
Cofinancing framework agreement between the East African Development Bank and IFAD – Information note

Document: EB 2025/145/R.38

Agenda: 19

Date: 22 August 2025

Distribution: Public

Original: English

FOR: INFORMATION

Useful references: Cofinancing framework agreement between the East African Development Bank and IFAD ([EB 2025/144/R.10](#)).

Action: The Executive Board is invited to take note of the cofinancing framework agreement executed between the East African Development Bank and IFAD.

Technical questions:

Sara Mbago-Bhunu
Regional Director
East and Southern Africa Division
e-mail: s.mbago-bhunu@ifad.org

Ronald Hartman
Director
Global Engagement, Partnership and Resource
Mobilization Division
e-mail: r.hartman@ifad.org

Cofinancing framework agreement between the East African Development Bank and IFAD – Information note

1. At its 144th session held in April 2025, the Executive Board authorized the President to sign the cofinancing framework agreement between IFAD and the East African Development Bank. The agreement aims to facilitate parallel and joint financing of projects between the two institutions, with the terms of the cooperation being outlined therein, thereby contributing to IFAD cofinancing targets, as well as enhancing the scale and impact of IFAD projects.
2. The cofinancing framework agreement was signed on 29 July 2025 in Addis Ababa on the margins of the second United Nations Food Systems Summit Stocktake. The signed agreement (annex to this information note) is hereby submitted to the Executive Board for information.

Signed Cofinancing Framework Agreement between the East African Development Bank and IFAD



CO-FINANCING FRAMEWORK AGREEMENT

Between

EAST AFRICAN DEVELOPMENT BANK

and

THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

CO-FINANCING FRAMEWORK AGREEMENT*Between***EAST AFRICAN DEVELOPMENT BANK***and***THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT**

The present Co-financing Framework Agreement (the "Framework Agreement") is undertaken:

Between: THE INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT

And: EAST AFRICAN DEVELOPMENT BANK

WHEREAS the International Fund for Agricultural Development (henceforth "IFAD" or "the Fund") is a specialized agency of the United Nations and an international financial institution, established by an international treaty with the objective of mobilizing additional resources to be made available for agricultural development in its developing Member States. In fulfilling this objective, IFAD shall provide financing primarily for projects and programs specifically designed to establish inclusive, resilient and sustainable agri-food production systems and to strengthen related policies and institutions within the framework of national priorities and strategies;

WHEREAS the East African Development Bank (henceforth "EADB") is a regional development bank established by the Treaty Amending and Re-enacting the Charter of the East African Development Bank, 1980 among its member countries as an organ of the East African Community with the objective of socio-economic development, including in the agriculture sector, and regional integration;

WHEREAS EADB expressed interest in co-financing IFAD investments through loans provided to some of IFAD developing Member States and to enter into a Framework Agreement to set the principles of such cooperation between IFAD and EADB (henceforth, the "Party" and, collectively, the "Parties");

WHEREAS the Parties wish to formalize a structured framework for the co-financing of development projects;

ACCORDINGLY, the Parties agree to the terms of the following Framework Agreement:

ARTICLE 1

Definitions; Scope of Applications

- 1.1** For the purposes of this Framework Agreement, the following capitalized terms have the meanings set forth below:
- A. "Borrower" means a Member State of both IFAD and the EADB, to which the financing of both Parties is extended. A political subdivision of a Member State may be designated as the borrower, but in this case the Member State must act as a guarantor.
 - B. "Co-financing Framework Agreement", hereafter referred as the "Framework Agreement", means this agreement, concluded between the two Parties which formalizes and sets the principles for the co-financing of Projects.
 - C. "Currency" means "US\$", "EUR" or any local currency, therefore EADB may extend loans in these currencies, in line with Borrowers' requirements.
 - D. "Financing Agreement" means the agreement between the Borrower and EADB providing for the EADB's Financing, or, in the case of IFAD's Financing, the agreement between the Borrower and IFAD providing for the IFAD's Financing.
 - E. "EADB Financing" means the loan(s) provided by EADB for projects to be co-financed by both Parties in accordance with this Agreement.
 - F. "IFAD Financing" means the loan(s) provided by IFAD for projects to be co-financed by both Parties in accordance with this Agreement.
 - G. "IFAD Conceptual Framework and Operational Handbook for Financial Reporting and Auditing of IFAD-financed Projects" means the conceptual framework and handbook providing the guiding principles in financial reporting and auditing of IFAD-financed projects, approved by IFAD's Executive Board on 12 December 2017, as may be amended from time to time.
 - H. "IFAD General Conditions" means the general conditions for agricultural development financing adopted by IFAD's Executive Board on 29 April 2009, as amended from time to time.
 - I. "IFAD Policy on the Disclosure of Documents" means the policy on disclosure of documents adopted by IFAD's Executive Board on 17 September 2010, as may be amended from time to time.
 - J. "Individual Co-financing Agreement" means the agreement to be entered into between the Parties for a specific Project, a form of which is attached as Annex A of this Framework Agreement.
 - K. "Joint financing" means a form of co-financing of a Project, whereby the Parties will jointly finance, and in such proportions as the Parties agree, the same contracts of those goods, works, services and/or consultancies as may be required

for a Project.

- L. "Parallel financing" means a form of co-financing of a Project, whereby the Parties will finance different contracts of those goods, works, services and/or consultancies as may be required for a Project.
- M. "Project" means the specific set of activities of an agricultural development project or programme to be co-financed by the Parties in accordance with this Framework Agreement, as set out in the Individual Co-financing Agreement.
- N. "Project Completion Date" has the meaning, for a Project, defined in the relevant Financing Agreement;
- O. "Project Design Report" or "PDR" is a "living document", which will evolve during the design process, from a project concept note to a final complete design PDR as the basis for negotiations with Governments of the Financing Agreement. In its final form, the Project Design Report is the main guide for the implementation of the financed Project.
- P. "Project Implementation Period" means the period during which the Project is to be carried out, beginning on the date of entry into force of the Financing Agreement and ending on the Project Completion Date.
- Q. "Service Fee" means the fee to be paid to IFAD for services, in accordance with Article 5.4 of this Framework Agreement.
- R. "Withdrawal application" means the mechanism used by the Borrower to submit disbursement requests to IFAD and EADB

1.2 Scope of the Framework Agreement. The scope of this Framework Agreement is to provide a framework of cooperation between the two Parties, whereby the Parties agree to finance jointly or in parallel sovereign Projects selected from the IFAD pipeline in line with the terms described below. For the avoidance of doubt, EADB's Financing will be channeled to the Borrower directly, and not through IFAD.

1.3 Application of Framework Agreement. In the event of any conflict between the provisions of this Framework Agreement and the provisions of the different Individual Co Financing Agreements, the provisions in the Framework Agreement will prevail.

ARTICLE 2

Selection of Projects for EADB's Financing, Approval process

2.1 Pipeline Selection.

IFAD will provide on regular basis, to EADB with a list of Projects in the Member States of both IFAD and the EADB in the East African Community that IFAD is planning to finance, and, which have potential for, EADB's Financing based on EADB's policies. EADB will inform IFAD of those Projects which it is interested in evaluating for a potential co-financing.

IFAD and EADB will meet on a quarterly basis or on an ad hoc basis as required, at a time mutually determined by both Parties, to discuss matters relating to co-financing in

terms of IFAD investments to be financed, internal approval processes, as well as other opportunities for collaboration. The Parties will develop a plan with actions to be carried out by both Parties, timelines and follow up activities.

2.2 Project Concept Note

If, following consultations by IFAD with the potential Borrower, the Borrower expresses interest in a potential EADB Financing, IFAD will submit to, EADB the Project Concept Note. The potential Borrower should request, via a letter, a loan from EADB to co-finance the Project.

The request for EADB's Financing will be reviewed by EADB which, upon completion of its internal assessment and approval procedures, will inform IFAD and the potential Borrower of the relevant outcome.

2.3 Project Design.

The Project design process will be carried out by IFAD in line with IFAD's policies and procedures.

IFAD's Project Design Report will be processed in accordance with the internal quality assurance and clearance processes.

Based on IFAD Project Design Report, EADB will conduct its own internal assessment, review and approval procedures.

2.4 Negotiation, Approval and Signing Process.

IFAD and EADB will enter into separate Financing Agreements with the Borrower.

Without prejudice to Section 4.1 below, efforts shall be made by both Parties to ensure that negotiation, approval and signing of the Financing Agreements are aligned.

In accordance with each Party's internal procedures, the following will apply:

- (a) IFAD negotiates a Financing Agreement with the Borrower, upon IFAD Project Design Report approval by IFAD Executive Board or IFAD President based on IFAD Delegation of Authority. Upon its approval, the negotiated text of the Financing Agreement shall be signed by IFAD and the Borrower together with the Individual Co-financing Agreement (as defined in Section 2.6); and
- (b) EADB, during the due-diligence process, discusses with the Borrower the potential co-financing's main terms and conditions and, upon the approval from the competent decision bodies, EADB negotiates and signs the Financing Agreement together with the Individual Co-financing Agreement (as defined in Section 2.6) subject to satisfactory documentation.

2.6 Individual Co-financing Agreement.

A specific Individual Co-financing Agreement will be signed between IFAD and EADB for each co-financed Project, which will include defining, on a case-by-case basis, the services to be provided by IFAD as set out in the template provided in Annex A to this Framework Agreement.

ARTICLE 4

Financing Terms and Conditions of Financing

4.1 Financing Terms and Conditions

Each Party shall apply to its respective Financing Agreement with the Borrower its own terms and conditions. The Parties agree to align, to the extent possible taking into account their respective policies and procedures, the two Financing Agreements with reference to disbursement, repayment, representations and warranties from the Borrower, administrative, monitoring and termination aspects.

The Parties shall consult to each other during the approval and the negotiation phases aiming at a straightforward, coherent and easy to manage contractual structure.

4.2 Credit Risk

The risk of default on the loans falls on each of the Parties for its own financings. Each Party may on an individual basis take the measures agreed in its respective Financing Agreement. In no case shall there be automatic acceleration for cross-default, automatic cross- suspension or automatic cross-acceleration of any loan by the other Party to the same Borrower.

ARTICLE 5

IFAD Services and Service Fee

5.1 IFAD Services

The Parties agree that IFAD may perform the services listed below in support of EADB's Financing for a Project. The services to be provided will be specified in each Individual Co-financing Agreement for EADB's Financing to be signed by both Parties.

5.2 IFAD will carry out the services agreed in any Individual Co-financing Agreement in line with IFAD's policies, guidelines and procedures and shall apply the same care that it applies to the administration and management of its own resources.

5.3 IFAD services for each Project may include:

Design. In accordance with Article 2.1, 2.2 and 2.3, IFAD will ensure the adequate delivery of the Project Design Report for each prospective co-financing on a timely basis. IFAD will conduct the environment and social due diligence in line with IFAD's Social, Environmental and Climate Assessment procedures (SECAP)¹, as well as fiduciary due diligence.

The Project Design Report and SECAP, as prepared by the Project team, will be shared with EADB.

Supervision and Mid-term Review. IFAD will undertake regular supervision and implementation support missions, and a Mid-term Review mission. Each year, IFAD will provide EADB with the supervision plan for the respective project(s) co-financed by EADB, to allow EADB to plan its participation in such missions in a timely manner. EADB's participation in the missions will be coordinated with IFAD, and their terms

¹ <https://www.ifad.org/en/social-environmental-and-climate-assessment-procedures>

of reference will be agreed by both Parties prior to such missions. EADB will cover the cost of its own participation in such missions, but not those of IFAD.

Annual Work Plan and Budgets (AWPBs) and progress reports for each Project, as prepared by the Project team, will be shared with EADB during each year of implementation.

Procurement. IFAD will exercise oversight of procurement activities in line with the related IFAD guidelines and procedures², including review and approval of annual procurement plan, oversight of procurement implementation in accordance with procurement plans, and no-objections to procurement decisions related to individual contracts for goods, works and services. This is without prejudice to each Borrower being required to comply to EADB's procurement policy as required under its Financing Agreement with EADB.

Financial Management. IFAD will exercise oversight and provide support through technical guidance on financial management arrangements, including review of financial reports and audits, in line with the related IFAD guidance and the IFAD Conceptual Framework and Operational Handbook for Financial Reporting and Auditing of IFAD-financed Projects, as may be amended from time to time³. This is without prejudice to each Borrower being required to comply with the financial disclosure and obligations relating to financial management as required under its Financing Agreement with EADB.

Disbursement. If so agreed between EADB and IFAD, IFAD will perform services related to the disbursement of the EADB Financing that include: (i) review in line with IFAD's procedures, each drawdown application submitted by the Borrower to verify that the amount requested by the Borrower is eligible for financing under EADB's Financing Agreement; (ii) review the drawdown applications for completeness and accuracy of banking information as per IFAD procedures⁴; and (iii) notify EADB through a disbursement notice that the drawdown applications are in proper order.

Completion. IFAD will ensure the proper and timely completion of the Project in accordance with the Financing Agreements [and the contracts for goods, works, services and/or consultancies for the Project] and will support the Borrower in timely submitting a Project Completion Report.

Reporting. IFAD will provide to EADB annual supervision reports, Mid-term review and completion reports related to each Project and prepared in accordance with IFAD's

² Project Procurement Guidelines - <https://www.ifad.org/en/w/document/project-procurement-guidelines>
Procurement Handbook - <https://www.ifad.org/en/w/document/ifad-procurement-handbook>

³ Financial Reporting and External Audit of IFAD-Financed Projects <https://www.ifad.org/en/w/corporate-documents/financial/conceptual-framework-on-financial-reporting-and-external-audit-of-ifad-financed-projects>
Handbook for Financial Reporting and Auditing of IFAD financed Projects
<https://www.ifad.org/en/w/corporate-documents/financial/ifad-handbook-for-financial-reporting-and-auditing-of-ifad-financed-projects>
Financial Management and Administration Manual - <https://www.ifad.org/documents/38711624/39804719/Financial+Management+and+Administration+Manual.pdf/a382f28a-f633-437a-a685-fd48d04c0482>

⁴ Project Financial Management and Financial Control Handbook - <https://www.ifad.org/en/-/document/loan-disbursement-handbook-for-projects-approved-under-gcs-effective>

reporting procedures⁵. IFAD will promptly provide such additional information, to the same extent as it has access to it, in accordance with its policies and procedures on the matter.

If requested by EADB, IFAD will promptly reply to inquiries or provide clarifications with respect to any actions taken or issues arising in connection with any aspect of the services it provides.

5.4 Service Fee and Payment of the Service Fee

Project Design Costs. In respect of any co-financing for which IFAD has been designated as the Party responsible for Project design and preparation:

- a) EADB shall pay a fixed fee⁶ related to Project design costs (such as conception, feasibility study and project design) to be negotiated on a case by case basis.
- b) EADB will pay, in respect of the Project design costs, its share of such costs at the time of signature by the Parties of an Individual Co-financing Agreement (in the form set out in Annex A), to be entered into at origination phase. Such costs to be estimated on a project-by-project basis; and
- c) EADB shall not pay any costs for Project design in cases where the EADB enters as a co-financier to the Project after the origination phase.

Project Implementation Costs. In respect of any co-financing for which IFAD has been designated as EADB's Financing Administrator and/or undertakes supervision activities:

- a) EADB shall pay a fixed fee, to be negotiated on a case by case basis, for reimbursement of the costs incurred by IFAD which are associated with supervision and programme support activities undertaken for the Project as detailed in above. This fee shall be agreed upfront at the Project design stage and explicitly agreed by the Parties in the relevant Individual Co-financing Agreement, in form set out in Annex A.
- b) EADB will pay its share of the costs, in respect of the administration, supervision and programme support costs, (i) fifty percent (50%) upon the EADB loan being declared effective; (ii) twenty-five percent (25%) following the date of the mid-term review of the relevant Project, as agreed between Parties; and (iii) twenty-five percent (25%) at confirmation of Project completion by IFAD.

5.5 The payment of the fee pursuant to Section 5.4 above, shall be made by EADB upon receipt of a Payment Request and Bank Details from IFAD.

5.6 Each Party acknowledges and agrees that there will be no other fees paid or cost sharing between the Parties other than the fees outlined in Sections above, unless agreed between Parties. Each Party is responsible for its own costs and expenses.

⁵ Financial Management and Administration Manual
<https://www.ifad.org/documents/38711624/39804719/Financial+Management+and+Administration+Manual.pdf/a382f28a-f633-437a-a685-fd48d04c0482>

⁶ IFAD's indicative costs in United States Dollars (USD) for project preparation are as follows: Full design: 200,000; Full design costs for projects rated substantial/high risk: 250,000; Start-up support: 15,000.

- 5.7 Notwithstanding the above, each Party acknowledges and agrees that the fees payable under the respective design commitment letters and/or co-financing agreements are non-refundable and are exclusively for the Project and shall not serve as a basis for determining fees or costs payable under any future co-financed projects between the Parties.

ARTICLE 6

Audit

6.1 Audit Exercise

For each Project co-financed by EADB, IFAD shall provide EADB with the audited financial statements (AFSS) prepared and presented by the Borrower in accordance with the IFAD Conceptual Framework and Operational Handbook for Financial Reporting and Auditing of IFAD-Financed Projects, [as may be amended from time to time].

The EADB Financing Agreement, when required by the circumstances, and at the request of one of the Parties, after consultation and in agreement with the other Party, IFAD may contract auditors to perform a specific audit of a Project financed by EADB. In this case, the related costs shall be borne by the Party requesting the audit and if requested by both Parties, the related costs shall be borne equally by both Parties.

Submission. In the event that the Borrower fails to submit the AFSSs by the date agreed in the Financing Agreement with IFAD, (i) IFAD will pursue the applicable remedies set forth in IFAD General Conditions and (ii) IFAD shall inform EADB accordingly. Likewise, EADB may pursue any applicable remedy to the Borrower's failure to comply with its obligation to remit the project AFSSs to EADB.

In accordance with IFAD's Policy on the Disclosure of Documents, the AFSSs received by IFAD are classified as public documents. In the event that the AFSSs contain confidential information, a summary version may be prepared for publication.

ARTICLE 7

Disclosure Procedures

- 7.1 IFAD and EADB, in accordance with their respective rules and procedures regarding disclosure and access to documents and information, may disclose this Framework Agreement and any information related to the Framework Agreement.

ARTICLE 8

Communication

8.1 Communications

All written communications required or permitted by this Framework Agreement shall be in writing and delivered in person, sent by mail, or sent as scanned document by email and shall be directed to the following addresses:

- (a) For IFAD:
Global Engagements, Partnership and Resource Mobilization Division
E-mail: r.hartman@ifad.org

- (b) For EADB:
 Director General
 E-mail: bmono@eadb.org; dg@eadb.org;
 copied to: cnyamohanga@eadb.org

EADB and IFAD shall advise one another of any change of address or addressee.

ARTICLE 9

Effectiveness, Amendments and Termination

9.1 Effectiveness

This Framework Agreement shall be provisionally applicable upon its signature and shall enter into force upon EADB's communicating to IFAD the fulfilment of its internal procedures to approve international agreements.

9.2 Amendments

Both Parties may propose to amend this Framework Agreement in writing, in accordance with their internal procedures.

9.3 Termination

Either Party may terminate this Framework Agreement by giving notice in writing to the other Party at least three months in advance. The notice to terminate shall indicate a termination date. In such case, unless otherwise agreed in writing by the Parties, the contractual obligations assumed by the Parties pursuant to an Individual Co-financing Agreement, if any, prior to reception of the respective notice to terminate this Framework Agreement, including those concluded with third parties, shall remain in full force and effect and be unaffected by such early termination.

ARTICLE 10

General Provisions

10.1 Relationship of the Parties

No provision of this Framework Agreement may be interpreted as creating a principal-agent relationship between the Parties. Each Party possesses independent and functionally equal legal capacity vis-a-vis the other Party.

10.2 Tax Regime

Pursuant to provisions set forth under Section 16 of the Headquarters Agreement entered into between IFAD and the Italian Republic in 1978, this Framework Agreement is exempt from all forms of indirect taxation.

10.3 Novation/ Assignment

Neither Party will be entitled to assign or otherwise transfer its rights and obligations under this Framework Agreement, in full or in part, without the prior written consent of the other Party.

10.4 Governing Law and Dispute Resolution

This Framework Agreement, each Individual Co-financing Agreement and any non-contractual obligations arising out of or in connection with this Framework Agreement or any Individual Co-financing Agreement shall be governed by general principles of law to the exclusion of any single national system of law. General principles of law

shall be deemed to include the UNIDROIT Principles of International Commercial Contracts 2016. The Parties agree that in the event of any controversy or dispute arising out of or in connection with the implementation of this Framework Agreement or any Individual Co-financing Agreement, every effort shall be made to amicably reach a settlement by direct negotiation. In cases where consultations or negotiations do not achieve agreement between the Parties within 60 days of either Party notifying the other Party requesting consultations or negotiations under this Article 10.4, the controversy/dispute shall be settled by arbitration in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules in force on the date of this Framework Agreement.

Decisions of the arbitral tribunal shall be final and binding on the Parties. The arbitral tribunal shall have no authority to award punitive damages or, unless otherwise expressly provided in this Framework Agreement or any Individual Co-financing Agreement, to award interest in which case such interest shall not be in excess of the Secured Overnight Financing Rate (SOFR) then prevailing, and any such interest shall be simple interest only.

At the election of either party, any further dispute, controversy or claim which arises out of this Agreement shall be consolidated with any ongoing proceedings before the arbitral tribunal, but no other party shall be joined to, and no other disputes, controversies or claims shall be consolidated with, such on-going proceedings before the arbitral tribunal. The parties hereby waive any rights under the UK Arbitration Act 1996 or otherwise to appeal any arbitration award to, or to seek determination of a preliminary point of law by, the courts of England or elsewhere.

- (a) The parties shall appoint the arbitrator, failure of agreement on the appointment of the arbitrator, the appointing authority shall be the International Bureau of the Permanent Court of Arbitration.
- (b) The number of arbitrators shall be one (1).
- (c) The place of arbitration shall be London, United Kingdom.
- (d) The language to be used in the arbitral proceeds shall be English.

10.5 Independent Right of Action

Notwithstanding any provision of this Framework Agreement, each Party reserves the right to enforce its rights and perform its obligations under its respective Financing Agreement entered into with the Borrower, and nothing in said agreements will be deemed to preclude or limit the right of either Party to exercise its contractual remedies under the terms set out in its Financing Agreement or other legal remedies, provided that any standstill and/or consultation period provided under this Framework Agreement or the applicable Individual Co-financing Agreement has been complied with.

10.6 No waiver of Privileges and Immunities

Nothing in this Framework Agreement or any Individual Co-financing Agreement shall be deemed as a waiver of or otherwise affect the privileges and immunities of IFAD under the Agreement Establishing the International Fund for Agricultural Development, the Convention on the Privileges and Immunities of the Specialized Agencies of the United Nations (1947), any other international treaty or convention, or under international customary law.

IFAD shall not be liable for any claim for loss, damage, misuse, or misappropriation of funds arising in connection with EADB's financing or with any activity financed under the EADB Financing Agreement, except those resulting from the negligence or willful misconduct of IFAD or its staff and consultants.

Nothing in this Framework Agreement or any Individual Co-financing Agreement shall be construed as a waiver, renunciation or other modification of any immunities, privileges or exemptions of the East African Development Bank accorded under the Charter and Treaty Establishing the East African Development Bank (as the same may be amended and/or re-enacted from time to time), any headquarters agreement, host country agreement, international conventions or other applicable law.

EADB shall not be liable for any claim for loss, damage, misuse, or misappropriation of funds arising in connection with IFAD's financing or with any activity financed under the IFAD Financing Agreement, except those resulting from the negligence or willful misconduct of EADB or its staff and consultants.

10.7 No Financing Commitment

This Framework Agreement will not be construed as representing any commitment with regard to the financing of a particular Project on the part of either Party, and no provision of any of said agreements will be construed as imposing any financial obligation to the Borrower on the part of either Party. Any such commitment and obligation will be exclusively reflected in the Individual Co-financing Agreement and the Party's Financing Agreement once executed upon achievement of the approvals of the competent internal bodies of each Party.

10.8 Anti-corruption, AML/CFT and Sanctions

The Parties are committed to complying with their policies or applicable laws and international compliance best-practices, and acknowledge and agree that, in carrying out their obligations under this Framework Agreement, each of them shall endeavor to, and nothing in this Framework Agreement shall prevent them from, complying with the internal policies and procedures they have respectively adopted on compliance matters, including:

- (a) For EADB, the Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) and Sanctions Policy and Procedure Manual; and
- (b) For IFAD, the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations⁷ and the IFAD Anti-Money Laundering and Countering the Financing of Terrorism Policy⁸.

⁷ https://www.ifad.org/documents/38711624/40189363/fraudpolicy_eb86_e.pdf/e2ae80aa-e423-4d7c-a582-c01e1917b427?t=1545052888000

⁸ <https://webapps.ifad.org/members/eb/128/docs/EB-2019-128-R-41-Rev-1.pdf>

IN WITNESS WHEREOF, each through its authorized representative has signed the present Framework Agreement in (2) two copies in English language.

EAST AFRICAN DEVELOPMENT BANK



Benard P. Mono
Ag. Director-General

INTERNATIONAL FUND FOR AGRICULTURAL
DEVELOPMENT



Alvaro Lario
President

Date: 29/07/2025

Date: 29th July 2025

ANNEX A:

TEMPLATE OF INDIVIDUAL CO-FINANCING AGREEMENT

(A) **AGREEMENT** dated 20 between the East African Development Bank ("EADB") and the International Fund for Agricultural Development ("IFAD")

WHEREAS:

(B) ("Borrower") has requested IFAD and EADB to co-finance the project described in Section 1.02 of this Agreement ("Project");

(C) IFAD [has agreed to] make a loan to the Borrower in an amount equal to _____ ("IFAD Financing") to co-finance the Project on the terms and conditions set forth in a loan agreement dated [] between the Borrower and the IFAD ("IFAD Financing Agreement");

(D) EADB [has agreed to] make a loan to the Borrower in an amount equal to [] ("Partner Financing") to co-finance the Project on the terms and conditions set forth in a loan agreement dated [] between the Borrower and EADB ("Partner Financing Agreement"); and

(E) IFAD and EADB had entered into a Co-financing Framework Agreement dated [] 2025 ("Framework Agreement") governing the general terms and conditions applicable between the Parties, which form an integral part of this Agreement. In the event of any inconsistency between the Framework Agreement and this Agreement, the former shall prevail.

NOW THEREFORE, IFAD and EADB hereby agree as follows:

Article I
Definitions; Co-financing

Section 1.01. **Definitions.** As used in this Individual Co-financing Agreement, the capitalized terms have the meanings ascribed to them in the Framework Agreement. In addition, the following capitalized terms have the meanings set forth below:

- (a) " " means ; and
- (b) " " means

Section 1.02. **Description of Co-financed Project.** IFAD and EADB intend to co-finance the Project described below:

[insert Project description]

Section 1.03. **Method of Co-financing.** IFAD and EADB intend to co-finance the Project [as a Joint Co-financing as follows:....] or [as a Parallel Co-financing as follows:....]

Article 2

Framework Agreement; Provision of Services and Fees

Section 2.01. *Framework Agreement Undertakings.* Except as otherwise specifically provided in this Individual Co-financing Agreement, IFAD and EADB will cooperate with each other in co-financing the Project in accordance with the applicable provisions of the Framework Agreement.

Section 2.02. *IFAD Services.*

(a) [Except as otherwise provided in Section 2.02(b) below, IFAD will provide the Services as described in Article 45 of the Co-financing Framework Agreement and specified as follows: _____]

[(b) Notwithstanding the provisions of Section 5 of the Framework Agreement, IFAD will, [specify any variation or addition to the Services as described in the Framework Agreement.]

Section 2.03. *Service Fee.* In accordance with Section 5.4 of the Framework Agreement, EADB will compensate IFAD with a Service Fee for the above-mentioned services provided for the Project. The total amount of service fee is [], and will be paid by EADB following the reception of a payment request accompanied by an original invoice, as follows: [],

Article 3

Audit

Section 3.01. IFAD shall provide EADB with the project audited financial statements (AFSS) prepared and presented by the Borrower in accordance with the IFAD Conceptual Framework and Operational Handbook for Financial Reporting and Auditing of IFAD-Financed Projects, [as may be amended from time to time as at the date of this Individual Co-financing Agreement unless otherwise agreed by EADB)].

Article 4

Anti-money laundering, countering the financing of terrorism and sanctions

Section 4.01. IFAD is committed to promoting and adhering to the highest standards of probity and accountability in the use of its financing and will not tolerate the diversion of the resources entrusted to it by Member States, non-Member States and other sources. IFAD recognizes that combating money laundering and preventing terrorism financing are core components of the Fund's development mandate and applies its Anti-Money Laundering and Countering the Financing of Terrorism Policy and its related Procedures, which aim to ensure that IFAD identifies, assesses and adequately mitigates financial crime/integrity risks so as to reduce the risk of IFAD's exposure to serious reputational damage, financial loss or legal liability. IFAD shall use reasonable measures, in accordance with its policies and procedures, to ensure that the funds provided under this Agreement are not used for the purpose of any payment that would be prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

Article 5 Data privacy

Section 5.01. IFAD is committed to international standards of personal data protection as outlined in IFAD's Personal Data Privacy Guidelines and its Privacy Notice. This requires that sufficient and adequate due diligence and other controls are in place to safeguard personal data processed while carrying out project activities. Safeguards include applying appropriate security, restricting access, only sharing where necessary, and retaining personal data only for as long as is necessary.

Article 6 Miscellaneous

Section 6.01. *Execution; Effectiveness; Modification.* This Individual Co-financing Agreement will be signed in two copies, each of which will be an original, and will enter into force and effect upon its signature by an authorized representative of each Party. It may be modified from time to time by further agreement in writing signed by an authorized representative of each Party.

Section 6.02. *Termination.* This Individual Co-financing Agreement may be terminated at any time upon sixty (60) days' advance notice given in writing by either Party to the other. Upon such notice, the Parties will consult with a view to agreeing on the most practical arrangements to effect such termination. Notwithstanding any such termination, the provisions of Section 2.03 of this Individual Co-financing Agreement relating to payments to IFAD for Services performed prior to the date of such termination, shall continue in full force and effect.

Section 6.03. *Notices.* Any notice or request required or permitted to be given or made under this Individual Co-financing Agreement will be in writing, and will be deemed to have been duly given when delivered by hand, mail, facsimile or electronic mail to the Party to which it is required or permitted to be given or made at such Party's address specified below:

For International Fund For Agricultural Development
Attention:

EADB
Attention: Director General
E-mail: bmono@eadb.org; dg@eadb.org; copied to
cnyamohanga@eadb.org

[(b) Any notice (including without limitation a Disbursement Notice) or request required or permitted to be given or made under this Individual Co-financing Agreement relating to Disbursement Services will be in writing and will be deemed to have been duly given when delivered by hand, mail, facsimile or electronic mail to the Party to which it is required or permitted to be given or made at such Party's address specified below:

For International Fund For Agricultural Development
Attention:

EADB
Attention:

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this Agreement in duplicate in the English language.


EAST AFRICAN DEVELOPMENT BANK



[Insert name, surname, and title of signatory]

Date: 20/07/2025

INTERNATIONAL FUND FOR AGRICULTURAL
DEVELOPMENT



[Insert name, surname, and title of signatory]

Date: 29th July 2025

ANNEX B

Overview of the reporting to be provided during the implementation of a Project

With reference to the Section 5.3 of the Framework Agreement, the following documents will be provided during the implementation of a Project.

Deliverable	Periodicity
Project Design Report	[TBD]
Project progress reports	Once a year
AWPBs	Once a year
Aide memoire and respective supervision mission rep	Once a year
Mid-term review (MTR)	Indicatively after year 3 of implementation
Disbursement Notice of Withdrawal Application	Every time a WA is submitted by Borrower and processed by IFAD
Project Completion Report	6 months after the completion of Project.