Program Agreement

(Enhancing Infrastructure Efficiency and Sustainability Program)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

and

PUBLIC ENTERPRISE ROADS OF SERBIA
PROGRAM AGREEMENT

AGREEMENT between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") and PUBLIC ENTERPRISE ROADS OF SERBIA ("Program Implementing Entity") ("Program Agreement") in connection with the Loan Agreement ("Loan Agreement") between REPUBLIC OF SERBIA ("Borrower") and the Bank for the Program. The Bank and the Program 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) apply to and form 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 — PROGRAM

2.01. The Program Implementing Entity declares its commitment to the objective of the Program. To this end, the Program Implementing Entity shall carry out Part 1 of the Program in accordance with the provisions of Article V of the General Conditions and the Schedule to this Agreement, and shall provide promptly as needed, the funds, facilities, services and other resources required for its Respective Part of the Program.

ARTICLE III — REPRESENTATIVE; ADDRESSES

3.01. The Program Implementing Entity’s Representative is its Director.

3.02. For purposes of Section 10.01 of the General Conditions:

(a) the Bank’s address is:

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

(b) the Bank’s Electronic Address is:

Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391
3.03. For purposes of Section 10.01 of the General Conditions:

(a) the Project Implementing Entity's address is:

Bulevar Kralja Aleksandra 282
11000 Belgrade
Serbia; and

(b) the Program Implementing Entity's Electronic Address is:

Facsimile:
+381 11 30 40 614

AGREED, as of the latest of the two dates written below.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
By

Authorized Representative
Name: STEPHEN N. NOGWA
Title: COUNTRY MANAGER
Date: NOVEMBER 2, 2017

PUBLIC ENTERPRISE ROADS OF SERBIA
By

Authorized Representative
Name: ZORAN DRONJAK
Title: ACTING DIRECTOR
Date: NOVEMBER 3, 2017
SCHEDULE

Program Execution

Section I. Implementation Arrangements

A. Program Fiduciary, Environmental and Social Systems

Without limitation on the provisions of Article V of the General Conditions, the Program Implementing Entity shall carry out its Respective Part of the Program in accordance with financial management, procurement and environmental and social management systems acceptable to the Bank which are designed to ensure that:

1. the Loan proceeds for the Program Implementing Entity’s Respective Part of the Program are used for their intended purposes, with due attention to the principles of economy, efficiency, effectiveness, transparency, and accountability; and

2. the actual and potential adverse environmental and social impacts of the Program Implementing Entity’s Respective Part of the Program are identified, avoided, minimized, or mitigated, as the case may be, all through an informed decision-making process.

B. Other Program Institutional and Implementation Arrangements

1. Program Institutions

Without limitation on the generality of Part A of this Section I, the Program Implementing Entity shall, in coordination and partnership with MCTI, implement Part I of the Program and coordinate all related Program activities including procurement, supervision, monitoring the progress of PBMC roll-out and reporting on DLI achievements.

2. Additional Program Implementation Arrangements

Without limitation on the generality of Part A of this Section I, the Program Implementing Entity shall carry out the Program Action Plan, in accordance with the schedule set out in said Program Action Plan, in a manner satisfactory to the Bank.
Section II. Excluded Activities

The Program Implementing Entity shall ensure that its Respective Part of the Program shall exclude any activities which:

A. in the opinion of the Bank are likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; or

B. involve the procurement of: (1) works, estimated to cost USD10,000,000 equivalent or more per contract; (2) goods, estimated to cost USD5,000,000 equivalent or more per contract; (3) non-consulting services, estimated to cost USD5,000,000 equivalent or more per contract; or (4) consulting services, estimated to cost USD5,000,000 equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

A. The Program Implementing Entity shall monitor and evaluate the progress of its Respective Part of the Program and prepare Program Reports for its Respective Part of the Program in accordance with the provisions of Section 5.08 of the General Conditions. Each Program Report shall cover the period of one calendar semester, and shall be furnished to the Borrower not later than forty-five (45) days after the end of the period covered by such report for incorporation and forwarding by the Borrower to the Bank of the overall Program Report.

B. The Program Implementing Entity shall provide to the Borrower not later than four (4) months 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.