
GRANT NUMBER 0123- KGZ(SF)

GRANT AGREEMENT
(Special Operations)

(CAREC Transport Corridor 1 [Bishkek-Torugart Road] Project)

between

KYRGYZ REPUBLIC

and

ASIAN DEVELOPMENT BANK

DATED 24 NOVEMBER 2008

GAS: KGZ 39674

**GRANT AGREEMENT
(Special Operations)**

GRANT AGREEMENT dated 24 November 2008 between KYRGYZ REPUBLIC (the "Recipient") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) the Recipient has applied to ADB for a grant for the purposes of the Project described in Schedule 1 to this Grant Agreement; and

(B) ADB has agreed to provide a grant to the Recipient from ADB's Special Funds resources upon the terms and conditions hereinafter set forth;

NOW THEREFORE the parties agree as follows:

ARTICLE I

Grant Regulations; Definitions

Section 1.01. All provisions of the Special Operations Grant Regulations of ADB, dated 7 February 2005 (the "Grant Regulations"), are hereby made applicable to this Grant Agreement with the same force and effect as if they were fully set forth herein.

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

- (a) "CAREC" means Central Asia Regional Economic Cooperation;
- (b) "Consulting Guidelines" means ADB's Guidelines on the Use of Consultants by Asian Development Bank and Its Borrowers dated February 2007, as amended from time to time;
- (c) "EMP" means the environmental management plan;
- (d) "Goods" means equipment and materials to be financed out of the proceeds of the Grant; and including related services such as transportation, insurance, installation, commissioning, training, and initial maintenance, but excluding consulting services;
- (e) "HIV/AIDS" means human immunodeficiency virus/acquired immunodeficiency syndrome;
- (f) "IEE" means the initial environmental examination prepared by the Recipient for the Project and agreed by ADB;

(g) "MOF" means the Ministry of Finance of the Recipient and any successor thereto;

(h) "MOTC" means the Ministry of Transport and Communications of the Recipient and any successor thereto;

(i) "PRC" means the People's Republic of China;

(j) "PIU" means the Project Implementation Unit for the Project as described in paragraphs 1 through 3 of Schedule 4 to this Grant Agreement;

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

(l) "Procurement Plan" means the procurement plan for the Project dated 8 October 2008 and agreed between the Recipient and ADB, as updated from time to time in accordance with Procurement Guidelines, Consulting Guidelines, and other arrangements agreed with ADB;

(m) "Project Executing Agency" means, for the purposes of, and within the meaning of, the Grant Regulations, MOTC, which is responsible for carrying out of the Project;

(n) "Project facilities" means the facilities to be improved, rehabilitated or provided under the Project;

(o) "Project Road" means the section of the Road Corridor to be improved under the Project, as described in Schedule 1 to this Grant Agreement;

(p) "Road Corridor" means the road corridor from Bishkek to the Kyrgyzstan-PRC border at Torugart pass;

(q) "Strategy" means the Recipient's Road Sector Development Strategy for 2007-2010; and

(r) "Works" means construction or civil works to be financed out of the proceeds of the Grant, including services such as drilling or mapping, and project related services that are provided as part of a single responsibility or turnkey contract, but excluding consulting services.

ARTICLE II

The Grant

Section 2.01. ADB agrees to make available to the Recipient from ADB's Special Funds resources on terms and conditions set forth in this Agreement an amount of twenty million US dollars (\$20,000,000).

ARTICLE III

Use of Proceeds of the Grant

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

Section 3.02. The Goods, Works and consulting services and other items of expenditure to be financed out of the proceeds of the Grant and the allocation of amounts of the Grant among different categories of such Goods, Works and consulting services and other items of expenditure shall be in accordance with the provisions of Schedule 2 to this Grant Agreement, as such Schedule may be amended from time to time by agreement between the Recipient 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 Grant shall be procured in accordance with the provisions of Schedule 3 to this Grant Agreement.

Section 3.04. Withdrawals from the Grant 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 Works 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 Grant Closing Date for the purposes of Section 8.02 of the Grant Regulations shall be 30 September 2012 or such other date as may from time to time be agreed between the Recipient and ADB.

ARTICLE IV

Particular Covenants

Section 4.01. In the carrying out of the Project and operation of the Project facilities, the Recipient shall perform, or cause to be performed, all obligations set forth in Schedule 4 to this Grant Agreement.

Section 4.02. (a) The Recipient 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 to ADB, as soon as available but in any event not later than 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 Grant proceeds and compliance with the financial covenants of this Grant Agreement as well as on the use of the procedures for imprest account/statement of expenditures), all in the English language; and (iv) furnish 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 Recipient shall enable ADB, upon ADB's request, to discuss the Recipient's financial statements for the Project and its financial affairs related to the Project from time to time with the auditors appointed by the Recipient pursuant to Section 4.02(a) hereinabove, 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 Recipient unless the Recipient shall otherwise agree.

Section 4.03. The Recipient shall enable ADB's representatives to inspect the Project, the goods financed out of the proceeds of the Grant, and any relevant records and documents.

ARTICLE V

Effectiveness

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

ARTICLE VI

Miscellaneous

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

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

For the Recipient

Ministry of Finance
58, Erkindik Boulevard
Bishkek, 720040
Kyrgyz Republic

Facsimile Number:

(996) 312-661645

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 Grant 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.

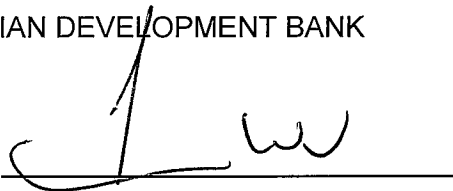
KYRGYZ REPUBLIC

By


Authorized Representative

ASIAN DEVELOPMENT BANK

By



LAN WU
Country Director
Kyrgyz Resident Mission

SCHEDULE 1

Description of the Project

Impact and Outcome

1. The Project will increase regional trade and transit, economic cooperation between the Kyrgyz Republic and PRC, and tourism. It will also remove the bottleneck to regional and domestic traffic, and improve access to regional markets and services, and tourist destinations.
2. The Project Road comprises 39 km of the two-lane national highway section from 400 (*Char Pass*) to km 439 (*Ak Beit Pass*) (the Project Road), which is part of Recipient's North-South road corridor of approximately 490 km from Bishkek to the border with PRC at Torugart pass (the Road Corridor). The Project Road and Road Corridor also form part of the larger CAREC Transport Corridor 1. The Project will (i) reconstruct or rehabilitate a portion of the Road Corridor's road infrastructure; (ii) improve infrastructure and facilities at the Kyrgyz-PRC border crossing at Torugart pass; (iii) contribute to institutional reforms in the road sector, and (iv) increase institutional capacity at MOTC.

Scope of Project

3. The scope of the Project includes the following:
 - (a) improvement of the Project Road including earthworks, pavement and drainage works and reconstruction of one bridge;
 - (b) modernization of customs infrastructure at Kyrgyz-PRC border crossing (at Torugart) including rehabilitation and repair of customs facilities and provision of customs operations and control equipment;
 - (c) project management support, including (i) consulting services for construction supervision, project monitoring and evaluation, and preparation of the following project; (i) and (ii) consulting services for external financial audit of project accounts; and
 - (d) sector policy and institutional support, including (i) development of long term (2010-2025) transport sector master plan; and (ii) capacity building for Bishkek–Torugart Road Corridor Management Department.
4. Rehabilitation of the remaining sections of the Road Corridor will be considered for financing under subsequent project(s), which may then include, but not be limited to, (i) improvement of remaining sections of the Road Corridor, (ii) Bishkek bypass road link to ADB-financed Bishkek-Osh road and Almaty-Bishkek road, and (iii) construction of interchange at Bishkek bypass road to ease the growing urban traffic usage near local Dordoi Bazar.
5. The Project is expected to be completed by 31 March 2012.

SCHEDULE 2

Allocation and Withdrawal of Grant 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 Grant and the allocation of amounts of the Grant 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 Grant on the basis of the percentages set forth in the Table.

Reallocation

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

(a) if the amount of the Grant allocated to any Category appears to be insufficient to finance all agreed expenditures in that Category, ADB may, in consultation with the Recipient, (i) reallocate to such Category, to the extent required to meet the estimated shortfall, amounts of the Grant 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 Grant then allocated to any Category appears to exceed all agreed expenditures in that Category, ADB may, in consultation with the Recipient, reallocate such excess amount to any other Category.

Disbursement Procedures

4. Except as ADB may otherwise agree, the Grant 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 Recipient shall establish immediately after the Effective Date, an imprest account at a commercial bank acceptable to ADB. 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 Recipient and ADB. The currency of the imprest account shall be Dollars. 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 Grant amount.

(b) The statement of expenditures (SOE) procedure may be used for reimbursement of eligible 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 Recipient and ADB, in the amount not exceeding \$50,000 per individual payment.

Retroactive Financing

6. Withdrawals from the Grant 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 Grant Agreement in connection with the consulting services and the Works, subject to a maximum amount equivalent to 20 percent of the Grant amount.

TABLE

ALLOCATION AND WITHDRAWAL OF GRANT PROCEEDS (CAREC Transport Corridor 1 [Bishkek-Torugart Road] Project)				
CATEGORY				ADB FINANCING from the Grant Account
Number	Item	Amount Allocated \$ '000		Percentage and Basis for Withdrawal
		Category	Subcategory	
1	Works	13,500		82 percent of total expenditure*
2	Equipment	1,000		100 percent of total expenditure*
3	Project Management	2,300		100 percent of total expenditure*
4	Institutional Support	1,000		100 percent of total expenditure*
5	Unallocated	2,200		
	TOTAL	20,000		

* Exclusive of taxes and duties imposed within the territory of the Kyrgyz Republic.

SCHEDULE 3

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 Grant 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 Grant 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

The method of procurement is 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.

C. Condition for Award of Contract

4. The Recipient shall not award any Works contracts financed under the Grant until the PIUs have been adequately staffed.

D. Selection of Consulting Services

5. Quality- and Cost-Based Selection. Except as ADB may otherwise agree, and except as set forth in the paragraph below, the Recipient shall apply quality- and cost-based selection for selecting and engaging consulting services.
6. The Recipient 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:

Least-Cost Selection for auditing services.

E. Industrial or Intellectual Property Rights

7. (a) The Recipient 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 Recipient 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.

8. The Recipient 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

9. 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 Recipient and ADB and set forth in the Procurement Plan.

SCHEDULE 4

Execution of Project and Operation of Project Facilities; Financial Matters

I. Implementation Arrangements

Project Executing Agency

1. (a) MOTC as the Project Executing Agency (EA) shall be responsible for carrying out of the Project, except for the Project component listed under clause 3.b of Schedule 1 hereto.

(b) The Investment Projects Implementation Department established within MOTC according to Order No. 68 dated 9 April 2007 ("the Department") shall serve as the PIU for this Project, except for the Project component listed under clause 3.b of Schedule 1 hereto.

2. (a) The State Customs Committee shall be responsible for carrying out the Project component described under clause 3.b of Schedule 1 hereto.

(b) The project management office, which has been established within the State Customs Committee under the ADB-financed Regional Customs Modernization and Infrastructure Development Project (Loan No. 2113-KGZ [SF]), shall serve as the PIU for the Project component listed under clause 3.b of Schedule 1 hereto.

3. Each PIU 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 existing staff of the PIUs shall continue to support the Project. In addition, professional staff with adequate expertise and experience in road engineering, construction supervision, procurement, social and environmental monitoring, and other specialties as may be required for the Project or part thereof shall be recruited prior to award of Works contracts.

4. The Recipient shall ensure effective coordination and consultation among Project EAs, implementing agencies, PIUs, and other government agencies concerned during Project implementation.

II. Operational Covenants

Counterpart Funding

5. The Recipient shall ensure that all funds and resources necessary for rehabilitating the Project Road and border crossing facilities are provided on a timely basis in accordance with the financing plan agreed for the Project. The Recipient shall ensure that the Ministry of Finance takes all necessary measures to ensure that MOTC and State Customs Committee can successfully implement the Project, and operate and maintain Project facilities after completion.

Transport Sector Master Plan

6. The Recipient shall ensure that a long-term transport sector master plan for 2010-2025 is adopted by 31 December 2010.

Road Fund

7. The Recipient shall introduce a “second generation” road fund or other revenue generating mechanism by 31 December 2010. The Recipient shall ensure that proceeds of such mechanism will finance the road subsector stabilization period indicated in the Strategy.

Transparency and Good Governance

8. The Recipient shall disclose to the public, and update annually, the current status of the existing road fund, its annual financial statement, and the future plans through the local media and on the MOF/MOTC’s websites. The Recipient shall ensure that MOTC discloses its annual financial statement of the funds it receives from the central budget and the status and implementation progress of all donor funded investment projects, including this Project that will present information, among other things, procurement activities, basic details on bidding and/or recruitment procedures adopted, amount of the contract awarded, the list of goods and/or services purchased, and their intended use, laws regulations and strategies and programs regarding MOTC operations.

Corridor Maintenance Financing

9. The Recipient shall ensure timely allocation and availability of sufficient funds for the operation and maintenance of the Road Corridor and that it is adequately maintained in accordance with applicable standards and best international practices. Without limiting the generality of the foregoing, the Recipient shall ensure that the annual funding for routine maintenance of the Road Corridor will be no less than \$1.0 million, or \$2,000 per kilometer per year, (plus inflation since 2008) for maintenance of the completed sections.

Outsourcing and Commercialization of Road Maintenance

10. The Recipient shall adopt the road maintenance privatization strategy by 31 December 2010.

Cross Border Issues

11. The Recipient shall ensure that modernization of the Torugart Customs Checkpost will be completed and automated procedures implemented by 31 December 2010. The Recipient shall also introduce “single-window” customs clearance procedures by 31 December 2011.

Construction Quality

12. The Recipient shall ensure that MOTC (a) improves the Project Road in accordance with the design technical specifications; and (b) performs construction supervision, quality control, and contract management in accordance with internationally accepted standards.

Road Safety

13. The Recipient shall ensure that MOTC installs appropriate road safety facilities during Project implementation and after completion, such as pavement markings, roads signs and signals, communications facilities, hazard barriers, and traffic monitoring facilities, all in compliance with applicable laws and international conventions. The Recipient shall further ensure that relevant government agencies provide strict road patrol to prevent trafficking of humans, wildlife, endangered species, and illegal substances on the Project Road.

Environment

14. The Recipient, through MOTC, shall ensure that the Project is carried out in accordance with, and that all Subprojects are designed, carried out, maintained and monitored in compliance with (a) all applicable laws and regulations, (b) ADB's *Environment Policy* (2002), and (c) EMP, including the mitigation measures and monitoring requirements arising from the implementation of the environmental assessment and review procedures outlined in the IEE. The Recipient shall ensure that the EMP is (x) incorporated into the design of the Project, (y) implemented in accordance with its terms during the construction, operation and maintenance of the Project, and (z) updated at such time when the detailed engineering design becomes available.

15. The Recipient, through MOTC, shall ensure that (a) Works contractors' specifications include requirements to comply with the environmental mitigation measures contained in each IEE and EMP; and (b) Works contractors are supervised to ensure compliance with the requirements of each IEE and EMP.

Land Acquisition and Resettlement

16. No land acquisition and resettlement activities are expected on the Project Road and the Recipient shall ensure that the implementation of the Project is carried out on state-owned land and within existing rights-of-way and does not trigger application of ADB's *Involuntary Resettlement Policy* (1995). If, however, such will be required, the Recipient shall ensure that land acquisition and resettlement are carried out promptly and efficiently following the resettlement plan agreed with ADB in line with applicable laws and regulations and ADB's *Policy on Involuntary Resettlement* (1995).

17. The Recipient, through MOTC, shall ensure that no Works contract is awarded for any section of the Project Road requiring land acquisition until such time as the land and/or rights-of-way required for the execution of any Works for such section have been obtained by MOTC, and subsequently provided to the contractor, in each case, free and clear from any encumbrances and in compliance with the provisions of the Resettlement Plan.

18. The Recipient shall ensure that contractors are mobilized for Works only after the provisions of the Resettlement Plan (if any) have been complied with.

Labor, Gender, Health and Social Protection

19. The Recipient, through MOTC, shall ensure that (a) Works contracts require contractors to incorporate applicable workplace occupational safety norms; (b) Works contractors (i) comply with all applicable labor laws, (ii) do not employ child labor for

construction and maintenance activities, (iii) do not differentiate wages between men and women for work of equal value, and (iv) disseminate information to their employees on the risks of socially and sexually transmitted diseases, including HIV/AIDS; and (c) the appropriate entities disseminate information on the risks of socially and sexually transmitted diseases to members of the local community, particularly females, living in the communities in the Project area.

20. The Recipient shall ensure that a specific plan for local consultation to address safety, social, and cultural issues, during Project implementation, is included in the bidding documents. The Recipient shall further ensure that men and women are given equal employment opportunities directly, or indirectly, arising from the Project and without any differentiation of wages for equal work. The mechanisms for maximizing local employment benefits shall be included in the Project design and the bidding documents.

21. If compensation measures associated with land acquisition and other resettlement effects are needed, then households headed by women will be given equal opportunities in the negotiation of entitlements. The Recipient shall ensure ADB's *Policy on Gender and Development* (1998) is followed during Project implementation.

Anticorruption

22. The Recipient shall comply with, and shall ensure MOTC complies with ADB's *Anticorruption Policy* (1998, as amended to date). The Recipient, 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, including providing access to all relevant books and records, as may be necessary for the satisfactory completion of any such investigation. In particular, the Recipient shall (x) conduct periodic inspections on the contractors' activities related to fund withdrawals and settlements, (y) ensure that all contracts financed by ADB in connection with the Project include provisions specifying the right of ADB to audit and examine the records and accounts of all contractors, suppliers, consultants and other service providers as they relate to the Project, and (z) the construction supervision consultant shall verify the contractors' invoices in accordance with working drawings and contract specifications.

Project Monitoring, Review and Reporting

23. The Recipient, through MOTC, shall, within six months of the Effective Date, finalize and adopt a comprehensive project performance monitoring system ("PPMS"), acceptable to ADB, based upon the PPMS indicators agreed upon between the Recipient and ADB. The Recipient, through MOTC, shall (a) monitor the PPMS indicators on a quarterly basis to determine the efficiency and effectiveness of the Project and its impacts, and (b) provide to ADB quarterly PPMS monitoring reports, in form and substance satisfactory to ADB, from the commencement of Project implementation until Project completion and on the third anniversary of Project completion.

24. The Recipient, MOTC, and ADB shall, during the second year of Project implementation, jointly undertake a comprehensive mid-term review of the Project. The mid-term review will assess the Project's achievements and progress in implementing the Project against the PPMS indicators and the Project implementation schedule in order to identify any

difficulties or constraints being encountered in implementing the Project and to make adjustments, if necessary, for the remaining Project implementation period. In particular, the mid-term review will, among others, evaluate the project scope, costs, overall implementation progress, and status of compliance with grant covenants.

25. The Recipient shall submit to ADB Project progress reports, in form and substance satisfactory to ADB, on a quarterly basis. The quarterly reports shall include, without limitation, a description of (a) the physical progress of the Project; (b) reasons for any delays or difficulties in implementing the Project, together with recommendations for future actions, as appropriate; (c) the progress in implementing the EMPs; (d) the progress in implementing the resettlement plans, if required; and (e) a summary of the financial accounts for the Project, including the total Project expenditures on a quarterly basis to the date of the relevant report. Within three months of Project completion, the Recipient shall submit to ADB a Project completion report, in form and substance satisfactory to ADB. The Project completion report shall include, without limitation, (x) an assessment of the execution and operation of the Project, (y) status of compliance with grant covenants, and (z) the results of Project outcomes and performance.

26. The Recipient shall ensure that MOTC and the State Customs Committee, with the assistance of the international consultants, will monitor and evaluate project impacts to ensure that the Project facilities are managed effectively, and that the benefits are maximized. MOTC and the State Customs Committee shall collect the data agreed with ADB at the Project commencement, upon completion, and on the 1st and 3rd anniversary of Project completion.