Loan Agreement

(Zhanghu Railway Project)

between

PEOPLE’S REPUBLIC OF CHINA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated May 18, 2012
LOAN AGREEMENT

AGREEMENT dated May 18, 2012, between PEOPLE'S REPUBLIC OF CHINA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I – GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in the Loan Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II – LOAN

2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of two hundred million Dollars ($200,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.07 of this Agreement ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.

2.04. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days (30), then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02(e) of the General Conditions.

2.05. The Payment Dates are March 1 and September 1 in each year.
2.06. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

2.07. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa, or from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

(c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05(c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section IV of Schedule 2 to this Agreement.

ARTICLE III – PROJECT

3.01. The Borrower declares its commitment to the objective of the Project. To this end, the Borrower shall carry out the Project through its Ministry of Railways in accordance with the provisions of Article V of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.
ARTICLE IV – EFFECTIVENESS

4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE V – REPRESENTATIVE; ADDRESSES

5.01. The Borrower’s Representative is the Minister of Finance.

5.02. The Borrower’s Address is:

Ministry of Finance
Sanlihe
Beijing 100820
People’s Republic of China

Facsimile:

86-10-6855-1125

5.03. The Bank’s Address is:

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

Cable address: Telex: Facsimile:
INTBAFRAD 248423(MCI) or 1-202-477-6391
Washington, D.C. 64145(MCI)
AGREED at Beijing, People’s Republic of China, as of the day and year first above written.

PEOPLE’S REPUBLIC OF CHINA

By

Authorized Representative

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative
SCHEDULE 1

Project Description

The objective of the Project is to improve accessibility and mobility by responding to existing and anticipated transport demand along the Hohhot-Zhangjiakou (to Beijing) corridor through the provision of additional railway capacity, and reduction of transport time for passengers and freight.

The Project consists of the following part, subject to such modifications thereof as the Borrower and the Bank may agree upon from time to time to achieve such objective:

Part A: Railway Line

1. Construction of a 286 km-long double-track, electrified, passenger-dedicated high-speed rail line between the northern cities of Zhangjiakou and Hohhot, including construction, renovation or rehabilitation of three stations, acquisition and installation of goods, maintenance equipment, and rolling stock, as well as land acquisition and the resettlement of Displaced Persons.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangement

1. The Borrower shall, through the Ministry of Railways, throughout the implementation of the Project, maintain FCTIC with adequate powers, functions, staff and resources satisfactory to the Bank in order to enable it to carry out procurement and financial management with respect to the Project and to supervise the implementation of the Project.

2. The Borrower shall, through the Ministry of Railways, cause MRC to construct the railway lines under the Project, including installing the equipment, in accordance with:
   (i) detailed implementation arrangements, including a time schedule, satisfactory to the Bank; and
   (ii) appropriate technical standards, practices, and specifications.

3. The Borrower shall, through the Ministry of Railways, throughout the implementation of the Project, ensure that the MRC maintains adequate number of staff and resources satisfactory to the Bank.

4. The Borrower shall, and through the Ministry of Railways as appropriate:
   (a) take all necessary actions, including provision of timely consents and approvals, to facilitate the implementation of the Project; and
   (b) maintain all relevant records and documents related to the Project and provide promptly such documents and records, including all other information, as may be requested by the Bank from time to time.

5. The Borrower shall, through the Ministry of Railways, cause each of the Provinces:
   (a) to provide full support, cooperation and assistance, and to take all necessary actions, including provision of timely consents and approvals, as may be required for facilitating the implementation of the Project and to enable the Borrower to comply with its undertakings in this Agreement; and
   (b) to maintain all relevant records and documents related to the Project and provide promptly such documents and records, including all other information, as may be requested by the Borrower or the Bank from time to time.

6. In carrying out the Project, the Borrower shall, and through the Ministry of Railways or MRC as appropriate, implement and cause the Provinces to implement the Project in accordance with the Safeguards Instruments, all in a manner and substance satisfactory to the Bank. Without limitation to the
foregoing, the Borrower shall, through the Ministry of Railways and the Provinces as appropriate:

(a) take all necessary actions to minimize to the extent possible any involuntary loss by persons of shelter, productive assets or access to productive assets or income or means of livelihood, temporarily or permanently, and the displacement of said people in the carrying out of the Project or any part thereof;

(b) where the acquisition of land or assets or the displacement of people is unavoidable, before initiating the implementation of any works which would result in such acquisition or displacement, make available to such Displaced Persons compensation and, as applicable, relocate and rehabilitate the Displaced Persons in accordance with the RAP and the RAP Arrangement and in a manner satisfactory to the Bank;

(c) not amend, suspend, abrogate, fail to enforce, or waive the Safeguards Instruments or any provisions thereof without the prior written concurrence of the Bank;

(d) monitor on a six (6) month basis, the implementation of the Safeguards Instruments, including the status of compliance thereof, in a manner and in accordance with term of reference, satisfactory to the Bank, and promptly after completion of each said monitoring, provide to the Bank a report on the monitoring, including:

(i) measures taken in furtherance of the Safeguards Instruments;

(ii) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguards Instruments; and

(iii) remedial measures taken or required to be taken to address such conditions; and

(e) whenever required in terms of the RPF, the Borrower shall or shall cause the Provinces to proceed to have a RAP:

(i) prepared in form and substance satisfactory to the Bank;

(ii) except as otherwise agreed with the Bank, submitted to the Bank for review and approval; and

(iii) thereafter, adopted and publicly disclosed.
7. Without limitation to the provisions of paragraph 6 above, in situations where any subsequent changes occur in alignment of the Zhanghu Railway Line, either during implementation or at the detailed design stage, resulting in changes in the severity of impacts, the Borrower shall immediately notify the Bank, and in consultation with the Bank, shall cause the Ministry of Railways or the Counties to prepare a supplementary RAP, consistent with the RPF, in a manner and a timeframe satisfactory to the Bank, including measures for villages severely affected by the Project, and implement the measures set out therein.

8. In the event of any inconsistency between the provisions of the Safeguards Instruments and the provisions of this Agreement, the provisions of this Agreement shall prevail.

9. The Borrower shall, and through the Ministry of Railways as appropriate, ensure, and shall cause the Provinces to ensure, that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of the indicators agreed with the Bank. Each Project Report shall cover the period of one (1) calendar semester, either January through June or July through December, and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report, starting with the first full semester after the signing of this Agreement.

B. Financial Management, Financial Reports and Audits

1. The Borrower shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Borrower shall prepare and furnish to the Bank, not later than forty-five (45) days after the end of each calendar semester, interim un-audited financial reports for the Project covering the semester, in form and substance satisfactory to the Bank.

3. The Borrower shall have its Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.
Section III. Procurement

A. General

1. Goods. All goods required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Schedule.

2. Consultants' Services. All consultants' services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines and with the provisions of this Schedule.

3. Except as the Bank shall otherwise agree, procurement of all goods and services required for the Project and to be financed out of the proceeds of the Loan shall be carried out by a qualified independent procurement agent, acceptable to the Bank, engaged by the Borrower through the Ministry of Railways.

4. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Non-consulting services

1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods shall be procured under contracts awarded on the basis of International Competitive Bidding. The provisions of paragraphs 2.55 and 2.56 of the Procurement Guidelines, providing for domestic preference in the evaluation of bids, shall apply to goods manufactured in the territory of the Borrower (other than goods manufactured in the Hong Kong Special Administrative Region and the Macau Special Administrative Region of the Borrower).

2. Other Methods of Procurement of Goods, and Non-consulting services. The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods. The Procurement Plan shall specify the circumstances under which such methods may be used.
<table>
<thead>
<tr>
<th>Procurement Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) <strong>National Competitive Bidding:</strong> Goods costing less than $500,000 equivalent per contract may be procured under contracts awarded under NCB procedures. The procedures to be followed for National Competitive Bidding shall be those set forth in the Law on Tendering and Bidding of the People’s Republic of China promulgated by order No.21 of the President of the People’s Republic of China on August 30, 1999, with the following clarifications required for compliance with the Procurement Guidelines:</td>
</tr>
<tr>
<td>(i) All invitations to prequalify or to bid shall be advertised in a newspaper of national circulation in the Borrower’s country, except for goods contracts that are estimated to cost less than $300,000 equivalent each, which may be advertised in a provincial daily newspaper. Such advertisement shall be made in sufficient time for prospective bidders to obtain prequalification or bidding documents and prepare and submit their responses. In any event, a minimum of thirty (30) days shall be given to bidders between the date of advertisement in such newspaper and the deadline for submission of bids, and the advertisement and bidding documents shall specify the deadline for such submission.</td>
</tr>
<tr>
<td>(ii) Qualification requirements of bidders and the method of evaluating the qualification of each bidder shall be specified in detail in the bidding documents.</td>
</tr>
<tr>
<td>(iii) All bidders that meet the qualification criteria set out in the pre-qualification document shall be allowed to bid and there shall be no limit on the number of pre-qualified bidders.</td>
</tr>
<tr>
<td>(iv) All bidders shall be required to provide security in an amount sufficient to protect the Borrower in case of breach of contract by the contractor, and the bidding documents shall specify the required form and amount of such security.</td>
</tr>
<tr>
<td>(v) Bidders will be allowed to submit bids by mail or by hand. The time for opening of all bids shall be the same as the deadline for receipt of such bids.</td>
</tr>
</tbody>
</table>
(vi) All bids shall be opened in public; all bidders shall be offered an opportunity to be present (either in person or through their representatives) at the time of bid opening, but bidders shall not be required to be present at the bid opening.

(vii) All bid evaluation criteria shall be disclosed in the bidding documents and quantified in monetary terms or expressed in the form of pass/fail requirements.

(viii) No bid may be rejected solely on the basis that the bid price falls outside any standard contract estimate, or margin or bracket of average bids established by the Borrower.

(ix) Each contract shall be awarded to the lowest evaluated responsive bidder, that is, the bidder who meets the appropriate standards of capability and resources and whose bid has been determined: (A) to be substantially responsive to the bidding documents; and (B) to offer the lowest evaluated cost. The winning bidder shall not be required, as a condition of award, to undertake responsibilities for work not stipulated in the bidding documents or otherwise to modify the bid as originally submitted.

(x) Each contract financed with the proceeds of the Loan shall provide that the suppliers and contractors shall permit the Bank, at its request, to inspect their accounts and records relating to the performance of the contract and to have said accounts and records audited by auditors appointed by the Bank.

(xi) Government owned enterprises in the Borrower's territory may be permitted to bid or submit a proposal of goods and works if they can establish that they: (A) are legally and financially autonomous; (B) operate under commercial law; and (C) are not a dependent agency of the agency conducting the procurement.

(xii) Re-bidding should not be allowed solely because the number of bids is less than three (3), and rejection of all bids or rebidding shall not take place without the Bank's prior written concurrence.
(xiii) The results of bid evaluation and contract award shall be published in the national press or provincial press (as provided under 3(i) above) or official gazette or a free and open access website and shall identify the name and offered price of the winning bidder, as well as the duration and summary scope of the awarded contract.

(xiv) the Borrower shall have in place provisions for bidders to protest.

(b) Shopping

C. Particular Methods of Procurement of Consultants' Services

1. Quality- and Cost-based Selection. Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.

2. Other Methods of Procurement of Consultants' Services. The following table specifies the methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<table>
<thead>
<tr>
<th>Procurement Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Quality-Based Selection</td>
</tr>
<tr>
<td>(b) Selection under Fixed Budget</td>
</tr>
<tr>
<td>(c) Selection Based on Consultants' Qualifications</td>
</tr>
<tr>
<td>(d) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(e) Single Source Selection</td>
</tr>
</tbody>
</table>

D. Review by the Bank of Procurement Decisions

Except as the Bank shall otherwise determine by notice to the Borrower, the following contracts shall be subject to Prior Review by the Bank: (a) each contract for goods to be procured on the basis of International Competitive Bidding; (b) the first contract for goods to be procured under National Competitive Bidding procedures; (c) each contract for consultants' services provided by a firm estimated to cost the equivalent of $300,000 or more; (d) all consultant’s contracts procured under single source selection; and (e) each
contract for consultants' services provided by an individual consultant estimated to cost the equivalent of $50,000 or more. All other contracts shall be subject to Post Review by the Bank.

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank may specify by notice to the Borrower (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures, inclusive of taxes, as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan (“Category”), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, Equipment and Consultants services</td>
<td>199,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Front-end Fee</td>
<td>500,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions</td>
</tr>
<tr>
<td>(3) Interest Rate Cap or Interest Rate Collar Premium</td>
<td>0</td>
<td>Amount due pursuant to Section 2.07(c) of this Agreement</td>
</tr>
<tr>
<td>Total</td>
<td>200,000,000</td>
<td></td>
</tr>
</tbody>
</table>
B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made for payments made prior to the date of this Agreement.

2. The Closing Date is June 30, 2018.
SCHEDULE 3

Amortization Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share"). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each March 1 and September 1, beginning September 1, 2017 through March 1, 2042</td>
<td>2.00%</td>
</tr>
</tbody>
</table>

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

(a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.

(b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date ("Original Installment Share") and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.
3. (a) Amounts of the Loan withdrawn within two (2) calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

(b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.
APPENDIX

Section I. Definitions


2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


4. “Counties” means collectively Xincheng District, Saihan District, Zhuozi County, Chahaeryouyi County, Xinghe County, and Shangyi County in Inner Mongolia Autonomous Region, and WanQuan County, Huai’an County and Gaoxin District in Hebei Province, all in the territory of the Borrower.

5. “Displaced Person” means a person who, on account of the execution of the Project, has experienced or would experience direct economic and social impacts caused by: (i) the involuntary taking of land, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not such person must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and “Displaced Persons” means, collectively, all such Displaced Persons.

6. “Environment Management Framework” or “EMF” means the framework for environment impact assessment dated August 2011, and duly adopted by the Borrower and the Ministry of Railways, which sets out the policies and procedures for environment assessment and preparation of environment mitigation plans in respect of the Project, as well as administrative and monitoring arrangements to ensure the implementation of said plans; as the same may be revised from time to time with the prior written agreement of the Bank, and such term includes all schedules and supplements to said framework.

7. “Environmental Management Plan” and the acronym “EMP” means, collectively, (i) the environmental management plan dated August 2011, and duly adopted by the Borrower and the Ministry of Railways in respect of implementing the Project and (ii) all such environmental management plans that may be prepared by the Borrower and the Ministry of Railways, in accordance with the provision of the Environmental Management Framework; which set out, inter alia, (i) the actions and measures to be taken for mitigating the adverse environmental
impacts resulting from the implementation of the Project and related facilities; including access roads, construction camps and resettlement sites; (ii) the criteria and procedures for developing and implementing actions and measures, satisfactory to the Bank, for mitigating the adverse environmental impacts resulting from the implementation of activities in locations that are not directly identified in the EMP; and (iii) administrative and monitoring arrangements to ensure the implementation of said plans, as the same may be revised from time to time with the prior written agreement of the Bank; and such plan includes all schedules and annexes supplemental thereto.

8. “FCTIC” means the Foreign Capital and Technology Import Center of the Ministry of Railways, or any successor thereto.

9. “Fiscal Year” means the fiscal year of the Borrower, covering the period January 1 through December 31.


11. “Hebei” means the Borrower’s Province of Hebei, or any successor thereto.

12. “Hohhot” means the city of Hohhot in Inner Mongolia Autonomous Region.

13. “Inner Mongolia Autonomous Region” means the Borrower’s Inner Mongolia Autonomous Region, or any successor thereto.

14. “MRC” means the Meng-Ji Railway Company Limited, a limited liability company established by the Ministry of Railways in July 2008, and registered and operating under its Business License Number 150000000007727 (1-1) of July 25, 2008, or any of its successors.

15. “Ministry of Railways” means the Borrower’s Ministry of Railways or any successor thereto, and for the purpose of this Agreement, the reference to the Ministry of Railways shall include, inter alia, unless the context otherwise requires, specific reference to the Railway Administration.


17. “Procurement Plan” means the Borrower’s procurement plan dated November 22, 2010, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
18. "Provinces" means collectively the Borrower's Province of Hebei and Inner Mongolia Autonomous Region.

19. "Railway Administration" means the Borrower's Hohhot Railway Administration, which is established by the Ministry of Railways under its administrative control and responsible for the management, operation and maintenance of the railway system over an assigned territory of the Borrower and in which the Zhanghu Railway Line will be constructed, under the Project.

20. "Resettlement Action Plan" and the acronym "RAP" mean, collectively: (i) the resettlement action plan of January 2012, duly adopted by the Borrower and the Ministry of Railways in respect of implementing the Project; and (ii) all such resettlement action plans that may be prepared by the Borrower and the Ministry of Railways, in accordance with the provision of the Resettlement Policy Framework; which set out, inter alia: (i) the principles and procedures governing the acquisition of land required for the Project and related facilities, including access roads, construction camps and resettlement sites; (ii) actions and measures for the payment of compensation to Displaced Persons and for their resettlement and rehabilitation; (iii) the criteria and procedures for developing and implementing actions and measures, satisfactory to the Bank, for mitigating the adverse social impacts resulting from the implementation of activities in locations that are not directly identified in the RAP; and (iv) reporting and monitoring arrangements to ensure compliance with said plan, as the same may be revised from time to time with the prior written agreement of the Bank; and such plan includes all schedules and annexes supplemental thereto.

21. "RAP Arrangement" means collectively the arrangements made, through the commitment letters of various dates, among the Ministry of Railways and the Counties for implementing the RAP in respect of the Project, as the same may be revised from time to time with the prior written agreement of the Bank; and such arrangements include all schedules and annexes supplemental thereto.

22. "Resettlement Policy Framework" or the acronym "RPF" means the Resettlement Policy Framework of December 2011, prepared and duly adopted by the Borrower, acceptable to the Bank; said Framework setting out the policies and procedures for the acquisition of land and other assets, compensation, resettlement and rehabilitation of Displaced Persons, and for the preparation of resettlement action plans as may be required for Project activities, as said Framework may be revised from time to time with the prior written agreement of the Bank; and such term includes all schedules and agreements supplemental to said Framework.
23. "Safeguards Instruments" means, collectively, the Environmental Management Framework, the Environmental Management Plan, the Resettlement Policy Framework, the Resettlement Action Plan, and the RAP Arrangement, and such term includes any annexes or schedules to such instruments.

24. "Zhangjiakou" means the city of Zhangjiakou in Hebei.