Loan Agreement

(Second Guangdong Pearl River Delta Urban Environment Project)

between

PEOPLE’S REPUBLIC OF CHINA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

Dated May 8, 2007
LOAN AGREEMENT

Agreement dated May 8, 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 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, an amount equal to ninety-six million Dollars ($96,000,000) (“Loan”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”), but excluding Part A.6 of the 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 May 15 and November 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 the Project Implementing Entity 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 – REMEDIES OF THE BANK

4.01. The Additional Events of Suspension consist of the following:

(a) The Project Implementing Entity shall have failed to perform any of its obligations under the Project Agreement.

(b) As a result of events which have occurred after the date of the Loan Agreement, an extraordinary situation shall have arisen which shall make it improbable that the Project Implementing Entity will be able to perform its obligations under the Project Agreement.

(c) Any parties to the Subsidiary Loan Agreements shall have failed to perform any of its respective obligations thereunder.

4.02. The Additional Events of Acceleration consist of the following:

(a) The event specified in paragraph (a) or (c) of Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V – TERMINATION

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

ARTICLE VI – REPRESENTATIVE; ADDRESSES

6.01. The Borrower’s Representative is the Minister of Finance.
6.02. The Borrower’s Address is:

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

Facsimile:

(86-10) 68551125

6.03. 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 1-202-477-6391
Facsimile: 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: /s/ Mr. Yang Shaolin
Authorized Representative

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: /s/ Mr. David Dollar
Authorized Representative
SCHEDULE 1

Project Description

The objective of the Project is to assist the Borrower in reducing water pollution in the Pearl River system originating from Foshan and Jiangmen Municipalities.

The Project consists of the following parts:

Part A: Foshan

1. (a) Expansion of the capacity of Zhen’an wastewater treatment plant (Phase III) by about 50,000 m3/d, and construction of related interceptors, secondary sewers, and pumping stations; (b) development of a GIS-based wastewater network map; and (c) enhancement of the wastewater management capacity of FWGC.

2. (a) Construction of a centralized sludge treatment facility with a 400 tons/day capacity at Nanzhuang to treat sewerage from five (5) wastewater treatment plants in Foshan; (b) provision of vehicles, equipment and other goods for the operation of said facility; and (c) provision of technical assistance to review engineering design for the mentioned facility.

3. Rehabilitation of the embankment along the north side of Fengjiang River to improve flood protection and environmental conditions.

4. (a) Dredging, treatment, and disposal of Foshan Waterway and Foshan Creek sediment; (b) construction of four (4) automatic water quality monitoring stations; (c) development of a water environmental management information system and an urban management information database for Foshan; and (d) provision of technical assistance for construction supervision.

5. Carrying out an institutional strengthening program, through provision of technical assistance, training and study tours, including: (a) improving the capacity of FWGC, Foshan Environmental Protection Bureau, and Foshan Water Resources Bureau in contract management and monitoring the implementation of the social and environmental safeguards measures under this Part A; and (b) studying the environmental costs of the Growth Domestic Production (GDP) and undertaking “green” economic planning.

6. Carrying out resettlement and rehabilitation of Displaced Persons in connection with the implementation of the activities described above.
Part B: Jiangmen

1. (a) Expansion of the capacity of Wen Chang Sha wastewater treatment plant by about 150,000 m³/day; (b) construction of related interceptors, secondary sewers, pumping stations; and (c) improvement of the water quality monitoring system.

2. Provision of technical assistance to enhance the operational and business management capacities of JBWC.
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 following shall be recovered over a period of twenty (20) years, inclusive of a grace period of five (5) years: (i) the principal amount so made available; and (ii) an amount equal to the fee paid pursuant to Section 2.04 of this Agreement.

   (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 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 ensure that the Project Implementing Entity 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 Annex B 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 than February 15 and August 15 each year.

2. For purposes of Section 5.08(c) of the General Conditions, the Borrower shall ensure that report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Bank not later than six (6) months after the Closing Date by the Project Implementing Entity.

1. The Borrower shall cause the Project Implementing Entity to 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 Borrower shall cause the Project Implementing Entity to prepare and furnish to the Bank as part of the Project Report not later than February 15 and August 15 each year, interim un-audited financial reports for the Project covering the preceding calendar semester, in form and substance satisfactory to the Bank.

3. The Borrower shall cause the Project Implementing Entity to 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 and works 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 and works shall be procured under contracts awarded on the basis of International Competitive Bidding procedures. The provisions of paragraphs 2.55 and 2.56 of the Procurement 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 and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. 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</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>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 to 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 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 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>
</tr>
</tbody>
</table>
(v) The date and time for opening of all bids shall be the same as the deadline for receipt of such bids.

(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) 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 or the Project Implementing Entity, as the case may be.

(viii) 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.

(ix) 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.

(x) Re-bidding should not be allowed solely because the number of bids is less than three (3).

(b) Shopping

c) Direct Contracting

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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) Selection Based on the Consultant’s Qualification</td>
</tr>
<tr>
<td>(b) Quality-based Selection</td>
</tr>
<tr>
<td>(c) Individual Consultant</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 $500,000 or more; (b) each contract for works estimated to cost the equivalent of $5,000,000 or more; (c) each contract for goods and works to be procured pursuant to the Direct Contracting procurement method, regardless of contract value; (d) each contract for consultants’ services provided by a firm estimated to cost the equivalent of $100,000 or more; and (e) each contract for consultants’ services provided by an individual 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 this Section and such additional instructions as the Bank may specify by notice to the Borrower, to: (a) finance the Front-end Fee in accordance with Section 2.07(b) of the General Conditions; and (b) finance other Eligible Expenditures as set forth in the table in paragraph 2 below, inclusive of taxes.

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. Foshan’s Respective Part of the Project but excluding Part A.6 of the Project:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Goods and civil works under Part A.2 of the Project</td>
<td>10,700,000</td>
<td>87%</td>
</tr>
<tr>
<td>(b) Goods under other Foshan’s Respective Part of the Project</td>
<td>5,120,000</td>
<td>100%</td>
</tr>
<tr>
<td>(c) Civil works under other Foshan’s Respective Part of the Project but excluding Part A.1 of the Project</td>
<td>45,010,000</td>
<td>80%</td>
</tr>
<tr>
<td>(d) Civil works under Part A.1 of the Project</td>
<td>6,530,000</td>
<td>55%</td>
</tr>
<tr>
<td>(e) Consultant’s services and training</td>
<td>4,640,000</td>
<td>100%</td>
</tr>
<tr>
<td>2. Jiangmen’s Respective Part of the Project:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) Goods</td>
<td>9,260,000</td>
<td>100%</td>
</tr>
<tr>
<td>(b) Civil works</td>
<td>14,060,000</td>
<td>60%</td>
</tr>
<tr>
<td>(c) Consultants’ services and training</td>
<td>680,000</td>
<td>100%</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>
<tr>
<td>TOTAL AMOUNT</td>
<td>96,000,000</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:

   (a) payments made prior to the date of this Agreement;

   (b) payments under Category 1(a) until FWGC has engaged a consulting firm or expert, under terms of reference and with qualifications and experience satisfactory to the Bank, for reviewing the engineering design of the sludge treatment facility under Part A.2(a) of the Project;

   (c) payments under Category (1) until the Bank shall have notified the Borrower and the Project Implementing Entity of its receipt of a copy of the Subsidiary Loan Agreement entered into between the Foshan and FWGC, satisfactory to the Bank and in accordance with the provisions of paragraph 6 of the Schedule to the Project Agreement; and

   (d) payments under Category (2) until the Bank shall have notified the Borrower and the Project Implementing Entity of its receipt of a copy of the Subsidiary Loan Agreement entered into between the Jiangmen and JBWC, satisfactory to the Bank and in accordance with the provisions of paragraph 6 of the Schedule to the Project Agreement.

2. The Closing Date is December 31, 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>November 15, 2012</td>
<td>2,045,000</td>
</tr>
<tr>
<td>May 15, 2013</td>
<td>2,105,000</td>
</tr>
<tr>
<td>November 15, 2013</td>
<td>2,165,000</td>
</tr>
<tr>
<td>May 15, 2014</td>
<td>2,230,000</td>
</tr>
<tr>
<td>November 15, 2014</td>
<td>2,295,000</td>
</tr>
<tr>
<td>May 15, 2015</td>
<td>2,360,000</td>
</tr>
<tr>
<td>November 15, 2015</td>
<td>2,430,000</td>
</tr>
<tr>
<td>May 15, 2016</td>
<td>2,500,000</td>
</tr>
<tr>
<td>November 15, 2016</td>
<td>2,575,000</td>
</tr>
<tr>
<td>May 15, 2017</td>
<td>2,650,000</td>
</tr>
<tr>
<td>November 15, 2017</td>
<td>2,725,000</td>
</tr>
<tr>
<td>May 15, 2018</td>
<td>2,805,000</td>
</tr>
<tr>
<td>November 15, 2018</td>
<td>2,890,000</td>
</tr>
<tr>
<td>May 15, 2019</td>
<td>2,970,000</td>
</tr>
<tr>
<td>November 15, 2019</td>
<td>3,060,000</td>
</tr>
<tr>
<td>May 15, 2020</td>
<td>3,150,000</td>
</tr>
<tr>
<td>November 15, 2020</td>
<td>3,240,000</td>
</tr>
<tr>
<td>May 15, 2021</td>
<td>3,335,000</td>
</tr>
<tr>
<td>November 15, 2021</td>
<td>3,430,000</td>
</tr>
<tr>
<td>May 15, 2022</td>
<td>3,530,000</td>
</tr>
<tr>
<td>November 15, 2022</td>
<td>3,635,000</td>
</tr>
<tr>
<td>May 15, 2023</td>
<td>3,740,000</td>
</tr>
<tr>
<td>November 15, 2023</td>
<td>3,850,000</td>
</tr>
<tr>
<td>May 15, 2024</td>
<td>3,960,000</td>
</tr>
<tr>
<td>November 15, 2024</td>
<td>4,075,000</td>
</tr>
<tr>
<td>May 15, 2025</td>
<td>4,195,000</td>
</tr>
<tr>
<td>November 15, 2025</td>
<td>4,320,000</td>
</tr>
<tr>
<td>May 15, 2026</td>
<td>4,445,000</td>
</tr>
<tr>
<td>November 15, 2026</td>
<td>4,575,000</td>
</tr>
<tr>
<td>May 15, 2027</td>
<td>4,715,000</td>
</tr>
</tbody>
</table>

* The figures in this column represent the amount dollars to be repaid, except as provided in Section 3.10 of the General Conditions.
APPENDIX

Definitions

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


3. “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.

4. “Environmental Management Plans” mean collectively, the Environmental Management Plan dated April 29, 2006 prepared by Foshan; and the Environmental Management Plan dated April 2006 prepared by Jiangmen, which said plans set out the environmental protection measures in respect of the Project, as well as administrative and monitoring arrangements to ensure the implementation of said plans, as said plans may be revised from time to time with the agreement of the Bank; and “Environmental Management Plan” means, individually, each of the Environmental Management Plans.

5. “Fiscal Year” means: (a) in respect of the Borrower, each period from January 1 through December 31 of the calendar year; and (b) in respect of Guangdong Province, each period from January 1 through December 31 of the calendar year.

6. “Foshan” means Foshan Municipality within Guangdong Province and any successor thereto.

7. “FWGC” means Foshan Water Group Company, a state-owned enterprise established and operating pursuant to its Business License No.4406001003388 dated December 1, 2005, issued by Foshan Industry and Commence Administration Bureau, and any successor thereto.

8. “GDPMO” means the Guangdong Provincial Government Office for World Bank Projects referred to in paragraph 1(a) of the Schedule to the Project Agreement.

10. “Guangdong” means the Borrower’s Guangdong Province, and any successor thereto.


12. “JBWC” means Jiangmen Biyuan Wastewater Treatment Co., Limited, a state-owned limited liability company established and operating pursuant to its Charter dated March 17, 2006, and to Business License No.4407001900274 dated April 17, 2006 issued by Jiangmen Industrial and Commercial Administration Bureau, and any successor thereto.

13. “Leading Group” means the leading group referred in paragraph 1(b) of Section I of the Schedule to the Project Agreement; and “Leading Groups” means, collectively, all such Leading Groups.

14. “PIUs” means, collectively, the three PIUs referred to in paragraph 1(d) of the Schedule to the Project Agreement; and “PIU” means, individually, any one of the PIUs.

15. “PMO” means the project management office referred to in paragraph 1(c) of Section I of the Schedule to the Project Agreement.


17. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated December 12, 2006, 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. “Project Agreement” means the agreement between the Bank and Guangdong of even date herewith, as the same may be amended from time to time; and such term includes all schedules and agreements supplemental to the Project Agreement.

19. “Project Companies” means, collectively, FWGC and JBWC, and any successors thereto; and “Project Company” means, individually, either of said Project Companies.
20. “Project Implementing Entity” means the Borrower’s Province of Guangdong, and any successor thereto.

21. “Project Municipalities” means, collectively, Foshan and Jiangmen, each located in Guangdong Province, and any successors thereto; and a “Project Municipality” means, individually, either of said Project Municipalities.

22. “Resettlement Action Plan” means the Resettlement Action Plan dated April 27, 2006 prepared by Foshan which sets out the principles and procedures governing the acquisition of land and other assets, and the resettlement, compensation and rehabilitation of Displaced Persons on account of its Respective Part of the Project, 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.

23. “Respective Part of the Project” means in the case of Foshan, Part A of the Project; in the case of Jiangmen, Part B of the Project; in the case of FWGC, Parts A.1, A.2 and Part A.5(a) of the Project; and in the case of JBWC, Part B of the Project.

24. “Respective Project Company” means in respect of Foshan: FWGC; and Jiangmen: JBWC.

25. “Subsidiary Loan Agreements” means, collectively: (a) the agreement to be entered into between Foshan and FWGC; and (b) the agreement to be entered into between Jiangmen and JBWC, each in accordance with the provisions of paragraph 6 of the Schedule to the Project Agreement, as the same may be amended from time to time, and such term includes schedules to said agreements; and “Subsidiary Loan Agreement” means, individually, either of the Subsidiary Loan Agreements.