes the EMFG, the IPPF, and the LARRF, and which: (a) sets forth policies and procedures for the preparation of site-specific ESMPs, IPPs and RAPs; and (b) sets forth the mitigating, monitoring and institutional measures to be taken during the implementation and operation of the Project to offset or reduce potential adverse environmental and social impacts to levels acceptable to the Bank.
14. "EU Priority Areas" means the following Target Areas: BARMM and selected areas of Mindanao, as set forth in, and pursuant to, the provisions and procedures of the Project Operations Manual for purposes of carrying out the Project.
15. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, and April 1, 2021).
16. "Implementation Management Agreement" means an agreement between the Borrower, through the DA, and a Beneficiary for the purpose of carrying out Sub-projects under Parts 2.1 or 3.1(a) of the Project.
17. "Indigenous Peoples" means those social groups in the Borrower's territory that have a distinct, vulnerable, social and cultural identity, and that possess the following characteristics in varying degrees: (a) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others; (b) collective attachment to geographically distinct habitats or ancestral territories in the Project area and to the natural resources in these habitats and territories; (c) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and (d) an indigenous language.
18. "IPP" means an indigenous peoples plan to be prepared by the Beneficiary or Borrower, through the DA, in accordance with the IPPF and the Bank's policy on indigenous peoples,

setting forth, *inter alia*, a summary of the social assessment undertaken to determine whether Indigenous People are present in or have collective attachment to the Project area, a summary of the results of the free, prior, and informed consultation with the affected Indigenous Peoples' communities, a framework for ensuring free, prior, and informed consultation with the affected Indigenous Peoples' communities, an action plan of measures to avoid, minimize, mitigate, or compensate for adverse effects on affected Indigenous People, cost estimates and financing, grievance mechanisms and mechanisms and benchmarks appropriate to the Project for monitoring, evaluating, and reporting on the implementation of the IPPF; and "IPPs" means more than one such IPP.

19. "IPPF" means the indigenous peoples policy framework included in the ESSF, prepared by the Borrower, through the DA, satisfactory to the Bank, which sets out: (a) the policies and procedures to ensure adequate consultations with, and the informed participation of, Indigenous Peoples who are affected by the Project, and (b) the principles to be applied in the preparation of IPPs as may be required during implementation of the Project.
20. "Infrastructure Development Grant" is a grant made by the Borrower, through the DA, to a Participating LGU under an Implementation Management Agreement for the purpose of carrying out Sub-projects under Parts 2.1(a) and (b) of the Project; and "Infrastructure Development Grants" means more than one such Infrastructure Development Grant.
21. "LARRF" means the land acquisition, resettlement, and rehabilitation policy framework prepared by the Borrower, through the DA, and included in the ESSF, satisfactory to the Bank, the resettlement principles, guidelines, organizational arrangements (including consultation and budget), and design criteria for the preparation of RAPs under the Project, as such framework may be amended from time to time with the prior written agreement of the Bank.
22. "LGU" means a local government unit, a political subdivision of the Borrower at the provincial, city, municipal or barangay level; and "LGUs" means more than one such LGU.
23. "NPAB" means the National Project Advisory Board, to be established in accordance with Section I.A.2(b) of Schedule 2 to this Agreement.
24. "NPCO" means the National Project Coordination Office, established by the Secretary of Agriculture through Special Order No.756 of 2012, issued November 20, 2013 and reconstituted through Special Order 776 of 2013, issued December 2, 2013 and referred to in Section I.A.2(a) of Schedule 2 to this Agreement.
25. "Operating Costs" means the reasonable incremental costs incurred by the Borrower's NPCO, PSO and the RPCOs on account of the Project implementation, monitoring and evaluation, which expenditures would not have been incurred absent the Project, including costs for office supplies, bank charges, advertising costs, repairs of equipment and vehicles, staff travel; rental of office space, fuel costs, and costs of contractual staff and remuneration of staff seconded, detailed and assigned to the NPCO, PSOs and the RPCOs for Project support and coordination, but excluding the salaries of the Borrower's civil servants.

26. "Original Loan Agreement" means the loan agreement for the Philippine Rural Development Project between the Borrower and the Bank, dated September 8, 2014, as amended to the date of this Agreement (Loan No. 8421-PH).
27. "Original Project" means the Project described in Schedule 1 to the Original Loan Agreement.
28. "Participating LGU" means an LGU selected in accordance with the eligibility criteria set out in the Project Operations Manual to participate in Project, and with which the Borrower, through the DA, enters into an Implementation Management Agreement for the carrying out of Sub-projects under Parts 2.1(a) and (b) of the Project; and "Participating LGUs" means more than one such Participating LGU.
29. "PCIP" means a provincial commodity investment plan to be developed and agreed among the DA, Participating LGUs, and relevant stakeholders, for the purpose of planning provincial commodity investments under the Project; and PCIPs means more than one such PCIP.
30. "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.
31. "Project Operations Manual" means the Borrower's manual for the Project, satisfactory to the Bank, referred to in Section I.A of Schedule 2 to this Agreement, to be updated and adopted by the Borrower, through the DA, for the management and administration of the Project and which shall include, *inter alia*: (a) procurement and financial management arrangements; (b) monitoring and evaluation arrangements, including protocols, risk-mitigation measures and other details on the use of unmanned aerial vehicles; (c) social and environmental safeguards; (d) communications strategy; (e) eligibility criteria, procedures and guidelines for the selection, approval, administration and supervision of Sub-projects; (f) the conditions governing the Infrastructure Development Grants and the Enterprise Development Grants, respectively; (g) a list of items or activities not eligible for financing out of the proceeds of the Loan or Grant through Sub-projects; (h) the Sub-projects' engineering design, operating and maintenance procedures; (i) the eligibility criteria and procedures for the selection of Proponent Groups for the purposes of Enterprise Development Grants; and (j) terms and conditions, and cost-sharing arrangements applicable to the Implementation Management Agreements; and as such manual may be revised from time to time with the prior approval of the Bank.
32. "Proponent Group" means a legally established and registered producer group or micro, small or medium scale enterprise, selected in accordance with the eligibility criteria set out in the Project Operations Manual to participate in Project; and "Proponent Groups" means more than one such Proponent Group.
33. "PSO" means a project support office, referred to in Section I.A.2(e) of Schedule 2 to this Agreement; and "PSOs" means more than one such PSO.

34. "RAFMP" means the regional agriculture and fisheries modernization plan, developed and implemented by the DA as a regional component of the AFMP and prepared in consultation with stakeholders; and "RAFMPs" means more than one such RAFMP.
35. "RAP" means the site-specific resettlement action plan and/or land acquisition plan, to be prepared and adopted by the Beneficiary or the Borrower, through the DA, in accordance with the procedures and requirements of the LARRF, acceptable to the Bank, which includes the principles, procedures, organizational arrangements and budget to implement the resettlement related activities under the Sub-project or Project, as said resettlement action plan may be revised from time to time with the prior written agreement of the Bank and "RAPs" means more than one such RAP.
36. "RFO" means a regional field office, responsible, inter alia, for preparing RAFMPs, and for providing technical validation of priority regional commodity value chains and programs under the PCIP. "RFOs" means more than one such RFO.
37. "RPAB" means a regional project advisory board, referred to in Section I.A.2(c) of Schedule 2 to this Agreement; and "RPABs" means more than one such RPAB.
38. "RPCO" means a regional project coordination office referred to in Section I.A.2(d) of Schedule 2 to this Agreement; and "RPCOs" means more than one such RPCO.
39. "Safeguards Instruments" means collectively, the EMFG, ESMF, ESMPs, ESSF, IPPF, IPPs, LARRF, and RAPs; and "Safeguard Instrument" means any of such Safeguards Instruments.
40. "Safeguard Policies" means, the Operational Policies (OPs) and Bank Procedures (BPs) of the Bank, namely OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitats), OP/BP 4.09 (Pest Management), OP/BP 4.10 (Indigenous Peoples), OP/BP 4.11 (Physical Cultural Resources), OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.36 (Forests), and OP/BP 4.37 (Safety of Dams); they can be found at <https://policies.worldbank.org>.
41. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.
42. "Sub-grant" means an Infrastructure Development Grant or an Enterprise Development Grant, as the case may be.
43. "Sub-projects" means collectively, infrastructure developments or enterprise developments carried out under Parts 2.1 and 3.1(a) of the Project, respectively, and the term "Sub-project" means any of the Sub-projects.
44. "Target Areas" means the areas where the Project will be carried based on the processes and procedures set out in the Project Operations Manual.

45. "Training" means the reasonable costs of goods and services required for the participation of personnel involved in training activities, workshops or study tours under the Project, including travel and subsistence costs for training, workshop and study tour participants, costs associated with securing the services of trainers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course, workshop or study tour preparation and implementation, but excluding salaries of consultants.