Loan Agreement

(Western Provinces Rural Water Supply, Sanitation and Hygiene Promotion Project)

between

PEOPLE’S REPUBLIC OF CHINA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated September 29, 2007
LOAN AGREEMENT

AGREEMENT dated September 29, 2007, 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.

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 twenty-five million dollars ($25,000,000) (“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 Commitment Charge payable by the Borrower shall be equal to three-fourths of one percent (3/4 of 1%) per annum on the Unwithdrawn Loan Balance, subject to any waiver of a portion of such charge as may be determined by the Bank from time to time.

2.04. The Front-end Fee payable by the Borrower shall be equal to one percent (1%) of the Loan amount, subject to any waiver of a portion of such fee as may be determined by the Bank from time to time.

2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to LIBOR for the Loan Currency plus the Variable Spread, subject to any waiver of a portion of such interest as may be determined by the Bank from time to time.

2.06. The Payment Dates are March 15 and September 15 in each year.

2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.
ARTICLE III – PROJECT

3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall cause each Project Implementing Entity and their Respective Project Participants to carry out the Project 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 Additional Condition of Effectiveness consists of the following namely,

(a) the Co-financing Agreement has been executed and delivered and all conditions precedent to its effectiveness (other than the effectiveness of the Loan Agreement) have been fulfilled.

4.02. 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 Borrower’s 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: INTBAFRAD
Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391

AGREED at Beijing, People’s Republic of China, as of the day and year first above written.

PEOPLE’S REPUBLIC OF CHINA

By /s/ Yang Shaolin
Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ David Dollar
Authorized Representative
SCHEDULE 1

Project Description

The objective of the Project is to assist Shaanxi Province and Sichuan Province in increasing access of poor communities to sustainable and equitable water supply, sanitation and hygiene promotion services using an integrated and a participatory approach.

The Project consists of the following parts to be carried out in the territory of the Respective Project Participants, subject to modifications thereof as the Borrower and the Bank may agree upon from time to time to achieve such objective:

Part A. Safe Drinking Water Supply

Carrying out a program to improve access to safe drinking water, including investment subprojects for the construction of multi-village and single-village piped water supply systems, rainwater collection systems, and wells with hand or electric pumps.

Part B. Environmental Sanitation

Carrying out a program to improve access to sanitation services, including investment subprojects for the construction of household, public, and school latrines, associated handwashing facilities and garbage drop-off sites.

Part C. Hygiene Promotion

Carrying out a program to promote good hygiene behavior and practices, including investment subprojects promoting construction of hygienic latrines and improvement in stool disposal and handwashing with soap, all through: (1) existing government programs channels; (2) mass and multi-media interventions; and (3) establishment of promotion teams consisting of hygiene experts and relevant government personnel.

Part D. Institutional strengthening

Carrying out a program to build the capacity of relevant provincial, county and local government agencies and of community organizations to implement and manage the Project, including development of a management information system and monitoring and evaluation tools.
Part E. Resettlement

Carrying out resettlement and rehabilitation of Displaced Persons in connection with the implementation of Parts A and B of the Project.
SCHEDULE 2

Project Execution

Section I. Financing Arrangements

1. The Borrower shall make available the proceeds of the Loan to the Project Implementing Entity, under terms and conditions satisfactory to the Bank, and the following principal terms:

   (a) The principal amount shall be made available in Dollars (determined on the date, or respective dates, of withdrawal from the Loan Account) of the value of the currency or currencies so withdrawn.

   (b) The principal amount so made available, including an amount equal to the fee paid pursuant to Section 2.04 of this Agreement, shall be recovered over a period of seventeen (17) years, inclusive of a grace period of five (5) years.

   (c) Interest shall be charged on such principal amount withdrawn and outstanding from time to time at a rate equal to the rate of interest applicable from time to time to the Loan pursuant to the provisions of Section 2.05 of this Agreement.

   (d) A commitment fee shall be charged on the principal amount of the Loan so made available and not withdrawn from time to time at a rate equal to three-fourths of one percent (3/4 of 1%) per annum.

Section II. Project Monitoring, Reporting, Evaluation

A. Project Reports.

1. The Borrower shall monitor and evaluate, and cause each Project Implementing Entity to 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 set forth in the Annex of the Schedule to the Project Agreement. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Bank not later forty-five (45) days after the end of the period covered by such report.

2. For purposes of Section 5.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Bank not later than three (3) months after the Closing Date.

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, or cause to be prepared and furnished, to the Bank as part of the Project Report by not later than forty-five (45) days after the end of each calendar semester, interim un-audited financial reports for the Project covering the calendar 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 and Works. All goods, works and non-consulting 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 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. 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.


1. International Competitive Bidding. Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding. The provisions of paragraphs 2.55 and 2.56 of the Guidelines and Appendix 2 thereto shall apply to goods manufactured in the territory of the Borrower (other than goods manufactured in the
Hong Kong Special Administrative Region or the Macau Special Administrative Region of the Borrower).

2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used.

<table>
<thead>
<tr>
<th>Procurement Method:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding. In addition, 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 civil works contracts that are estimated cost less than $2,000,000 equivalent each and 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 prequalification 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 or the Project Implementing Entity, as the case may be, in case of breach of contract by the contractor, and the bidding documents shall specify the required form and amount of such security.</td>
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<td>(viii)</td>
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<td>(x)</td>
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<td>(xi)</td>
</tr>
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<td>(xii)</td>
</tr>
</tbody>
</table>

(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 Method:</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)  Quality-based Selection.</td>
</tr>
<tr>
<td>(b)  Selection based on Consultants’ Qualifications.</td>
</tr>
<tr>
<td>(c)  Single-source Selection.</td>
</tr>
<tr>
<td>(d)  Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants.</td>
</tr>
<tr>
<td>(e)  Sole Source Procedures for the Selection of Individual Consultants.</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 estimated to cost the equivalent of $300,000 or more;

(b) each contract for works estimated to cost the equivalent of $1,000,000 or more;

(c) the first civil works contract procured by each Project Implementing Entity using National Competitive Bidding;
(d) each contract for non-consulting services procured using Direct Contracting;

(e) each contract for consultants’ services provided by a firm estimated to cost the equivalent of $100,000 or more; and

(f) all contracts procured using Single-Source selection.

In addition, the following prior review procedures shall apply to each contract for the employment of individual consultants (other than consultants to be selected on a sole source basis) estimated to cost the equivalent of $50,000 or more: (i) the report on the comparison of the qualifications and experience of candidates, terms of reference and conditions of employment of the consultant shall be furnished to the Bank for its prior review and approval; (ii) the contract shall be awarded only after the Bank’s approval shall have been given; and (iii) the provisions of paragraph 3 and 5 of Appendix 1 to the Consultant Guidelines shall apply to the contract.

The following prior review procedures shall apply to each contract for the employment of individual consultants to be selected on a sole source basis: (i) the qualifications, experience, terms of reference and conditions of employment of the consultants shall be furnished to the Bank for its prior review and approval; (ii) the contract shall be awarded only after the Bank’s approval shall have been given; and (iii) the provisions of paragraph 3 of Appendix 1 to the Consultant Guidelines shall apply to the contract.

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 this Section and such additional instructions as the Bank shall specify by notice to the Borrower to finance Eligible Expenditures 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 (inclusive of Taxes):
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in Dollars)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) With respect to Shaanxi Province:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Goods, works and consultants’ services under Part A of the Project</td>
<td>7,467,500</td>
<td>36%</td>
</tr>
<tr>
<td>(b) Goods, works and consultants’ services under Part B of the Project (excluding Household Subsidies)</td>
<td>381,500</td>
<td>35%</td>
</tr>
<tr>
<td>(c) Household Subsidies under Part B of the Project</td>
<td>2,758,000</td>
<td>50% of Household Subsidies paid</td>
</tr>
<tr>
<td>(d) Goods, works, non-consulting services, consultants’ services, workshops and training under Part C of the Project</td>
<td>937,500</td>
<td>50%</td>
</tr>
<tr>
<td>(e) Goods and consultants’ services under Part D of the Project</td>
<td>577,000</td>
<td>50%</td>
</tr>
<tr>
<td>(f) Workshops and training under Part D of the Project</td>
<td>378,500</td>
<td>50%</td>
</tr>
<tr>
<td>(2) With respect to Sichuan Province:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Goods, works and consultants’ services under Part A of the Project</td>
<td>7,083,000</td>
<td>35%</td>
</tr>
<tr>
<td>Category</td>
<td>Amount of the Loan Allocated (expressed in Dollars)</td>
<td>Percentage of Expenditures to be financed (inclusive of Taxes)</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>------------------------------------------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td>(b) Goods, works and consultants’ services under Part B of the Project (excluding Household Subsidies)</td>
<td>343,500</td>
<td>35%</td>
</tr>
<tr>
<td>(c) Household Subsidies under Part B of the Project</td>
<td>3,243,500</td>
<td>50% of Household Subsidies paid</td>
</tr>
<tr>
<td>(d) Goods, works, non-consulting services, consultants’ services, workshops and training under Part C of the Project</td>
<td>959,500</td>
<td>50%</td>
</tr>
<tr>
<td>(e) Goods and consultants’ services under Part D of the Project</td>
<td>437,500</td>
<td>50%</td>
</tr>
<tr>
<td>(f) Workshops and training under Part D of the Project</td>
<td>433,000</td>
<td>50%</td>
</tr>
<tr>
<td>(3) Front-end Fee</td>
<td>0</td>
<td>Amount payable pursuant to Section 2.04 of this Agreement in accordance with Section 2.07(b) of the General Conditions</td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT** 25,000,000

**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 September 30, 2012.
SCHEDULE 3

Amortization Schedule

<table>
<thead>
<tr>
<th>Principal Payment Due</th>
<th>Principal Amount of Loan Payable (Expressed in Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 15, 2013</td>
<td>1,040,000</td>
</tr>
<tr>
<td>September 15, 2013</td>
<td>1,040,000</td>
</tr>
<tr>
<td>March 15, 2014</td>
<td>1,040,000</td>
</tr>
<tr>
<td>September 15, 2014</td>
<td>1,040,000</td>
</tr>
<tr>
<td>March 15, 2015</td>
<td>1,040,000</td>
</tr>
<tr>
<td>September 15, 2015</td>
<td>1,040,000</td>
</tr>
<tr>
<td>March 15, 2016</td>
<td>1,040,000</td>
</tr>
<tr>
<td>September 15, 2016</td>
<td>1,040,000</td>
</tr>
<tr>
<td>March 15, 2017</td>
<td>1,040,000</td>
</tr>
<tr>
<td>September 15, 2017</td>
<td>1,040,000</td>
</tr>
<tr>
<td>March 15, 2018</td>
<td>1,040,000</td>
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<tr>
<td>September 15, 2018</td>
<td>1,040,000</td>
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<tr>
<td>March 15, 2019</td>
<td>1,040,000</td>
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<tr>
<td>September 15, 2019</td>
<td>1,040,000</td>
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<tr>
<td>March 15, 2020</td>
<td>1,040,000</td>
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<tr>
<td>September 15, 2020</td>
<td>1,040,000</td>
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<tr>
<td>March 15, 2021</td>
<td>1,040,000</td>
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<tr>
<td>September 15, 2021</td>
<td>1,040,000</td>
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<tr>
<td>March 15, 2022</td>
<td>1,040,000</td>
</tr>
<tr>
<td>September 15, 2022</td>
<td>1,040,000</td>
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<tr>
<td>March 15, 2023</td>
<td>1,040,000</td>
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<tr>
<td>September 15, 2023</td>
<td>1,040,000</td>
</tr>
<tr>
<td>March 15, 2024</td>
<td>1,040,000</td>
</tr>
<tr>
<td>September 15, 2024</td>
<td>1,080,000</td>
</tr>
</tbody>
</table>
APPENDIX

Definitions

1. “Annual Work Plan” means the annual work plan for the implementation of the Project in each calendar year, prepared by each Project Implementing Entity pursuant to paragraph 13 of the Schedule to the Project Agreement.

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

3. “Co-financier” means the United Kingdom of Great Britain and Northern Ireland, acting through its Department for International Development.

4. “Co-financing” means an amount of thirteen million five hundred forty-two thousand and four hundred and twenty-nine British Pounds Sterling (£13,542,429) to be provided by the Co-financier to assist in the financing of the Project.

5. “Co-financing Agreement” means the agreement to be entered into between the People’s Republic of China and the Bank, acting as administrator of the Co-financing, providing for the Co-financing.


7. “Dam Safety Review Guidelines” means the Sichuan and Shaanxi Dam Safety Review Guidelines dated December 2006 which sets forth the guidelines for determining whether there are any deficiencies in the condition of a dam, or in the quality and adequacy of maintenance or methods of operation of the same, which may endanger its safety.

8. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by:

   (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or

   (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons; and a “Displaced Person” means any of such Displaced Persons.
9. “Environmental Safeguard Frameworks” means, collectively:

(a) the framework for evaluation of environmental impacts adopted by Shaanxi Province on January 18, 2007; and

(b) the framework for evaluation of environmental impacts adopted by Sichuan Province on December 22, 2006,

and referred to in paragraph 4(b) and 5 of the Schedule to the Project Agreement, which sets forth policies and procedures for the preliminary screening of proposed Post-selected Subprojects, and for the preparation of environmental assessment and environment management plans therefor during the implementation of the Project, as said framework may be amended from time to time with the prior concurrence of the Bank.

10. “Environment Management Plans” means, collectively, the Respective First-year Subproject EMP of Shaanxi Province, the Respective First-year Subproject EMP of Sichuan Province and the environment management plans prepared by Shaanxi Province and Sichuan Province for implementation of Subprojects and agreed by the Bank pursuant to the provisions of paragraph 4(b) and 5 of the Schedule to the Project Agreement, as such plans may be revised from time to time with the prior agreement of the Bank; and “Environment Management Plan” means, individually, any such plan.

11. “First-year Subprojects” means, collectively, the subprojects selected by the Project Implementing Entities in agreement with the Bank prior to the date of this Agreement, comprising Project activities to be carried out by the First-year Project Participants during the first year of implementation and to be financed from the proceeds of the Loan; and “First-year Subproject” means, individually, any such First-year Subproject.

12. “First-year Subproject Related Dams” means, collectively:

(a) for Shaanxi Province, the dams located at Taoqiupo Reservoir and Baocun Reservoir in Yaozhou District; and at Mashaogou Reservoir in Yintai District; and

(b) for Sichuan Province, the dams located at the following reservoirs in:

   (i) Lezhi County: Bajiaomiao, Yanjinghan, Baojianhe and Chachaha; and

   (ii) Pingchang County: Changyan, Xinmin, Lihua and Banqiaogou.
13. “First-year Subproject Related Dams Owners” means, collectively, the Districts of Yaozhou and Yintai in Shaanxi Province and the Counties of Lezhi and Pingchang in Sichuan Province.


16. “Household Subsidy” means the flat-rate subsidy equivalent to 600 Renminbi per latrine or such other amount agreed by the Bank to be paid to a household beneficiary under a Household Agreement to be signed between a Project Implementing Entity and such beneficiary pursuant to paragraph 12(b) of the Schedule to the Project Agreement, which subsidy is payable to the household beneficiary upon completion of latrine physical and installation works, satisfactory to the Bank; and “Household Subsidies” means, collectively, all such subsidy; and means, collectively, all such Household Subsidy.

17. “Implementation Framework” means the Implementation Framework dated May 16, 2007, which sets out the key principles for the design of and implementation arrangements for subprojects to be finance under the Project and referred to in Section 2.01 of the Project Agreement and paragraph 11 of Section I of the Schedule to the Project Agreement.

18. “Post-selected Subprojects” means, collectively, the subprojects selected by the Project Implementing Entities and their Respective Project Participants after the date of this Agreement, in accordance with paragraph 12 of Section I of the Schedule to the Project Agreement, and comprising Project activities to be carried out during subsequent years of implementation and approved for financing from the proceeds of the Loan; and “Post-selected Subproject” means, individually, any of such Post-selected Subproject.


20. “Project Implementing Entity” means, individually, the Borrower’s Province of Shaanxi and Province of Sichuan and any successor to each of said provinces; and “Project Implementing Entities” means, collectively, the Borrower’s Province of Shaanxi and Province of Sichuan.

21. “Project Operation Manual” means the Project Operation Manual prepared and adopted by each of the Project Implementing Entities pursuant to paragraph 11 of Section I of the Schedule to the Project Agreement.
22. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated May 11, 2007, 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.

23. “Renminbi” means the currency of the Borrower.

24. “Respective First-year Subproject EMP” means in respect of:

(a) Shaanxi Province: the environmental management plan duly adopted by the Shaanxi Province on January 18, 2007; and

(b) Sichuan Province: the environmental management plan duly adopted by the Sichuan Province on December 22, 2006,

each document setting out the environmental protection measures in respect of the implementation of First-year Subprojects by the Respective First-year Subproject Project Participants of Shaanxi Province and of Sichuan Province, as well as administrative and monitoring arrangements to ensure the implementation of each such plan, as such plan may be revised from time to time with the prior agreement of the Bank.

25. “Resettlement Policy Frameworks” means, collectively:

(a) the resettlement policy framework adopted by Shaanxi Province on December 25, 2006; and

(b) the resettlement policy framework adopted by Sichuan Province on December 25, 2006,

each document setting out the policies and procedures for land acquisition, resettlement, compensation and rehabilitation of Displaced Persons, and for the preparation of resettlement action plans whenever required during the implementation of the Project.

26. “Resettlement Action Plans” means, collectively, the Respective First-year Subproject RAP of Shaanxi Province and of Sichuan Province and the resettlement action plans prepared by Shaanxi Province and Sichuan Province for implementation of Post-selected Subprojects and agreed by the Bank pursuant to the provisions of paragraph 3(b)(ii) and 5 of the Schedule to the Project Agreement, as such plans may be revised from time to time with the prior agreement of the Bank; and “Resettlement Action Plan” means, individually, any such plan.
27. “Respective First-year Suproject RAP” means in respect of:

(a) Shaanxi Province: the resettlement action plan adopted by Shaanxi Province on December 25, 2006; and

(b) Sichuan Province: the resettlement action plan adopted by Sichuan Province on December 25, 2006,

each document setting, with respect to the implementation of the First-year Subprojects by the First-year Subproject Project Participants, procedures and obligations governing land acquisition, resettlement, compensation and rehabilitation measures for Displaced Persons, as well as monitoring and reporting arrangements to ensure compliance with said plan, as the same may be revised from time to time with the prior agreement of the Bank.

28. “Respective Project Participants” means in respect of:

(a) Shaanxi Province: (i) its Respective First-year Subproject Project Participants; (ii) Lingwei, Baota and Yuyang Districts and Qianyang, Fufeng, Changwu, Wuong, Heyang, Chengchen, Zhichang and Suide Counties; and (iii) any other district and/or county selected by agreement among the Borrower, Shaanxi Province and the Bank; and

(b) Sichuan Province: (i) its Respective First-year Subproject Project Participants; (ii) Guangan District and Yanting, Cangxi, Anju, Daxian and Mingshan Counties; and (iii) any other district and/or county selected by agreement among the Borrower, Sichuan Province and the Bank.

29. “Respective First-year Subproject Project Participants” means in respect of:

(a) Shaanxi Province: Yintai and Yaozhou Districts and Binxian and Zhidan Counties; and

(b) Sichuan Province: Jialing District and Renshou, Pingchang and Lezhi Counties.

30. “Shaanxi” means the Borrower’s Province of Shaanxi, and any successor thereto.

31. “Sichuan” means the Borrower’s Province of Sichuan, and any successor thereto.

32. “Subprojects” means, collectively, all First-year Subprojects and Post-selected Subprojects, and “Subproject” means, individually, any of such Subprojects.