



LOAN NUMBER 8465-UZ

# Project Agreement

(Pap-Angren Railway Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

UZBEK ENERGO

Dated *March 4*, 2015

**LOAN NUMBER 8465-UZ**

**PROJECT AGREEMENT**

Agreement dated **March 4**, 2015, entered into between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) and UZBEK ENERGO (“Project Implementing Entity”) (“Project Agreement”) in connection with the Loan Agreement (“Loan Agreement”) of same date between the Republic of Uzbekistan (“Borrower”) and the Bank. The Bank and the Project Implementing Entity hereby agree as follows:

**ARTICLE I — GENERAL CONDITIONS; DEFINITIONS**

- 1.01. The General Conditions (as defined in the Appendix to the Loan Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Loan Agreement or the General Conditions.

**ARTICLE II — PROJECT**

- 2.01. The Project Implementing Entity declares its commitment to the objective of the Project. To this end, the Project Implementing Entity shall carry out Part III of the Project (hereinafter referred to as “Respective Part of the Project”) in accordance with the provisions of Article V of the General Conditions and the UE Subsidiary Agreement, and shall provide, promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Project.
- 2.02. Without limitation upon the provisions of Section 2.01 of this Agreement, and except as the Bank and the Project Implementing Entity shall otherwise agree, the Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the provisions of the Schedule to this Agreement.

**ARTICLE III — REPRESENTATIVE; ADDRESSES**

- 3.01. The Project Implementing Entity’s Representative is the Chairperson of its Board.
- 3.02. The Bank’s Address is:

International Bank for Reconstruction and Development  
1818 H Street, NW  
Washington, DC 20433  
United States of America

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423(MCI) or 64145(MCI)	1-202-477-6391

3.03. The Project Implementing Entity's Address is:

Uzbek Energo  
Istiqlol Street 6  
100000, Tashkent

Telephone:	Telex:	Facsimile:
(99871) 233-98-21	116140 99871	(99871) 236-27-

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AGREED at Tashkent, Republic of Uzbekistan, as of the day and year first above written.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By



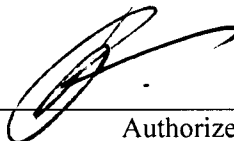
Authorized Representative

Name: Saroj Kumar Jha

Title: Country Director

UZBEK ENERGO

By



Authorized Representative

Name: Iskandar Basidov

Title: Chairman

## SCHEDULE

### Execution of the Project Implementing Entity's Respective Part of the Project

#### **Section I. Implementation Arrangements**

##### **A. Institutional Arrangements**

The Project Implementing Entity shall maintain its PIU at all times during Project implementation, with terms of reference, adequate funds, facilities, services and resources satisfactory to the Bank, and with competent staff in adequate numbers and with qualifications acceptable to the Bank.

##### **B. Subsidiary Agreements**

1. To facilitate the carrying out of its Respective Part of the Project, the Project Implementing Entity shall enter into a subsidiary agreement with the Borrower pursuant to which the Borrower shall on-lend to the Project Implementing Entity a portion of the Loan allocated to Category (2) under terms and conditions satisfactory to the Bank ("UE Subsidiary Agreement"), which shall include the responsibility of the Project Implementing Entity to carry out its Respective Part of the Project in accordance with, *inter alia*: (i) the provisions set forth in the Loan Agreement (including compliance with the pertinent provisions set forth in the Safeguards, Procurement and Financial Management sections and the provisions of Article V of the General Conditions); and (ii) the Anti-Corruption Guidelines.
2. The Project Implementing Entity shall exercise its rights and carry out its obligations under the UE Subsidiary Agreement in such a manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the Project Implementing Entity shall not assign, amend, abrogate, waive, terminate, or fail to enforce the Subsidiary Agreement or any of its provisions.

##### **B. Anti-Corruption**

The Project Implementing Entity shall ensure that its Respective Part of the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

##### **C. Safeguards**

1. The Project Implementing Entity shall carry out its Respective Part of the Project in accordance with the requirements, criteria, organizational arrangements and operational procedures set forth in the RAP, RPF, the site specific RAP(s), EMF, EIA(s), EMPs, and the Action Plan for Physical and Cultural Resources.

2. The Project Implementing Entity shall:
  - (a) when applicable: (i) prepare and disclose, prior to the commencement of any works under the Project, the site-specific EIAs and EMPs, each and all acceptable to the Bank, in accordance with the EMF, the EIA dated September 15, 2014, and the Action Plan for Physical and Cultural Resources; and (ii) immediately thereafter, carry out the works in accordance with the provisions of said site-specific EIAs and EMPs and the Action Plan for Physical and Cultural Resources, all in a manner acceptable to the Bank.
  - (b) when applicable: (i) prepare and disclose, prior to the commencement of any works under the Project, site-specific RAPs, each and all acceptable to the Bank, in accordance with the RPF; and (ii) immediately thereafter, carry out the works in accordance with the provisions of said site-specific RAPs and in a manner acceptable to the Bank, including full payment of compensation and/or the provision of relocation assistance to Displaced Persons prior to their displacement.
3. The Project Implementing Entity shall facilitate the maintenance by the Borrower of a socially inclusive grievance redress mechanism in such a manner as to enable the implementation of the Project in accordance with the RAP, RPF, the site specific RAP(s), EMF, EIA(s), EMPs, and the Action Plan for Physical and Cultural Resources.
4. The Project Implementing Entity shall not amend, suspend or abrogate any of the provisions of the RAP, RPF, the site specific RAP(s), EMF, EIA(s), EMPs, and the Action Plan for Physical and Cultural Resources without prior approval of the Bank.
5. The Project Implementing Entity shall ensure that each contract procured under its Respective Part of the Project includes the obligation of the relevant contractor to comply with the relevant RAP, RPF, the site specific RAP(s), EMF, EIA, EMP, and the Action Plan for Physical and Cultural Resources, as applicable to the respective activities commissioned or awarded pursuant to said contract.

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

### **A. Project Reports**

1. The Project Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Project and prepare Project Reports for its Respective Part of the Project in accordance with the provisions of Section 5.08(b) of the General Conditions and on the basis of indicators acceptable to the Bank. Each such Project Report shall cover the period of one calendar quarter, and shall be furnished to

UTY not later than thirty (30) days after the end of the period covered by such report for incorporation and forwarding by UTY to the Borrower and the Bank of the overall Project Report.

2. The Project Implementing Entity shall provide to UTY not later than one hundred twenty (120) days after the Closing Date, for incorporation in the report referred to in Section 5.08(c) of the General Conditions all such information as the Borrower or the Bank shall reasonably request for the purposes of that Section.

**B. Financial Management, Financial Reports and Audits**

1. The Project Implementing Entity shall maintain 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 Project Implementing Entity shall prepare and furnish to UTY not later than thirty (30) days after the end of each calendar semester, interim unaudited financial reports for its Respective Part of the Project covering the semester, in form and substance satisfactory to the Bank.

**Section III. Procurement**

All goods, works and services required for the Project Implementing Entity's Respective Part of the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the provisions of Section III of Schedule 2 to the Loan Agreement.