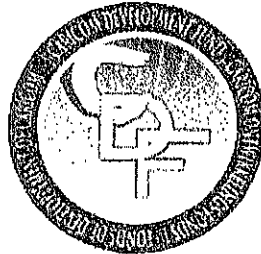


LOAN NO: GUY/L0003



LOAN AGREEMENT

The Cooperative Republic of Guyana - Country Assistance Programme

BETWEEN

THE CARICOM DEVELOPMENT FUND

AND

THE GOVERNMENT OF THE COOPERATIVE REPUBLIC OF GUYANA

Dated: 17th June 2025

AGREEMENT dated the 17th day of June 2025 between the CARICOM Development Fund (hereinafter called the CDF) of the first part, the Government of The Cooperative Republic of Guyana (hereinafter called the Borrower) of the second part.

ARTICLE 1

General Provisions, Interpretation, Definitions

Section 1.01 **General Provisions.** (a) The "General Provisions Applicable to Public Sector Loan Agreements with an Executing Agency" of the CDF set forth in Schedule I, (hereinafter called the General Provisions) shall apply to this Loan Agreement subject, however, to any modifications thereof set forth herein.

(b) References in the General Provisions to the Loan Account shall mean the CDF Loan Account applicable to the Programme herein.

Section 1.02 **Interpretation.** Unless otherwise stated, references to Sections are to Sections of this Loan Agreement and references to Schedules are to the Schedules immediately following Section 8.01.

Section 1.03 **Definitions.** (a) Wherever used in this Loan Agreement, unless the context otherwise requires, the several terms defined in the General Provisions shall have the respective meanings therein set forth, and for the purpose of sub-paragraphs (v), (xiii) and (xiv) respectively of Section 2.01 of the General Provisions, the terms:

- (i) "Due Dates" shall mean March 30th, June 30th, September 30th and December 30th in each year, except in the case of interest payable under Section 3.09 of the General Provisions and other charges which are payable on demand.

- (ii) "Programme" shall mean:
The Agricultural and Infrastructural Development Programme (AIDP) - the implementation of an integrated agricultural development programme to contribute to Guyana's food and nutrition security.
- (iii) "Programme Country" shall mean the Cooperative Republic of Guyana.

(b) Wherever used in this Loan Agreement, unless the context otherwise requires, the following additional terms shall have the following meanings:

- (i) "ASDU" means the Agricultural Sector Development Unit (of the Ministry of Agriculture) and also refers to the Executing Agency
- (ii) "CDF" means the CARICOM Development Fund
- (iii) "Commitment Date" means June 15th, 2029, or such later date as may be specified in writing by the CDF.
- (iv) "GCRG" means the Government of the Republic of Guyana – the Borrower.
- (v) "Loan Account" means the CDF Loan Account for the Programme Country herein;
- (vi) "United States dollars" or "US\$" means dollars in the currency of the United States of America.

ARTICLE II

The Loan and its Purpose

Section 2.01 **Amount of Loan.** The CDF agrees to lend to the Borrower, on the terms and conditions set out in this Loan Agreement, an amount not exceeding the equivalent of the sum of United States Dollars fifteen million (US\$15,000,000).

Section 2.02 **Loan Account.** Section 3.01 of the General Provisions shall govern this section such that the CDF shall open a Loan Account in its books in the name of the Borrower.

Section 2.03 **Purpose.** The purpose for which the Loan is being made is to provide the Borrower with funds for use by the Executing Agency in financing the Programme and the Executing Agency shall execute the Programme on behalf of the Borrower.

ARTICLE III

Repayment, Interest,

Section 3.01 **Repayment.** Except as provided in paragraph (b) of Section 3.02 of the General Provisions, the Borrower shall repay the amount disbursed from the Loan Account in sixty (60) equal or approximately equal and consecutive quarterly installments on each Due Date, commencing on the first due Date after the expiry of two (2) years following the date of first disbursement of the Loan or on such later due Date as the CDF may specify in writing.

Section 3.02 **Interest.** The Borrower shall pay interest at the rate of three percent (3%) per annum on the approved Loan amount disbursed by the CDF to MOA and outstanding from time to time. Such interest shall be payable quarterly in accordance with the provisions of paragraph (a) of Section 3.03 of the General Provisions. The rate of interest is subject to change at the option of the CDF, in accordance with paragraph (b) of Section 3.03 of the General Provisions. However, a minimum notice period of 90 days shall apply before any rate change shall come into effect.

ARTICLE IV

Disbursement of Loan

Section 4.01 **Disbursement and Application of Loan** Except as the CDF may otherwise agree:

- (a) Loan Funds will be committed and disbursed over a four-year period ending June 15th, 2029. However, drawdown of Loan funds may commence as soon as conditions prior to first disbursement are fulfilled.

- (b) The first disbursement of the Loan shall be made by December 15th, 2025 and the Loan shall be fully committed and fully disbursed by June 15th, 2029 or such later dates as CDF may specify in writing.
- (c) Disbursement shall be in three tranches upon receipt by the CDF of an application in writing on the CDF approved form, from the Borrower and/or the Executing Agency for each such disbursement.
- (d) The first disbursement of an amount not exceeding USD\$3,750,000 (*of which the sum of US\$300,00 shall be retained by the CDF for monitoring, evaluation and audit of the AIDP*) shall be made upon satisfaction of the mandatory governance requirements in Article VI, Section 6.01 of Schedule 1 of the Loan Agreement as well as satisfaction of the Conditions Precedent to First Disbursement set out in Section 1.07.1 of Schedule 2 hereto.
- (e) The second disbursement of an amount not exceeding USD\$7,500,000 shall be made upon satisfaction of the Conditions Precedent to Second Disbursement set out in Section 1.07.2 of Schedule 2 hereto.
- (f) The third disbursement of an amount not exceeding USD\$3,750,000 shall be made upon satisfaction of the Conditions Precedent to Third Disbursement set out in Section 1.07.3 of Schedule 2.

Section 4.02 **Period for Commitment.** The Loan shall be totally committed by the Borrower by June 15th, 2029, or such later dates as CDF may specify in writing.

Section 4.03 **Period for Disbursement.** The date to be specified pursuant to Section 4.03 of the General Provisions is June 15th, 2029.

Section 4.04 **Procurement.** (a) Any goods and services required for carrying out the Programme shall, if they are to be financed out of the Loan, be procured in accordance with the provisions of Section 4.04 of the General Provisions.

(b) The Borrower and the Executing Agency hereby acknowledge that they have been furnished by the CDF with a copy of the CDF's "Revised Guidelines for Procurement" dated May 2010, which publication is in effect at the date of this Loan Agreement.

ARTICLE V

Conditions Precedent to First Disbursement

Section 5.01 Conditions Precedent to First Disbursement. In addition to the requirements specified in paragraph (a) of Section 6.01 of the General Provisions, the Borrower shall, upon execution of this Loan Agreement, direct the CDF to make payment of the proceeds of the Loan directly to the Executing Agency for the purposes of the Programme.

b) Prior to first Disbursement the Executing Agency shall provide the CDF with evidence satisfactory to the CDF of the Executing Agency's fulfillment of the Conditions Precedent to First Disbursement set out in Section 1.07.1 of Schedule 2.

ARTICLE VI

Particular Conditions

Section 6.01 Execution of Programme. (a) The Borrower shall adhere to the following arrangements in carrying out the Programme:

- i The Borrower, through its Executing Agency, shall carry out the Programme at all times with due diligence and efficiency, with management personnel whose qualifications and experience are acceptable to the CDF and in accordance with the legislative framework for social and environmental safeguards currently in place in Guyana as well as sound technical, environmental, financial and managerial standards and practices;
- ii Except as the CDF may otherwise agree, the Borrower shall carry out the Programme through the ASDU;

- iii The Borrower shall institute and maintain organizational, administrative, accounting and auditing arrangements, acceptable to the CDF for monitoring the Programme.

Section 6.02 **Management of Executing Agency.** In the event during the Programme implementation there is any change to the Management Team and structure in place at the date of execution of this Agreement, the Executing Agency shall promptly inform the CDF of any appointments or acting appointments which it proposes to make to significant posts such as engineer, quantity surveyor, procurement officer, accountant.

Section 6.03 **Review Meetings.** At the request of the CDF, the Executing Agency shall ensure that its management meet with representatives of the CDF at a mutually acceptable time and place as often as determined by the CDF to be necessary, but at least annually, and exchange views with regard to the progress of the Programme, the performance by the Executing Agency of its obligations under the Loan Agreement and any other matters relating to the Programme.

Section 6.04 **Obligations of the Borrower to the Executing Agency.** Without restricting the generality of the foregoing, the Borrower shall:

- (i) If the Executing Agency is unable to meet its administrative and other expenses from its own resources, GCRG must provide the additional funds for so long as may be required to enable the Executing Agency to maintain adequate operations;
- (ii) Wherever there is reasonable cause to believe that the funds available to the Executing Agency shall be inadequate to meet the estimated expenditure required for carrying out the Programme, GCRG must make arrangements promptly to provide ASDU or cause ASDU to be provided with such additional funds as are needed to meet such requirements.
- (iii) If as a result of a change in the value of any currency used for the purpose of the Loan Agreement, ASDU is liable to incur any additional expenditure in making any payments required to be made to CDF in accordance with

the Loan Agreement, GCRG will promptly meet additional expenditures or provide ASDU with such funds as are needed to meet such expenditures.

Section 6.05 **Additional Funds.** For the purpose of Section 7.06 of the General Provisions the estimated cost of the Programme is Eighteen million United States dollars (US\$18,000,000.00).

Section 6.06 **Borrower's Contribution to Programme.** (a) Without prejudice to the provisions of Section 7.06 of the General Provisions, the Borrower shall contribute to the Programme counterpart resources which may be in cash or physical resources for an amount of not less than three million United States dollars (US\$3,000,000.00).

(b) Unless the CDF shall otherwise specify in writing the contribution which the Borrower is required to make to the Programme in accordance with paragraph (a) of this Section shall be expended by the Borrower on the components of the Programme to be financed by it as shown in the Financing Plan.

Section 6.07 **Supervision, Monitoring, Reporting and Evaluation** (a) The CDF and the Executing Agency shall be responsible for the monitoring and evaluation of the Programme. The Executing Agency is also responsible for the submission of reports to the CDF on the progress of implementation of the Programme. In particular, the Executing Agency shall furnish or cause to be furnished to the CDF quarterly reports on the deliverables and outputs of the components in the results monitoring framework as set out in CDF's Programming Manual (2024).

(b) The CDF may use its own staff and/or directly hire an independent consultant(s) for the monitoring and evaluation of the Programme, which will be charged against the Monitoring and Evaluation budget line of the Programme. The CDF independent consultant(s) will be required to supervise the implementation of the Programme as well as its compliance with financial guidelines in addition to procurement procedures and results for goods, works, related services and consultancies. The consultant(s) shall also be required to evaluate the impacts produced by the Programme's implementation.

Section 6.08 **Exchange Rate Changes and Bank Charges.** In circumstances where there are variations in the value of one currency in terms of another their effects shall

be a loss/gain to the Programme and be deducted from/added to the loan value. All bank and financial charges associated with the transmission of resources to the CDF shall be charged to the Programme cost and be deducted from the loan.

ARTICLE VII

Cancellation and Suspension

Section 7.01 **Cancellation by the CDF** (a) The date referred to in sub-paragraph (iii) of Section 8.03 of the General Provisions is August 15th, 2025 or such later date as may be specified in writing by the CDF.

(b) If after the Commitment Date an amount of the Loan remains uncommitted by the Executing Agency, then at any time thereafter the CDF may, by notice to the Borrower and the Executing Agency, terminate the right of the Executing Agency to make applications for disbursement from the Loan Accounts or with respect to any amount of the Loan, as the case may be and, upon the giving of such notice, the amount of the Loan specified therein shall be cancelled.

ARTICLE VIII

Miscellaneous

Section 8.01 **Addresses for Service.** The following addresses are specified for the purpose of Section 12.03 of the General Provisions:

For the CDF:

Chief Executive Officer
CARICOM Development Fund
1st Floor East, Sky Mall
Haggatt Hall
St. Michael BB11063
BARBADOS

FAX: (246) 435-4037

For the Borrower:

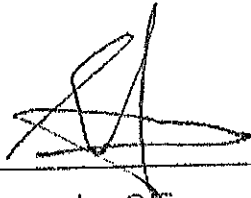
The Finance Secretary
Ministry of Finance
49 Main & Urguhart Streets
Georgetown
**COOPERATIVE REPUBLIC OF
GUYANA**

FAX: (592) 226-3371

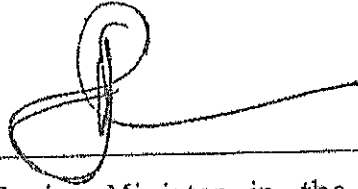
IN WITNESS WHEREOF this Loan Agreement has been executed in four (4) equally valid copies on behalf of the CDF by its duly authorized representative and on behalf of the Borrower by its duly authorized representative and shall be deemed to be in force as of the day and year first hereinabove written.

CARICOM DEVELOPMENT FUND

GOVERNMENT OF THE COOPERATIVE
REPUBLIC OF GUYANA



Chief Executive Officer



Senior Minister in the Office of the
President with responsibility for Finance
and the Public Service

SCHEDULE 1

(Section 1.01)

CARICOM DEVELOPMENT FUND

GENERAL PROVISIONS APPLICABLE TO PUBLIC SECTOR
LOAN AGREEMENTS WITH AN EXECUTING AGENCY

DATED:

CARICOM DEVELOPMENT FUND
GENERAL PROVISIONS APPLICABLE TO PUBLIC SECTOR
LOAN AGREEMENT WITH AN EXECUTING AGENCY

Dated:

ARTICLE I

**Application of General Provisions,
Inconsistency with Loan Agreement**

Section 1.01 Application of General Provisions These General Provisions set forth terms and conditions generally applicable to loans made by the CDF and shall apply to Loan Agreements with an Executing Agency to such extent, and subject to such modifications, as may be provided in such Loan Agreements.

Section 1.02 Inconsistency with Loan Agreement. If any provision of a Loan Agreement is inconsistent with a provision of these General Provisions, the provision of the Loan Agreement shall prevail.

ARTICLE II

Definitions, References, Headings

Section 2.01 Definitions. The following expressions have the following meanings wherever used in these General Provisions unless the context otherwise requires:

- (i) "Development Partner(s)" means such of the Donors to the CDF which may be providing financing through the CDF for the Programme;

- (ii) "Borrower" means the party to the Loan Agreement to which the CDF has agreed to make the Loan;
- (iii) "Closing Date" means the date referred to in Section 4.03;
- (iv) "Due Dates" means the dates specified in the Loan Agreement for payment of installments of the Principal and the interest (excluding interest payable pursuant to Section 3.09), and other charges in respect of the Loan;
- (v) "Executing Agency" means the party to the Loan Agreement, other than the Borrower, to which the execution of the Programme is entrusted;
- (vi) "interest" means interest payable pursuant to Sections 3.03 and 3.09;
- (vii) "Loan" means the loan provided for in the Loan Agreement and includes portions of the loan which are separately provided for in the Loan Agreement;
- (viii) "Loan Account" means the account referred to in Section 3.01;
- (ix) "Loan Agreement" means the agreement between the CDF and the Borrower providing for the Loan, to which some or all of these General Provisions shall have been made applicable, as such agreement may be amended from time to time, and includes such of these General Provisions as thus made applicable thereto, all agreements amending such agreement or supplemental thereto and all schedules to such agreement;
- (x) "other charges" means expenditure incurred by the CDF for or in connection with the remittance by the CDF of amounts disbursed

from the Loan Account, legal costs, fees of any kind incurred in connection with the establishment, assumption, repayment and enforcement of the subject loan, and the establishment or modification of Letters of Credit pursuant to Section 4.02, and amounts agreed to be paid by the Executing Agency to the CDF for or in connection with other special commitments entered into by the CDF in accordance with Section 4.02;

- (xi) "Principal" means the amount disbursed from the Loan Amount and outstanding from time to time;
- (xii) "Programme" means the Programme or programme for which the Loan is granted, as described in the Loan Agreement and as such description may be amended from time to time;
- (xiii) "Programme Country" means the country specified in the Loan Agreement being the country in which the Programme is located or in which the Borrower or the Executing Agency is directing the operations of, and implementing, the Programme; and
- (xiv) "Taxes" includes imposts, levies, fees and duties of any nature in effect at the date of the Loan Agreement or Guarantee Agreement and thereafter.

Section 2.02 References. References in these General Provisions to Articles or sections are to Articles or Sections of these General Provisions and reference to singular shall include the plural and vice versa unless the context otherwise requires.

Section 2.03 Table of Contents and Headings. The Table of Contents and the headings of the Articles and Sections are inserted for convenience of reference only and are not a part of these General Provisions.

ARTICLE III

Loan Account, Repayment, Interest, Other Charges and Payments

Section 3.01 Loan Account. The CDF shall open a Loan Account in its books in the name of the Borrower. The amount of the Loan shall be credited to the Loan Account and may be disbursed therefrom as provided, and subject to the rights of cancellation and suspension set out, in the Loan Agreement and in these General Provisions.

Section 3.02 Repayment. (a) The Borrower shall repay the amount disbursed from the Loan Account in the manner specified in the Loan Agreement. The CDF shall provide the Borrower and the Executing Agency with particulars of the repayments before the Due Date for the first repayment.

(b) Without prejudice to the provisions of Article IX, if there shall have been a cancellation, pursuant to Section 8.01 or Section 8.03, of such amount of the Loan as in the CDF's opinion is substantial and the Programme has not been completed, the Borrower shall repay the Principal or, where portions of the Loan are separately provided for in the Loan Agreement, the amount of each portion of the Loan disbursed from the Loan Account credited with such portion and outstanding, in such fewer installments than those specified in the Loan Agreement as the CDF may specify in writing, not exceeding such portion of the number of such installments to the nearest whole number as the Principal bears to the Loan or the amount of each portion of the Loan disbursed from the Loan Account credited with such portion and outstanding bears to such portion, as the case may be.

Section 3.03 Interest. (a) The Borrower shall pay interest on the principal at the rate provided for in the Loan Agreement, except as otherwise provided in Section 3.04. Such interest shall accrue from the respective dates on which amounts shall be disbursed from the Loan Account and shall be

payable on the Due Dates, the first payment being due and payable on the first Due Date after the date of the first disbursement of the Loan.

(b) The CDF may from time to time increase or decrease the rate of interest for the time being payable on any amount of the Loan which is being lent from Resources of the CDF to take effect on the day after the first Due Date, or on such other date or dates as the CDF may specify in writing from time to time.

Section 3.04 Other Charges and Interest on Overdue Payments. Other charges due by the Borrower to the CDF and interest payable under Section 3.07 shall be payable on demand, except as otherwise provided in Section 3.08.

Section 3.05 Computation of Interest. Interest charged shall be computed daily on the basis of a 360-day year of twelve (12) 30-day months.

Section 3.06 Advance Payments. The Borrower shall have the right, upon payment of all overdue Principal and all accrued interest, and other charges and upon not less than forty-five (45) days' notice to the CDF, to repay as of a date acceptable to the CDF in advance of maturity any portion of the Principal, provided however that, unless otherwise agreed, such early repayment shall not interfere with the repayment in the regular course of the Principal, but shall have the effect only of accelerating repayment of the Principal and the particulars of the repayments to be provided pursuant to Section 3.02 shall be amended accordingly.

Section 3.07 Overdue Payments. (a) In case the Borrower fails to pay any portion of the Principal, interest (excluding interest payable under this Section), or other charges due and payable under the Loan Agreement, but without prejudice to the provisions of Articles VIII and IX, the Borrower shall pay to the CDF interest on such overdue Principal, interest, or other charges at such rate or rates of interest per annum as shall be applicable thereto as provided in paragraph (b) of this Section for a period from the day

immediately succeeding the Due Date for such overdue payment or payments to the day of actual payment thereof, both dates inclusive.

(b) The rate of interest per annum payable on the amount of an overdue payment, or, if there be more than one, of the aggregate of all overdue payments outstanding shall be such rate as the CDF shall specify in writing from time to time being equivalent to one per cent (1%) above the aggregate rates of interest and payable on investments by the CDF on its Capital Fund prevailing either:

- (i) on the day on which the Loan was approved by the CDF; or
- (ii) on the day immediately succeeding the Due Date or Due Dates for such overdue payment or payments and each Due Date thereafter until payment in full of such overdue payment or payments,

whichever is higher.

(c) The rate or rates of interest payable on an overdue payment of Principal under this Section shall be in lieu of the rate or rates of interest, if any, payable on the Loan.

Section 3.08 Place and Application of Payments. (a) The principal and the interest, and other charges in respect of the Loan shall be paid at such place or places as the CDF may reasonably request.

(b) All payments shall be applied firstly to any interest payable under Section 3.04, then to any other charges due and payable, then to any interest (excluding interest payable under Section 3.07), then to any Principal due and payable.

Section 3.09 Payments by the Executing Agency on behalf of the Borrower.

(a) Without in any way derogating from the obligations of the Borrower under Sections 3.02, 3.03, 3.05 and 3.07, all payments of Principal, interest, and other charges required to be made to the CDF by the Borrower under the Loan Agreement shall be made to the CDF by the Executing Agency on behalf of the Borrower out of the resources of the Executing Agency.

(b) If the Executing Agency fails to make any payment of Principal, interest, or other charges required to be made by the Executing Agency by paragraph (a) of this Section or fails to make any such payment in full, the Borrower shall promptly make the required payment or provide the Executing Agency with additional funds as are needed to make such payment.

ARTICLE IV

Disbursement of Loan

Section 4.01 Disbursement and Application of Loan. (a) Subject to the provisions of the Loan Agreement, the Executing Agency shall be entitled on behalf of the Borrower to apply for a disbursement from the Loan Account amounts required for the purpose of the Programme but, except with the agreement of the CDF, no disbursements shall be made on account of expenditures incurred before the date of the Loan Agreement.

(b) The amount disbursed from the Loan Account shall be applied for the purpose of the Programme in accordance with the provisions of the Loan Agreement and of these General Provisions.

Section 4.02 Special Commitments. At the request of the Executing Agency and upon such terms and conditions as may be agreed upon between the CDF and the Executing Agency, the CDF may enter into special commitments in writing to pay amounts to the Executing Agency or others in respect of the

cost of goods and services to be financed out of the amount disbursed from the Loan Account notwithstanding any subsequent suspension or cancellation.

Section 4.03 Period of Disbursement. The Loan may be disbursed up to the date specified in the Loan Agreement or such later date as may be specified in writing by the CDF.

Section 4.04 Procurement. (a) Any goods and services required for carrying out the Programme shall, if they are to be financed out of an amount of the CDF Loan,

(i) be procured in accordance with competitive bidding rules and practices for processing goods and equipment, as per the Borrower's procurement system rules, or if found to be inadequate, must be procured in accordance with the procedures outlined in the CDF's 'Revised Procurement Guidelines' dated May 2010 or with such other procedures as may be specified in writing by the CDF;

(b) The Executing Agency undertakes that, in the procurement of goods and services for the Programme, all necessary measures will be taken to ensure that the construction and service contracts and all purchases of goods financed out of an amount of the Loan will be made at a reasonable cost which will generally be the lowest market price taking into account time of delivery, quality, efficiency, reliability of the goods and availability of maintenance facilities and spare parts therefor and, in the case of services, of their quality and the competence of the parties rendering them.

Section 4.05 Goods and Services to be used exclusively in carrying out the Programme. Except as the CDF may otherwise agree, the Executing Agency shall cause all goods and services financed out of an amount disbursed from the Loan Account to be used exclusively in carrying out the Programme.

Section 4.06 Authorisation of Requests for Disbursements. The Executing Agency shall furnish to the CDF evidence of the authority of the person or persons to sign applications for disbursement and the authenticated specimen signature of such person or persons.

Section 4.07 Documentation of Requests for Disbursements. The Executing Agency shall furnish to the CDF such documents and other evidence in support of the application as the CDF shall reasonably request, whether before or after the CDF shall have permitted any disbursement requested in the application.

Section 4.08 Application and Documents to satisfy CDF. Each application and the accompanying documents and other evidence must be sufficient in form and substance to satisfy the CDF that the Executing Agency is entitled, on behalf of the Borrower, to apply for a disbursement from the Loan Account the amount applied for and that the amount to be disbursed from the Loan Account has been or will be used for the purposes specified in the Loan Agreement.

Section 4.09 Payments to Executing Agency. Payment by the CDF to the Executing Agency on behalf of the Borrower of amounts which the Executing Agency is entitled on behalf of the Borrower to apply for from the Loan Account shall be made to or on the order of the Executing Agency.

Section 4.10 Disbursement and Deduction of Interest, and Other Charges. The CDF shall be entitled but not obligated to withdraw from the Loan Account, when allocated for financing by the CDF, without the necessity of an application for disbursement by the Executing Agency, or deduct from any disbursement to, or on behalf of, the Executing Agency under the Loan Agreement, and pay to itself interest, and/or other charges due and payable under the Loan Agreement, and the CDF shall promptly notify the Borrower and the Executing Agency in writing of such withdrawal or deduction. Each such withdrawal from the Loan

Account shall be deemed to be a disbursement of a portion of the Loan to the extent of the amount and as of the date, of such withdrawal.

ARTICLE V
Currency Provisions

Section 5.01 Currencies in which Disbursements may be made. Except as the CDF and the Executing Agency may otherwise agree, disbursements from the Loan Account shall be made in the respective currencies in which the expenditures to be financed out of the Loan have been paid or are payable or in such other currency or currencies available to the CDF as the CDF may reasonably determine.

Section 5.02 Currency in which Principal is Repayable. (a) Except as provided in paragraph (a) of this Section or as the Bank may otherwise specify in writing, the amount disbursed from the Loan Account shall be repayable in United States Dollars.

Section 5.03 Exchange Control Permission. The obligation to obtain any requisite exchange control permission shall be that of the Borrower and the Executing Agency.

Section 5.04 Valuation of Currencies. Whenever it shall be necessary to determine the value of one currency in terms of another, such value shall be as reasonably determined by the CDF.

ARTICLE VI

Conditions Precedent to First Disbursement

Section 6.01 Conditions Precedent to First Disbursement (a) The Borrower shall, by the date referred to in Section 8.03 (i), furnish or cause to be furnished to the CDF:

- (i) evidence, acceptable to the CDF, that the Executing Agency is legally established;
- (ii) one or more opinions, satisfactory to the CDF, of a legal practitioner, acceptable to the CDF, showing that:
 - (aa) the Executing Agency is legally established and has the legal capacity to contract the obligations assumed in the Loan Agreement and to fully execute the Programme;
 - (bb) the Borrower and the Executing Agency have complied with all the necessary requirements under the Constitution of the Programme Country and under the Laws and Regulations in force therein in order to enter into the Loan Agreement; and
 - (cc) the Loan Agreement has been duly authorized by and executed and delivered on behalf of the Borrower and the Executing Agency and constitutes a valid and legally binding obligation in accordance with all of its terms;
- (iii) proof, satisfactory to the CDF, that the person or persons who signed the Loan Agreement on behalf of the Borrower and the Executing Agency were legally empowered to do so;

- (iv) evidence, acceptable to the CDF, that the Borrower and the Executing Agency have designated one or more representatives to represent them in all acts regarding the implementation of the Loan Agreement and the authenticated specimen signature of the said representative or representatives; and
 - (v) evidence, acceptable to the CDF, that the Executing Agency has authorized one or more persons to sign applications for disbursements in accordance with Section 4.07 and the authenticated specimen signature of the person or persons so authorized on a disbursement card to be provided by the CDF to the Executing Agency.
- (b) Except as the CDF may otherwise agree, the CDF shall not be obliged to make the first disbursement of the Loan until the requirements of paragraph (a) of this Section, as amplified by the Loan Agreement, have been complied with to the entire satisfaction of the CDF.

ARTICLE VII

Particular Covenants

Section 7.01 Records, Accounts and Information. (a) The Executing Agency shall maintain records and accounts adequate to reflect in accordance with consistently maintained sound accounting practice, the operations and financial condition of the Executing Agency and in particular, but without prejudice to the generality of the foregoing provision, adequate to identify the goods and services financed out of the amount disbursed from the Loan Account, to disclose the use thereof in the Programme, to show the expenditures of the amount disbursed from the Loan Account and to record the progress of the Programme (including the cost thereof). The Executing Agency shall maintain such accounts and records relating to the Programme to the satisfaction of the

CDF and such records and accounts shall be kept separately and distinct from the records and accounts of the other operations of the Executing Agency.

(b) The Executing Agency shall:

(i) have its accounts and financial statements (balance sheets, statements of income and expenditure and related statements) for each fiscal year audited by independent auditors acceptable to the CDF in accordance with sound auditing principles consistently applied;

(ii) furnish to the CDF, as soon as available, but in any case, not later than six (6) months after the end of each such year, certified copies of its audited financial statements for such year and an audit report by the said auditors of such scope and in such detail as the CDF may reasonably request; and

(iii) furnish to the CDF such other information concerning its accounts and financial statements and the audit thereof as the CDF may from time to time reasonably request.

(c) The Executing Agency shall furnish or cause to be furnished to the CDF all such information as the CDF shall reasonably request concerning the expenditures of the amount disbursed from the Loan Account, the Programme, and the benefits to be derived therefrom, the administration and operations of the Programme and the financial condition of the Executing Agency.

(d) The authorised representatives of the CDF and the Development Partner(s) shall be entitled to inspect the goods financed out of the amount disbursed from the Loan Account, the sites, works, plants and construction included in the Programme, the operation thereof and any records, documents and accounts of the Programme and for that purpose to enter any lands,

buildings, erections or facilities owned or occupied by the Borrower or the Executing Agency. The Borrower and the Executing Agency will provide such representatives with all reasonable opportunities and facilities for this purpose.

Section 7.02 Cooperation between the CDF, the Borrower and the Executing Agency. (a)

The CDF, the Borrower and the Executing Agency shall cooperate fully to ensure that the purpose of the Loan will be accomplished. To that end, the CDF, the Borrower and the Executing Agency shall, from time to time, at the request of any such party, exchange views through their representatives with regard to the progress of the Programme, the performance by the Borrower and the Executing Agency of their respective obligations under the Loan Agreement and any other matters relating to the Programme.

(b) The Borrower and the Executing Agency shall promptly inform the CDF of any condition which interferes, or threatens to interfere, with the accomplishment of the purpose of the Loan, the maintenance of the service thereof or the performance by the Borrower and the Executing Agency of their respective obligations under the Loan Agreement.

Section 7.03 Taxes. The Borrower shall pay, or cause to be paid, all taxes, if any, imposed under the laws in force in the Programme Country in connection with the execution, issue, delivery or registration of the Loan Agreement, any instrument given as a requirement of the Loan Agreement (including securities and promissory notes), any transfer or assignment by the CDF pursuant to Section 7.05 and any agreement amending or supplemental to the Loan Agreement, any such instrument and any such transfer or assignment and all payments of Principal, interest, and other charges shall be made without deduction for, and free from, any taxes imposed under any such laws.

Section 7.04 Maintenance of Insurance. (a) Except as otherwise specified in the Loan Agreement, the Executing Agency shall take out and maintain with reputable insurers, or make adequate arrangements acceptable to the CDF for, insurance against such risks and in such amounts as shall be consistent with sound business practice, and, without limitation upon the foregoing, such insurance shall cover marine, transit and other hazards incident to the acquisition, transportation and delivery of goods financed out of an amount disbursed from the Loan Account to the place of use or installation, any indemnity thereunder to be made payable in a currency freely usable by the Executing Agency to replace or repair such goods.

(b) The Executing Agency shall require any such insurers with which insurances in respect of any insurable property financed out of an amount disbursed from the Loan Account and other insurable property are taken out and are to be maintained to give notice periodically to the Executing Agency and the CDF when such insurances are to be renewed and, in addition, advise the CDF immediately on each renewal date whether such insurances are renewed.

Section 7.05 Transfer or Assignment of Loan Agreement or Loan. The CDF shall be entitled to transfer or assign at any time to the Aid Donor(s) all or any of its right, title and interest in and under the Loan Agreement and any instrument (including securities and promissory notes) given as a requirement of the Loan Agreement and in and to the whole or any part of all monies whatsoever due or to become due to the CDF thereunder. The CDF shall promptly inform the borrower of any such transfer or assignment.

Section 7.06 Additional Funds. The Borrower shall provide promptly as necessary all funds in addition to the amount withdrawn from the Loan Account and all other resources required for the punctual and effective carrying out of the Programme and, in particular, shall be responsible for meeting any amount

by which the cost of the Programme exceeds the estimated cost thereof as specified in the Loan Agreement.

Section 7.07 **Visibility of the CDF.** The Borrower/Executing Agency shall publicise all activities which has received funding from the CDF, unless requested or approved by the CDF to do otherwise. Equipment, supplies or vehicles financed by the CDF should prominently display the logo of the CDF with appropriate acknowledgement of the source of funding. The Borrower/Executing Agency shall also ensure that information provided to the press or final beneficiaries or set out in any official notice, publication or report shall acknowledge the activity was financed with resources of the CDF and where appropriate shall ensure the CDF logo is displayed. In instances where the financing is used to publish a report or publication, the Borrower will ensure an appropriate disclaimer for the CDF from the views or recommendations proposals expressed are prominently publish on the report or publication.

ARTICLE VIII

Cancellation and Suspension

Section 8.01 **Cancellation by Borrower.** The Borrower may by notice to the CDF cancel any amount of the Loan in respect of which the Executing Agency shall not have made an application for disbursement prior to the giving of such notice, except that the Borrower may not so cancel any amount of the Loan in respect of which the CDF shall have entered into a special commitment pursuant to Section 4.02.

Section 8.02 **Suspension by CDF.** (a) If any of the following events shall have occurred and be continuing, the CDF may, by notice to the Borrower and the Executing Agency, suspend in whole or in part the right of the Executing Agency to make applications for disbursement on behalf of the Borrower from the Loan Account:

- (i) The Borrower shall have failed to make payment (notwithstanding the fact that such payment may have been made by a third party) of Principal, interest, or charges under the Loan Agreement or any principal, interest, or other payment required under any other agreement between the CDF and the Borrower;
- (ii) The Executing Agency shall have failed to make any payment of Principal, interest or other payment under the Loan Agreement or any principal, interest or other payment required under any other agreement between the CDF and the Executing Agency;
- (iii) The Borrower or the Executing Agency shall have failed to perform or observe any of its other obligations under the Loan Agreement;
- (iv) A situation shall have arisen which shall make it impossible in the CDF's opinion that the Programme can be carried out or that the Borrower or the Executing Agency will be able to perform or observe any of its obligations under the Loan Agreement;
- (v) Prior to the Closing Date, any material adverse change in the condition of the Borrower or the Executing Agency, as represented by the Borrower or the Executing Agency, shall have occurred;
- (vi) A representation made by the Borrower or the Executing Agency in or pursuant to the Loan Agreement or any statement furnished in connection therewith and intended to be relied upon by the CDF in making the Loan shall have been incorrect in any material respect;

- (vii) The right of the Borrower or the Executing Agency to make applications for disbursement under any other agreement with the CDF, shall have been suspended in whole or in part by the CDF;
 - (viii) The right of the CDF to receive funds for the Programme from the Development Partner(s) shall have been suspended in whole or in part or shall have been terminated;
 - (ix) A situation shall have arisen whereby, in the CDF's opinion, any disbursement or further disbursement from the Loan Account will cause the CDF to exceed any of the lending limits of the CDF, established by the Board of Directors of the CDF from time to time;
 - (x) Any event specified in subparagraphs (iv), (vi), (vii), (viii), (ix), (x), of Section 9.01 shall have occurred; or
 - (xi) Any other event specified in the Loan Agreement for the purpose of this Section shall have occurred.
- (b) The right of the Executing Agency to apply for disbursements, on behalf of the Borrower from the Loan Account shall continue to be suspended in whole or in part, as the case may be, until the event or events which gave rise to such suspension shall have ceased to exist or until the CDF shall have notified the Borrower and the Executing Agency that the right to make disbursements shall be restored, whichever is earlier, but, in case of any such notice of restoration, the right to make disbursements shall be restored only to the extent and subject to the conditions specified in such notice, and no such notice shall affect or impair any right, power or remedy of the CDF in respect of any other or subsequent event described in this Section.

Section 8.03 Cancellation by the CDF. If any of the following events shall occur, then at any time thereafter the CDF may by notice to the Borrower and the Executing Agency terminate the right of the Executing Agency to apply for disbursements on behalf of the Borrower from the Loan Account or with respect to any amount of the Loan, as the case may be, and, upon the giving of such notice, the amount of the Loan specified therein shall be cancelled:

- (i) The Borrower shall have failed to comply with the conditions set out in Section 6.01 (a), as amplified by the Loan Agreement, by the sixtieth (60th) day after the date of the Loan Agreement, or such later date as may be specified in writing by the CDF;
- (ii) In the opinion of the CDF, it is improbable that any requirement specified in or pursuant to Section 6.01 (b) or any condition to be fulfilled in meeting any such requirement will be satisfied;
- (iii) By the date referred to in the Loan Agreement, the CDF has not received any application for disbursement from the Loan Account or for Special Commitment in accordance with Article IV, or all applications received by that date shall not have been acceptable to the CDF;
- (iv) The right of the Executing Agency to apply for disbursements from the Loan Account shall have been suspended with respect to any amount of the Loan for a continuous period of thirty (30) days;
- (v) At any time the CDF determines, after consultation with the Borrower and the Executing Agency, that an amount of the Loan will not be required to finance the Programme's cost.

Section 8.04 Effectiveness of Provisions after Cancellation or Suspension.

Notwithstanding any cancellation or suspension, all the provisions of the Loan Agreement and of these General Provisions which shall have been made applicable thereto shall continue in full force and effect except as in this Article specifically provided.

ARTICLE IX

Events of Default

Section 9.01 Events of Default. If any of the following events shall occur and shall continue for the period specified, if any, then, at any subsequent time during the continuance thereof, the CDF, at its option, may by notice to the Borrower and the Executing Agency declare the Principal due and payable immediately together with interest, and other charges under the Loan Agreement and upon such declaration the Principal together with interest, and other charges under the Loan Agreement shall become due and payable immediately.

- (i) A default shall occur in the payment of Principal, interest, or other charges under the Loan Agreement and such default shall continue for a period of thirty (30) days;
- (ii) A default shall occur in the payment of principal, interest, or any other payment required under any other loan between the CDF and the Borrower and such default shall continue for a period of thirty (30) days;
- (iii) A default shall occur in the performance or observance of any other obligation on the part of the Borrower or the Executing Agency under the Loan Agreement and such default shall continue for a period of sixty (60) days after notice thereof shall have been given by the CDF to the Borrower and the Executing Agency;

- (iv) The Borrower, or the Executing Agency, shall have taken or suffered any action for its reorganization, liquidation or dissolution or the suspension of its operations, or a receiver or liquidator shall have been appointed of all or any part of its property;
- (v) The Borrower or the Executing Agency shall have failed to fulfill any of its other obligations to the CDF whether arising under the agreement establishing the CDF or otherwise;
- (vi) There shall have been a cancellation, pursuant to Section 8.01 or Section 8.03, of such an amount of the Loan as will make it improbable in the CDF's opinion that the Programme can be carried out or that the Borrower or the Executing Agency will be able to perform or observe any of its obligations under the Loan Agreement;
- (vii) The Programme shall have been discontinued or suspended without the prior approval of the CDF or the Borrower or the Executing Agency shall have suspended, or ceases or threatens to cease to carry on, the business contemplated in carrying out the Programme;
or
- (viii) Any other event specified in the Loan Agreement for the purpose of this Section shall have occurred and shall continue for the period, if any, specified in the Loan Agreement.

ARTICLE X
Termination

Section 10.01 Upon payment in full of the principal and all interest, and other charges under the Loan Agreement, the Loan Agreement and all obligations of the parties thereunder shall forthwith terminate.

ARTICLE XI
Enforceability

Section 11.01 (a) Except as provided in paragraph (b) of this Section, the rights and obligations of the CDF, the Borrower and the Executing Agency under the Loan Agreement shall be valid and enforceable in accordance with its terms.

(b) Neither the CDF, the Borrower nor the Executing Agency shall be entitled in any proceeding under or pursuant to Article XIII to assert any claim that any provision of the Loan Agreement is invalid or unenforceable because of any provision of the Agreement establishing the CDF or for any other reason.

ARTICLE XII
Miscellaneous

Section 12.01 All statements, reports, certificates, evidence, opinions, notices, communications and other documents or information furnished or given under the Loan Agreement shall be supplied or submitted in the English Language without cost to the CDF.

Section 12.02 No failure or delay on the part of the CDF to exercise any right, power or privilege under the Loan Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under the

Loan Agreement preclude any other or further exercise thereof or the exercise of any right, power or privilege.

Section 12.03 All notices and other communications required or permitted to be given or made under the Loan Agreement and any other agreement between any of the parties contemplated by the Loan Agreement shall be in writing. Any such notice or other communication shall be deemed to have been duly given or made when delivered by hand or mail (electronic or otherwise) or by telegram, cable, telex, telefax or radiogram to the party to which it is required or permitted to be given or made at such party's address specified in the Loan Agreement or at such other address as such party may have designated by notice to the party giving such notice or making such communication.

ARTICLE XIII

Arbitration

Section 13.01 (a) Any controversy between the parties to the Loan Agreement and any claim by any such party against any other such party arising under the Loan Agreement which shall not be determined by agreement between the parties shall be submitted to arbitration before an Arbitration Committee as hereinafter provided.

(b) The parties to such arbitration shall be the CDF one side and the Borrower and the Executing Agency on the other side.

(c) The Arbitration Committee shall consist of three arbitrators appointed as follows:

One arbitrator shall be appointed by the CDF, another by the Borrower and the Executing Agency or, if they shall not agree, by the Borrower and a third (hereinafter called the umpire) shall be appointed by agreement

between the parties, either directly or through their respective arbitrators. If the parties fail to agree on who shall be the umpire, he shall be appointed at the request of either party by the Secretary-General of the Caribbean Community. If either side fails to appoint an arbitrator, he shall be appointed by the Secretary-General of the Caribbean Community at the request of the other party. If either of the appointed arbitrators or the umpire is unwilling or unable to act or to continue to act in such capacity, his successor shall be appointed in the same manner as for the original appointment. The successor shall perform the same functions and shall have the same powers as his predecessor.

(d) An arbitration proceeding may be instituted under this Section upon notice by the party instituting such proceeding to the other party. Such notice shall contain a statement setting forth the nature of the controversy or claim to be submitted to arbitration, the nature of the remedy sought, and the name of the arbitrator appointed by the party instituting such proceeding. Within thirty (30) days after the giving of such notice, the other party shall notify the party instituting the proceeding of the name of the arbitrator appointed by such other party.

(e) If within sixty (60) days after giving notice instituting the arbitration proceeding the parties shall not have agreed upon an umpire, either party may request the appointment of an umpire as provided in paragraph (c) of this Section. If within forty-five (45) days after becoming entitled to do so, neither party requests the appointment of an umpire as provided in paragraph (c) of this Section, the arbitration proceeding shall be deemed to have been abandoned.

(f) The Arbitration Committee shall convene in Barbados at such time and place as shall be fixed by the umpire. Thereafter the Arbitration Committee shall meet in Barbados or in the Programme Country at such time and place as the Arbitration Committee shall determine.

(g) Subject to the provisions of this Section and except as the parties shall otherwise agree, the Arbitration Committee shall decide all questions relating to its competence and shall determine its procedure. All decisions of the Arbitration Committee shall be by a majority vote.

(h) The Arbitration Committee shall afford to both sides a fair hearing and shall render its award in writing. Such award may be rendered by default. An award signed by a majority of the Arbitration Committee shall constitute the award of the Arbitration Committee. A signed counterpart of the award shall be transmitted to each party. Any such award rendered in accordance with the provisions of this Section shall be final and binding upon the parties to the Loan Agreement. Each party shall abide by and comply with any such award rendered by the Arbitration Committee in accordance with the provisions of this Section.

(i) The parties shall fix the amount of the remuneration of the arbitrators and such other persons as shall be required for the conduct of the arbitration proceedings. The CDF, the Borrower and the Executing Agency shall defray its own expenses in the arbitration proceedings. The costs of the Arbitration Committee shall be divided between and borne equally by the CDF on the one side and the Borrower and the Executing Agency on the other. Any question concerning the division of the costs of the Arbitration Committee or the procedure for payment of such costs shall be determined by the Arbitration Committee.

(j) The provisions for arbitration set forth in this Section shall be in lieu of any other procedure for the determination of any controversy between the parties to the Loan Agreement or any claim by any such party against another such party arising thereunder.

(k) If within thirty (30) days after the counterparts of the award shall be delivered to the parties the award shall not be complied with, any party may enter judgement upon or institute a proceeding to enforce the award in any court of competent jurisdiction against any other party, may enforce such judgement by execution or may pursue any other appropriate remedies against such other party for the enforcement of the award and the provisions of the Loan Agreement. Notwithstanding the foregoing, this Section shall not authorize any entry of judgement or enforcement of award against any party that is a member of the CDF except as such procedure may be available otherwise than by reason of the provisions of this Section.

(l) Service of any notice or process in connection with any proceeding under this Section or in connection with any proceeding to enforce any award rendered pursuant to this Section may be made in the manner provided in Section 12.03. The parties to the Loan Agreement waive any and all other requirements for the service of any such notice or process.

SCHEDULE 2

Agricultural and Infrastructural Development Programme (AIDP)

1.01. THE PROGRAMME

AIDP is an integrated programme intended to benefit farmers and agro-processors. They will have access to genetic material, methods, and technology which will be made available, resulting in increased yields, productivity, and food security. Improved agriculture and livestock technology will relieve pressure on fragile production ecosystems, doing so in sync with climate change adaptation and mitigation methodologies. Two components constitute this programme as follows:

- A. for Compliance with Food Safety, Sanitary and Phytosanitary Standards. This specifically includes:
- (i) the construction and equipping of one (1) abattoir and processing facility - primarily for swine slaughter, preparation and processing. construction and/or renovation of eight (8) outposts and related installations including one natural enemies' multiplication unit, equipping these outposts, installations and technical assistance to expand area of coverage and enhance surveillance at key ports of entry, for the reduction of the incidence/prevalence of the Carambola Fruit Fly (CFF) in support of the Government's recently introduced programme.
 - (ii) construction of thirteen (13) new or upgraded processing facilities, procurement of equipment and technical assistance to boost honey, coconut waste by-product, peanut, coffee and cocoa value chains development; and
 - (iii) training and technical assistance (non-cash grants) for over 4,000 farmers and producers' associations as well as commodity specific training to 250 technical/extension staff in the Ministry of Agriculture (MOA) including the executing agency - ASDU.
- B. to strengthen and develop the ASDU's institutional capacity to execute the requisite programme management and coordination - implementation, supervision, monitoring and evaluation (inclusive of reporting and auditing activities under this initiative) and specifically addresses:
- (i) the hiring of specialized staff;
 - (ii) preparation of designs and tender documents for execution and supervision of works, and purchase of goods;
 - (iii) programme audits;

- (iv) training in areas such as procurement, monitoring and evaluation, and financial management, to strengthen ASDU's programme and programme implementation capacity;
- (v) operating costs for the ASDU; and
- (vi) procurement of office equipment (computers, printers etc.) for ASDU's operational support.

1.02. OBJECTIVE

To contribute to the development of Guyana's agricultural sector but specifically targets increased production and value addition in selected commodities to satisfy the national and regional food security drive towards socio-economic growth and development. Guyana's ability to produce safe value-added products (crops and livestock) for internal and export use will improve significantly, thereby boosting the growth trajectory of the local economy consistent with the National Strategy for Agriculture (2020 – 2030).

1.03. EXECUTING AGENCY

The Ministry of Agriculture through the *Agricultural Sector Development Unit (ASDU)*

1.04. RATIONALE

Agriculture is one of the most important sectors of Guyana's economy. The AIDP grew out of systematic needs assessments undertaken by the GoG, to ameliorate the state of agriculture in the country. Stakeholder dialogues were instrumental in the identification of the issues GoG must address in the advancement of the agricultural sector in the local economy, particularly as it strives to give prominence to food production towards addressing national food and nutrition security, as well as cement itself as a champion of change, leading the regional thrust in the advancement of CARICOM food and nutrition security and initiatives such as the Vision 25 by 2025 (and Beyond). Overcoming these issues will be a feature in the ensuing period:

- *Limitations of the Extension Services – Low Commodity Specific Knowledge.*
- *Poor infrastructure to support production and value addition among targeted commodities.*
- *Deficiencies in delivering appropriate technology, in Regions 1, 2 and 9. The small market size increases technology transaction costs, resulting in limited exposure of small farmers in these regions to new technologies.*

- Prevalence of the Carambola Fruit Fly (CFF) – affecting fruits (mangoes, guava etc.).
- Production and Value-addition Limitations for Commodities with good market potential: Honey, Peanut, Coffee, Cacao, swine/pork products.
- The lack of SPS Standards for Meat Processing and livestock products.
- Health Concerns at Existing Abattoirs.
- Environmental Degradation due to Improper Disposal of Waste from Coconuts and other agricultural related activities.
- Limited land spaces with an adequacy of water and suitable drainage to effect optimal production.
- Farmers lack adequate liquidity to invest in critical inputs of equipment, enhanced breeds of plants, livestock and invest in their own capacity building.

1.05. FINANCING

Agricultural Infrastructure Development Programme (AIDP)					
Budget (USD)					
	CDF				
	Loan	Grant	GOG	Total	%
Programme: Support for Compliance with Food Safety, Sanitary and Phytosanitary Standards of the MOA	14,700,000		-	14,700,000	81.7%
Monitoring and Evaluation	300,000	0	0	300,000	1.7%
Management	0	0	3,000,000	3,000,000	16.7%
Total	15,000,000	0		18,000,000	

1.06. DURATION

The duration of the AIDP shall be **four (4) years**.

The first disbursement of the Loan shall be made within six (6) months of the date of the agreement signing and shall be fully committed by the last day of the 48-month implementation period.

1.07. DISBURSEMENTS & CONDITIONS ATTACHED

1.07.1 First Disbursement

The first disbursement shall constitute not more than 25 per cent (or US\$3,750,000) and shall be made upon fulfilment of the Conditions Precedent to First Disbursement set out below of which the sum of US\$300,00 shall be retained by the CDF for monitoring, evaluation and audit of the AIDP:

- (i) evidence, acceptable to the CDF, that the Executing Agency is legally established;
- (ii) one or more opinions, satisfactory to the CDF, of a legal practitioner, acceptable to the CDF, showing that:
 - (aa) the Executing Agency is legally established and has the legal capacity to contract the obligations assumed in the Loan Agreement and to fully execute the Programme;
 - (bb) the Borrower and the Executing Agency have complied with all the necessary requirements under the Constitution of the Programme Country and under the Laws and Regulations in force therein in order to enter into the Loan Agreement; and
 - (cc) the Loan Agreement has been duly authorized by and executed and delivered on behalf of the Borrower and the Executing Agency and constitutes a valid and legally binding obligation in accordance with all of its terms;
- (iii) proof, satisfactory to the CDF, that the person or persons who signed the Loan Agreement on behalf of the Borrower and the Executing Agency were legally empowered to do so;
- (iv) evidence, acceptable to the CDF, that the Borrower and the Executing Agency have designated one or more representatives to represent them in all acts regarding the implementation of the Loan Agreement and the authenticated specimen signature of the said representative or representatives;

- (v) evidence, acceptable to the CDF, that the Executing Agency has authorized one or more persons to sign applications for disbursements in accordance with Section 4.07 and the authenticated specimen signature of the person or persons so authorized on a disbursement card to be provided by the CDF to the Executing Agency;
- (vi) submission by the EA of the revised procurement plan, programme implementation plan, inclusive of the Revised RBM and budget;
- (vii) submission by the FP/EA of the finalized/ Cabinet approved PMC committee membership, with the names of the designated agency representatives to be furnished for the CDF's prior no objection; and
- (viii) submission of a gender action plan to support the inclusion of all stakeholders in the programme's implementation.

1.07.2 Second Disbursement

The second disbursement shall constitute not more than 50 per cent (or US\$7,500,000) and shall be made upon fulfilment of the Conditions Precedent to Second Disbursement set out below:

- (i) The EA shall submit all due reports in the prescribed formats acceptable to the CDF, and specifically a financial report evidencing the utilization of a minimum of 70 per cent of the first disbursement for approved purpose(s) of this programme.
- (ii) The GLDA commits to the development of SOPs governing the operation of the abattoir and meat processing facilities by presenting a draft outline and schedule for development and adoption of the procedures.
- (iii) An ESIA shall be commissioned and completed for construction of the abattoir/meat processing facility. Any recommendations addressing environmental and social concerns shall be adequately attended to in an ESMP.

(iv) The ADSU PIU shall be constituted to include the following positions with the roles and responsibilities agreed during the development of the programme:

- *Project Manager*
- *Finance Manager and Officer*
- *Project Engineers*
- *Extension officers*
- *Health and Safety Officer*
- *Procurement Officer*
- *Environmental Officer*
- *Social and Gender Officer*

Any key vacancies arising during the programme's implementation shall be formally communicated to the CDF as contemplated, with the plans for filling them.

1.07.3. Third Disbursement

(i) The EA shall submit all due reports in the prescribed formats acceptable to the CDF, and specifically a financial report evidencing the utilization of a minimum of 70 per cent of the second disbursement for approved purpose(s) of this programme.

1.08. Procurement

All procurement shall, following the approval of the procurement plan submitted as a condition precedent, be accorded with the necessary no objections as outlined below:

1.08.1. Goods

No Objection #1

1. Specifications

- o Must include all relevant details, such as quantity, size, and other characteristics of the goods to be procured.
- o Other key information: timeframes, delivery requirements, and installation details (if applicable).

2. Draft bidding document

- Must provide all necessary instructions to bidders, including deadlines for submission and specifications.

No Objection #2

1. Evaluation report

- Must be comprehensive, detailing the entire tender process.
- Should include a timeline, bid evaluation, comparison of bid prices (preferably in table form) and a clear justification for the selection of the winning bidder.
- Report be signed by all evaluators and include all bids/quotations and clarifications or changes to bid as annexes.

2. Draft Contract

- Must include all relevant contract clauses and annexes to form part of contract- tender document, winning bid, and specifications.

1.08.2. Consulting Services

No Objection #1

1. Terms of Reference

- The document must be thorough and include all essential details for the programme, such as background information, objectives, scope of work, minimum qualification criteria, evaluation criteria, responsibilities, timelines, and deliverables.

2. Evaluation Criteria

- Should include a clear breakdown of scoring matrix and a defined process for how evaluators will assign points for each criterion.

3. Draft Bidding Documents

- Must provide all necessary instructions to bidders, including deadlines for submission, Terms of Reference, and evaluation criteria.

No Objection #2

1. Evaluation report

- The report should cover the entire tender process, with a timeline of events.
 - Strengths and weaknesses of each bidder must be outlined according to each evaluation criterion.
 - Evaluators should provide clear justification for the scores assigned.
 - Must be signed by all evaluators.
2. Draft Contract
- Must include all relevant contract clauses and annexes to form part of contract- tender document, winning proposal, and terms of reference.

1.08.3. Works

No Objection #1

1. Draft Bidding Documents

- The complete package should include:
 - i. Technical specifications
 - ii. Drawings
 - iii. Bill of quantities
 - iv. Draft tender document- Must provide all necessary instructions to bidders, including deadlines for submission, dates and times of pre bid meeting, site visits and public bid opening details. Evaluation criteria and draft contract must also be included.

2. Evaluation Criteria

- Must outline all the criteria that will be used to evaluate bidders.
- Must clearly define the scoring matrix and a breakdown of points to be assigned based on the individual criterion.
- Minimum pass score must be indicated.
- Technical and financial weighting must be indicated.

No Objection #2

1. Evaluation Report

- Must be comprehensive, detailing the entire tender process from publication of tender to finalization of evaluation.

- o Should include a timeline, comparison of bids (preferably in table format), and a clear justification for the selection of the winning bidder.
- o Any amendments to the tender document and requests for clarification and responses must be included.
- o Report must be signed by all evaluators and include all bids as annexes.

2. Draft Contract

- o Must include all relevant contract clauses and annexes to form part of contract. - tender document, winning bid (technical and financial), technical specifications, drawings.

3. Draft Notification of Award

- o Notification of award (NOA) to be published on the relevant entity's website should be shared. Following the signature of contract, the final NOA must be shared to be uploaded on the CDF's website.

1.09. INSTITUTIONAL ARRANGEMENTS/PROGRAMME MANAGEMENT & COORDINATION

The executing agency for the AIDP Programme is the MoA, which will implement the Programme through its ASDU, and will be responsible for all the fiduciary obligations to manage the Programme, including, inter alia:

- *planning of the technical and fiduciary aspects related to the programme activities;*
- *procurement of goods, works and services for the programme;*
- *the oversight and evaluation of programme activities;*
- *financial and accounting management of the programme, including the submission of disbursement requests and preparation of financial reports;*
and
- *risk management.*

The Permanent Secretary (PS) of the Ministry will have overall administrative responsibility for the execution of the programme, inclusive of the timely submission of technical and financial reports to the CARICOM Development Fund and other stakeholders. Both the Director and Programme Coordinator of the ASDU will report to

the PS on matters concerning the execution of the AIDP. These two persons will constitute, along with representation from the GLDA, NAREI, GMC etcetera, the Program Management Committee (PMC) in accordance with the PMC's Terms of Reference

1.10. Expected Outputs, Outcomes and Impacts

The Theory of Change (ToC) developed for the programme, in summary, indicates that if the US\$18 million is provided punctually, and all assumptions including successful procurement activities and programme administration hold true, then, the following outputs will be attained:

- *One commercial abattoir and meat processing facility capable of 30 pigs per hour throughout.*
- *Construction of 4 Mini Processing Facilities (for peanuts, coffee and cocoa).*
- *Construction of processing and packaging facilities across the 10 Regions (honey houses).*
- *Rehabilitation of a honey laboratory, and extraction houses.*
- *Rehabilitation/Upgrade of at least one biocontrol laboratory.*
- *Upgrade/Establish internal quarantine at 8 monitoring stations to support the national quarantine and CFF programme; and*
- *Institutional /Capacity building to ASDU and related institutions for the programme's general management and control including the establishment and operation of the PMC throughout the entire programme cycle.*

The ToC also posits that if the outputs detailed above were realized on schedule, the outcomes in the short to medium term listed below will result:

- *Improved breed and genetic materials for the selected commodities.*
- *Trained Farmers, agro-processors and MOA officers with the regulated practices.*
- *Certified supporting facilities in keeping with various requirements.*
- *Updated Regulations for Swine related processing and value-addition activities.*
- *Enhanced approaches to support CARICOM market access.*

- *Enhanced productivity at the beneficiaries' farm level for selected crops increased (by less than 2 per cent over 4 years) and sustainable agriculture practices adopted by farmers (disaggregated by gender) proportional to the minimum identified targets established at about 25 per cent beneficiaries being females and youth.*

If the above outcomes occur, then in the longer term, outcomes under this initiative should be realized, including increases by the respective margins calculated for the selected commodities in the results framework for the programme. It is also expected that the higher profit margins will induce increased private investment in agriculture and a rise in regional trade.

Key assumptions made in the development of the ToC included the following:

- Source of Funding to be made available in a timely manner.
- All elements of the programme will be conducted using all the best practices detailed in local and CDF's guidelines and policies impacting gender, ESS, procurement and ethics.
- The implementation shall proceed as per the schedule developed, which has adequate slack built in for unforeseen circumstances.

1.11. REPORTING

All routine/periodic reports, including the programme completion on attainment of the outputs and outcomes of the programme, must be up-to-date and submitted with the regularity and in the format agreed to by the parties at programme initiation by the time each disbursement is requested and at the termination of the work.

1.12. MONITORING AND EVALUATION

The programme will be monitored and evaluated based on the Adjusted Results Based Management Framework developed for the programme or the revised version accepted by the CDF during implementation.

1.13. TERMS AND CONDITIONS OF THE LOAN FACILITY

CDF provides a concessionary loan to the GOG with a sovereign guarantee for an amount not exceeding the equivalent of **fifteen million United States dollars (USD15,000,000)** for the purposes elaborated earlier in paragraph 1.01 of this schedule.

Repayment of the loan shall be made in **forty (40) quarterly** equal or approximately equal installments commencing after **two (2) years** moratorium on principal repayments after the date of first disbursement of the loan. During the moratorium, interest only payments are to be made.

Interest shall be calculated and payable quarterly at the rate of **three percent (3%) per annum** and is subject to change at the CDF's discretion.

