
LOAN NUMBER 2560-GEO(SF)

LOAN AGREEMENT
(Special Operations)

(Road Corridor Investment Program – Project 1)

between

GEORGIA

and

ASIAN DEVELOPMENT BANK

DATED 29 OCTOBER 2009

LAS:GEO 41122

**LOAN AGREEMENT
(Special Operations)**

LOAN AGREEMENT dated 29 October 2009 between GEORGIA (the "Borrower") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) by a framework financing agreement dated 29 August 2009 between the Borrower and ADB, ADB has agreed to provide a multitranche financing facility to the Borrower for purposes of financing projects under the Road Corridor Investment Program (hereinafter called the Investment Program);

(B) by a periodic financing request dated 31 August 2009 submitted by the Borrower, the Borrower has applied to ADB for a loan for the purposes of the Project described in Schedule 1 to this Loan Agreement; and

(C) ADB has agreed to make a loan to the Borrower from ADB's Special Funds resources upon the terms and conditions hereinafter set forth;

NOW THEREFORE the parties agree as follows:

ARTICLE I

Loan Regulations; Definitions

Section 1.01. All provisions of the Special Operations Loan Regulations of ADB, dated 1 January 2006 (the "Loan Regulations"), are hereby made applicable to this Loan Agreement with the same force and effect as if they were fully set forth herein.

Section 1.02. The definitions set forth in the Loan Regulations are applicable to this Loan Agreement unless the context requires otherwise. In addition, the following terms have the following meanings:

(a) "Consulting Guidelines" means ADB's Guidelines on the Use of Consultants by Asian Development Bank and its Borrowers (2007, as amended from time to time);

(b) "EIA" means Environmental Impact Assessment;

(c) "Facility" means the multitranche financing facility provided by ADB to the Borrower for purposes of financing projects under the Investment Program;

(d) "FFA" means the Framework Financing Agreement dated 29 August 2009 between ADB and the Borrower, with respect to the Facility;

(e) "FPU" means Foreign Project Unit established within the RD for purposes of development and implementation of aid agency-financed projects, including the Project;

(f) "Goods" means equipment and materials to be financed out of the proceeds of the Loan; and including related services such as transportation, insurance, installation, commissioning, training, and initial maintenance, but excluding consulting services;

(g) "Investment Program" has the meaning ascribed to it in the Recital A;

(h) "MORDI" means the Ministry of Regional Development and Infrastructure of the Borrower or any legal successor thereto acceptable to ADB;

(i) "PFR" means a periodic financing request submitted or to be submitted by the Borrower, for the purposes of each tranche under the Facility, and for the purpose of this Loan Agreement means the periodic financing request dated 31 August 2009;

(j) "Procurement Guidelines" means ADB's Procurement Guidelines (2007, as amended from time to time);

(k) "Procurement Plan" means the procurement plan for the Project dated 14 August 2009 and agreed between the Borrower and ADB, as updated from time to time in accordance with Procurement Guidelines, Consulting Guidelines, and other arrangements agreed with ADB;

(l) "Project Executing Agency", for the purposes and within the meaning of the Loan Regulation, means MORDI or any legal successor thereto acceptable to ADB, which is responsible for the carrying out of the Project;

(m) "Project facilities" means the facilities constructed or to be constructed, and the equipment and materials provided or to be provided under the Project;

(n) "Project Road" means the road between *Choloki* and *Makhinjauri* totaling approximately 34 km to be improved under the Project, as described in Schedule 1 to this Loan Agreement;

(o) "RD" means the Roads Department of MORDI or any legal successor thereto acceptable to ADB; and

(p) "Works" means construction/reconstruction/rehabilitation and/or civil works to be financed out of the proceeds of the Loan, but excluding consulting services.

ARTICLE II

The Loan

Section 2.01. ADB agrees to lend to the Borrower from ADB's Special Funds resources an amount in various currencies equivalent to seventy-five million eight hundred ninety-two thousand Special Drawing Rights (SDR 75,892,000).

Section 2.02. (a) The Borrower shall pay to ADB an interest charge at the rate of one percent (1%) per annum during the grace period, and one and one-half percent (1.5%) per annum thereafter, on the amount of the Loan withdrawn from the Loan Account and outstanding from time to time.

(b) The term "grace period" as used in paragraph (a) of this Section means the period prior to the first Principal Payment Date in accordance with the amortization schedule set forth in Schedule 2 to this Loan Agreement.

Section 2.03. The interest charge and any other charge on the Loan shall be payable semiannually on 15 March and 15 September in each year.

Section 2.04. The Borrower shall repay the principal amount of the Loan withdrawn from the Loan Account in accordance with the amortization schedule set forth in Schedule 2 to this Loan Agreement.

Section 2.05. The currency of repayment of the principal of the Loan and the currency of payment of the interest charge for the purposes of Sections 4.03(a) and 4.04 of the Loan Regulations shall be the Dollar.

ARTICLE III

Use of Proceeds of the Loan

Section 3.01. The Borrower shall cause the proceeds of the Loan to be applied to the financing of expenditures on the Project in accordance with the provisions of this Loan Agreement.

Section 3.02. The Goods, Works, and consulting services and other items of expenditure to be financed out of the proceeds of the Loan and the allocation of amounts of the Loan among different categories of such Goods, Works, and consulting services and other items of expenditure shall be in accordance with the provisions of Schedule 3 to this Loan Agreement, as such Schedule may be amended from time to time by agreement between the Borrower and ADB.

Section 3.03. Except as ADB may otherwise agree, all Goods, Works, and consulting services to be financed out of the proceeds of the Loan shall be procured in accordance with the provisions of Schedule 4 to this Loan Agreement.

Section 3.04. Withdrawals from the Loan Account in respect of Goods, Works, and consulting services shall be made only on account of expenditures relating to:

- (a) Goods which are produced in and supplied from and consulting services which are supplied from such member countries of ADB as shall have been specified by ADB from time to time as eligible sources for procurement, and
- (b) Goods, Works, and consulting services which meet such other eligibility requirements as shall have been specified by ADB from time to time.

Section 3.05. The Loan Closing Date for the purposes of Section 8.02 of the Loan Regulations shall be 30 June 2014 or such other date as may from time to time be agreed between the Borrower and ADB.

ARTICLE IV

Particular Covenants

Section 4.01. In the carrying out of the Project and operation of the Project facilities, the Borrower shall perform, or cause to be performed, all obligations set forth in Schedule 5 to this Loan Agreement.

Section 4.02. (a) The Borrower shall (i) maintain, or cause to be maintained, separate accounts for the Project; (ii) have such accounts and related financial statements audited annually, in accordance with appropriate auditing standards consistently applied, by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB; (iii) furnish, or caused to be furnished, to ADB, as soon as available but in any event not later than six (6) months after the end of each related fiscal year, certified copies of such audited accounts and financial statements and the report of the auditors relating thereto (including the auditors' opinion on the use of the Loan proceeds and compliance with the financial covenants of this Loan Agreement as well as on the use of the procedures for imprest account/statement of expenditures), all in the English language; and (iv) furnish, or caused to be furnished, to ADB such other information concerning such accounts and financial statements and the audit thereof as ADB shall from time to time reasonably request.

(b) The Borrower shall enable ADB, upon ADB's request, to discuss the Borrower's financial statements for the Project and its financial affairs related to the Project from time to time with the auditors appointed by the Borrower pursuant to Section 4.02(a) hereabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB, provided that any such discussion shall be conducted only in the presence of an authorized officer of the Borrower unless the Borrower shall otherwise agree.

Section 4.03. The Borrower shall enable ADB's representatives to inspect the Project, the Goods and Works financed out of the proceeds of the Loan, and any relevant records and documents.

ARTICLE V

Effectiveness

Section 5.01. A date sixty (60) days after the date of this Loan Agreement is specified for the effectiveness of the Loan Agreement for the purposes of Section 9.04 of the Loan Regulations.

ARTICLE VI

Miscellaneous

Section 6.01. The Minister of Finance of the Borrower is designated as representative of the Borrower for the purposes of Section 11.02 of the Loan Regulations.

Section 6.02. The following addresses are specified for the purposes of Section 11.01 of the Loan Regulations:

For the Borrower

External Relations Department
Ministry of Finance
16 Gorgasali Street, 0114
Tbilisi, Georgia

Facsimile Number:

(99532) 261 461

For ADB

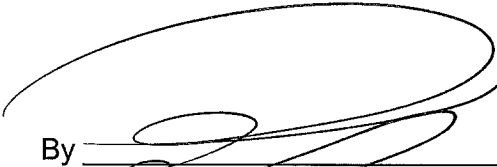
Asian Development Bank
P.O. Box 789
0980 Manila, Philippines

Facsimile Numbers:

(632) 636-2444
(632) 636-2428.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Loan Agreement to be signed in their respective names and to be delivered at the principal office of ADB, as of the day and year first above written.

GEORGIA

By 
Authorized Representative

ASIAN DEVELOPMENT BANK

By 
HARUHIKO KURODA
President

SCHEDULE 1

Description of the Project

1. The objective of the Investment Program is to develop a regional and national road transport network within the Borrower's territory. Upon implementation, the Investment Program will: (i) facilitate efficient regional road transport transit through Georgia, (ii) increase trade flows and competitiveness, (iii) lower transport costs, (iv) increase mobility and accessibility to markets, jobs, and social services, and (v) improve governance.
2. As part of the Investment Program, the Project aims to improve road infrastructure, road network management capacity, and road safety along the Project Road.
3. As further detailed in the PFR, the Project comprises the following main components:
 - (i) construction of a new two-lane road of approximately 28 km in length bypassing *Kobuleti*, and expansion and improvement of approximately 6-km road section between *Kobuleti* and *Batumi*;
 - (ii) capacity development of the Roads Department of MORDI;
 - (iii) road safety enhancement; and
 - (iv) project management support, including detailed design and supervision consultancy.
4. The Project is expected to be completed by 31 December 2013.

SCHEDULE 2**Amortization Schedule
(Road Corridor Investment Program – Project 1)**

	<u>Date Payment Due</u>	<u>Payment of Principal</u> (expressed in Special Drawing Rights)*
1	15 March 2018	1,581,083.00
2	15 September 2018	1,581,083.00
3	15 March 2019	1,581,083.00
4	15 September 2019	1,581,083.00
5	15 March 2020	1,581,083.00
6	15 September 2020	1,581,083.00
7	15 March 2021	1,581,083.00
8	15 September 2021	1,581,083.00
9	15 March 2022	1,581,083.00
10	15 September 2022	1,581,083.00
11	15 March 2023	1,581,083.00
12	15 September 2023	1,581,083.00
13	15 March 2024	1,581,083.00
14	15 September 2024	1,581,083.00
15	15 March 2025	1,581,083.00
16	15 September 2025	1,581,083.00
17	15 March 2026	1,581,083.00
18	15 September 2026	1,581,083.00
19	15 March 2027	1,581,083.00
20	15 September 2027	1,581,083.00
21	15 March 2028	1,581,083.00
22	15 September 2028	1,581,083.00
23	15 March 2029	1,581,083.00
24	15 September 2029	1,581,083.00
25	15 March 2030	1,581,083.00
26	15 September 2030	1,581,083.00
27	15 March 2031	1,581,083.00
28	15 September 2031	1,581,083.00
29	15 March 2032	1,581,083.00
30	15 September 2032	1,581,083.00
31	15 March 2033	1,581,083.00
32	15 September 2033	1,581,083.00
33	15 March 2034	1,581,083.00
34	15 September 2034	1,581,083.00
35	15 March 2035	1,581,083.00
36	15 September 2035	1,581,083.00
37	15 March 2036	1,581,083.00
38	15 September 2036	1,581,083.00
39	15 March 2037	1,581,083.00
40	15 September 2037	1,581,083.00
41	15 March 2038	1,581,083.00
42	15 September 2038	1,581,083.00
43	15 March 2039	1,581,083.00
44	15 September 2039	1,581,083.00
45	15 March 2040	1,581,083.00

46	15 September 2040	1,581,083.00
47	15 March 2041	1,581,083.00
48	15 September 2041	1,581,099.00
	TOTAL	75,892,000.00

* The arrangements for payment of each maturity are subject to the relevant provisions of the Special Operations Loan Regulations (2006, as amended from time to time).

SCHEDULE 3

Allocation and Withdrawal of Loan Proceeds

General

1. The table attached to this Schedule sets forth the Categories of Goods, Works and consulting services and other items of expenditure to be financed out of the proceeds of the Loan and the allocation of amounts of the Loan to each such Category (hereinafter called the Table). (Reference to "Category" or "Categories" in this Schedule is to a Category or Categories of the Table.)

Percentages of ADB Financing

2. Except as ADB may otherwise agree, the items of the Categories listed in the Table shall be financed out of the proceeds of the Loan on the basis of the percentages set forth in the Table.

Reallocation

3. Notwithstanding the allocation of Loan proceeds and the withdrawal percentages set forth in the Table,

(a) if the amount of the Loan allocated to any Category appears to be insufficient to finance all agreed expenditures in that Category, ADB may, by notice to the Borrower, (i) reallocate to such Category, to the extent required to meet the estimated shortfall, amounts of the Loan which have been allocated to another Category but, in the opinion of ADB, are not needed to meet other expenditures, and (ii) if such reallocation cannot fully meet the estimated shortfall, reduce the withdrawal percentage applicable to such expenditures in order that further withdrawals under such Category may continue until all expenditures thereunder shall have been made; and

(b) if the amount of the Loan then allocated to any Category appears to exceed all agreed expenditures in that Category, ADB may, by notice to the Borrower, reallocate such excess amount to any other Category.

Disbursement Procedures

4. Except as ADB may otherwise agree, the Loan proceeds for financing Goods, Works, consulting services and other items shall be disbursed in accordance with ADB's "Loan Disbursement Handbook" dated January 2007 (ADB's Loan Disbursement Handbook), as amended from time to time.

Imprest Account; Statement of Expenditures

5. (a) Except as ADB may otherwise agree, the Borrower shall establish immediately after the Effective Date, an imprest account for the Treasury Service of the Ministry of Finance at the National Bank of Georgia. The imprest account shall be established, managed, replenished and liquidated in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed upon between the Borrower and ADB. The currency of the imprest account shall be the Dollar. The initial amount to be deposited into the imprest account shall not exceed the lower of (i) the estimated expenditure to be financed from the imprest account for the first six months of Project implementation, or (ii) the equivalent of ten (10) percent of the Loan amount.

(b) The statement of expenditures (SOE) procedure may be used for reimbursement of eligible Project expenditures and to liquidate advances provided into the imprest account, in accordance with ADB's Loan Disbursement Handbook and detailed arrangements agreed upon between the Borrower and ADB. Any individual payment to be reimbursed or liquidated under the SOE procedure shall not exceed the equivalent of \$100,000.

Retroactive Financing

6. Withdrawals from the Loan Account may be made for reimbursement of reasonable expenditures incurred under the Project before the Effective Date, but not earlier than twelve (12) months before the date of this Loan Agreement in connection with such eligible items to be retroactively financed, subject to a maximum amount equivalent to 20 percent of the Loan amount.

Condition of Withdrawals from Loan Account

7. Notwithstanding any other provision of this Loan Agreement, no withdrawals shall be made from the Loan Account for the Works under component described in section 3(i) of Schedule 1 hereto until ADB has received Borrower's certification, in form and substance satisfactory to ADB, that (i) adequate funds shall have been allocated to the Project account for land acquisition and resettlement activities and (ii) land and rights-of-way required for implementation of the Project shall have been obtained free and clear of any liens, rights, claims or any other encumbrance whatsoever.

TABLE

ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS (Road Corridor Investment Program – Project 1)			
CATEGORY			ADB FINANCING
Number	Item	Amount Allocated SDR '000 Category	Percentage and Basis for Withdrawal from the Loan Account
1	Works	55,002	82.3 percent of total expenditure
2	Consulting Services	6,900	100 percent of total expenditure*
3	Project Management Support	1,086	100 percent of total expenditure
4	Unallocated	12,904	
	TOTAL	75,892	

* Exclusive of taxes and duties imposed within the territory of the Borrower.

SCHEDULE 4

Procurement of Goods and Works, and Consulting Services

A. General

1. All Goods, Works and consulting services to be financed out of the proceeds of the Loan shall be subject to and governed by the Procurement Guidelines and the Consulting Guidelines, respectively.
2. All terms used and not otherwise defined in this Loan Agreement have the meanings provided in the Procurement Guidelines and/or the Consulting Guidelines, as applicable.

B. Procurement for Goods and Works

3. Except as ADB may otherwise agree, Goods and Works shall only be procured on the basis of the methods of procurement set forth below:

International Competitive Bidding
National Competitive Bidding
Shopping

4. The methods of procurement are subject to, among other things, the detailed arrangements and threshold values set forth in the Procurement Plan. The Borrower may only modify the methods of procurement or threshold values with the prior agreement of ADB, and modifications must be set out in updates to the Procurement Plan.
5. National Competitive Bidding. The Borrower and ADB shall ensure that, prior to the commencement of any procurement activity under national competitive bidding, the Borrower's national competitive bidding procedures for the Project are consistent with the Procurement Guidelines. Any modifications or clarifications to such procedures for the Project agreed between the Borrower and ADB shall be set out in the Procurement Plan, as amended from time to time.

C. Conditions for Award of Contract

6. The Borrower shall not award any Works contracts financed under the Loan until:
 - (a) the corresponding EIA has been approved by ADB; and
 - (b) the corresponding land acquisition and resettlement plan has been approved by ADB.

D. Selection of Consulting Services

7. Quality- and Cost-based Selection. Except as ADB may otherwise agree, and except as set forth in the paragraph below, the Borrower shall apply quality- and cost-based selection for selecting and engaging consulting services.

8. The Borrower shall apply the following method for selecting and engaging the specified consulting services, in accordance with, among other things, the procedures set forth in the Procurement Plan:

Quality-based Selection for detailed design and supervision consultancy

9. The Borrower may recruit the individual consultants as and when such become necessary for project management support and implementation activities in accordance with ADB's procedures for recruiting individual consultants.

E. Industrial or Intellectual Property Rights

10. (a) The Borrower shall ensure that all Goods and Works procured (including without limitation all computer hardware, software and systems, whether separately procured or incorporated within other goods and services procured) do not violate or infringe any industrial property or intellectual property right or claim of any third party.

(b) The Borrower shall ensure that all contracts for the procurement of Goods and Works contain appropriate representations, warranties and, if appropriate, indemnities from the contractor or supplier with respect to the matters referred to in subparagraph (a) of this paragraph.

11. The Borrower shall ensure that all ADB-financed contracts with consultants contain appropriate representations, warranties and, if appropriate, indemnities from the consultants to ensure that the consulting services provided do not violate or infringe any industrial property or intellectual property right or claim of any third party.

F. ADB's Review of Procurement Decisions

12. All contracts procured under international competitive bidding procedures and contracts for consulting services shall be subject to prior review by ADB, unless otherwise agreed between the Borrower and ADB and set forth in the Procurement Plan.

SCHEDULE 5

Execution of Project and Operation of Project Facilities

I. IMPLEMENTATION ARRANGEMENTS

1. MORDI, as the Project Executing Agency, shall be responsible for carrying out of the Project.
2. MORDI's Roads Department (RD), as the Project Implementing Agency assisted by the Eurasian Transport Corridor Investment Center (ETCIC), shall implement the Project.
3. RD shall have established the Foreign Project Unit (FPU) which shall be responsible for the day-to-day implementation of the Project (in relevant part) including, among other things, (i) monitoring the progress of Project implementation; (ii) preparing withdrawal applications and Project progress reports; (iii) maintaining Project accounts and completing financial records for auditing the Project; and (iv) carrying out procurement, including advance contracting activities. The activities related to Project financial management will be outsourced to ETCIC.
4. The Borrower through MORDI shall ensure effective coordination and consultation among RD, ETCIC, and other relevant government agencies as may be necessary for Project implementation.

II. OPERATIONAL COVENANTS

Road sector development plan

5. The Borrower shall prepare a long-term road sector development plan and adopt it for implementation by 31 December 2010. Such plan shall detail policy actions and measures to: (i) update the system for efficient planning and prioritization of road maintenance works; (ii) develop or adopt adequate road maintenance standards; and (iii) provide training to strengthen the capacity of RD.

Policy Dialogue

6. The Borrower shall ensure that ADB is kept informed of Borrower's policies and programs related to the road sector that will materially affect the economic viability of the Project or any other project, subproject, or component financed under the Facility.

Change in Ownership and Operation

7. If any of the following is anticipated: (i) any change in ownership of the road, road facility, or structure financed under the Project; (ii) any sale, transfer, or assignment of interest or control in the road, road facility, or structure financed under the Project; or (iii) any lease or other contract or modification of the functions and authority of the RD over operation and maintenance of any road, road facility, or structure financed under the Project; then the Borrower shall ensure that ADB's consent is obtained at least six (6) months prior to the implementation of such a

plan. The Borrower shall ensure that any such changes will be carried out in a legal and transparent manner.

Road maintenance funding

8. The Borrower shall ensure that actual annual expenditures for road maintenance (including emergency maintenance, but excluding rehabilitation and new construction) for roads within RD's jurisdiction are increased at least at the same rate as increases in the overall national budget during 2010–2015, bearing in mind objective affordability constraints.

Construction Quality

9. The Borrower shall ensure or caused to be ensured that (i) the Project road is rehabilitated or constructed in accordance with the technical specifications of the design; and (ii) construction supervision, quality control and contract management are performed in accordance with internationally acceptable standards.

Anticorruption and good governance

10. The Borrower shall comply with ADB's *Anticorruption Policy* (1998, as amended to date) for the purposes of the Project. The Borrower, consistent with its commitment to good governance, accountability and transparency, agrees (a) that ADB reserves the right to investigate, directly or through its agents, any alleged corrupt, fraudulent, collusive or coercive practices relating to the Project and (b) to cooperate fully with any such investigation and to extend all necessary assistance consistent with Borrower's legislation. The Borrower shall ensure or caused to be ensured that all contracts financed by ADB under the Project include provisions specifying the right of ADB to audit and examine the records and accounts of the RD and all contractors, suppliers, consultants, and other service providers as such records and accounts relate to the Project.

Outsourcing road maintenance

11. The Borrower shall cause RD to use its best efforts to enter into a pilot performance-based maintenance contract with a private sector entity by 2011.

Road safety

12. The Borrower shall ensure that RD installs appropriate road safety signs and facilities during the Project implementation and after completion, such as warning signs, pavement markings, road signs and signals, and hazard barriers, all in compliance with industry's best practices and relevant international conventions to which the Borrower is a party. The Borrower shall ensure that RD monitors the accident rate and traffic volume after commencement of the operation of the Project Road and institutes appropriate safety enforcement measures.

Environment

13. The Borrower shall cause MORDI to ensure that the Project is designed, carried out, maintained, and monitored in compliance with (a) all applicable environmental laws and regulations; (b) ADB's *Environment Policy* (2002); and (c) the EMP, including the mitigation measures and monitoring requirements arising from the implementation of the EIA. The Borrower shall also cause RD to ensure that: (i) Works contractors' specifications include requirements to

comply with the environmental mitigation measures contained in the EIA and EMP, and (ii) Works contractors are supervised to ensure compliance with the requirements of the EIA and EMP.

Land acquisition and resettlement

14. The Borrower shall cause MORDI to ensure that land acquisition and resettlement are carried out promptly and efficiently following the land acquisition and resettlement plan agreed with ADB in line with applicable laws and regulations and ADB's *Involuntary Resettlement Policy* (1995). The Borrower shall cause MORDI to ensure that implementation of the land acquisition and resettlement plan is monitored, evaluated, and reported to ADB as required in the land acquisition and resettlement plan. The Borrower shall also ensure that land and right-of-way required for project implementation are made available to the Project in a timely manner.

15. The Borrower shall cause RD to ensure that contractors commence the Works only after the land acquisition and resettlement plan has been implemented with respect to the relevant road section in accordance with its terms.

Local consultation and gender

16. The Borrower shall cause RD to ensure that all local consultations with respect to safety, social, and cultural issues during Project implementation are carried out as recommended in the summary poverty reduction and social analysis prepared for the Project. The mechanisms for maximizing local employment benefits shall be included in the bidding documents.

Labor

17. The Borrower shall cause RD to ensure that all Works contractors (i) comply with all applicable labor laws; (ii) use their best efforts to employ women and local people, including disadvantaged people, living in the vicinity of the Project; (iii) disseminate information on the risks of sexually transmitted infections to those at worksites employed during construction; (iv) provide equal pay to men and women for work of equal type; (v) provide safe working conditions for male and female workers; and (vi) abstain from child labor. Relevant Works contracts financed under the Project must include specific clauses on these undertakings, and compliance will be strictly monitored during implementation.

Health risks and prevention

18. The Borrower shall cause RD to ensure that the Works contracts include a requirement to conduct an information and education campaign on sexually transmitted diseases and HIV/AIDS for construction workers as part of the health and safety program at campsites during the construction period.

Illegal trafficking

19. The Borrower shall undertake concrete and adequate measures to detect and prevent trafficking of humans, wildlife, endangered species, and illegal substances on the Project Road.