
LOAN NUMBER 3262-PRC

PROJECT AGREEMENT

(Xinjiang Akesu Integrated Urban Development and Environment Improvement Project)

between

ASIAN DEVELOPMENT BANK

and

XINJIANG UYGUR AUTONOMOUS REGION GOVERNMENT

DATED 3 NOVEMBER 2015

PRC 46049

PROJECT AGREEMENT

PROJECT AGREEMENT dated 3 November 2015 between ASIAN DEVELOPMENT BANK ("ADB") and XINJIANG UYGUR AUTONOMOUS REGION GOVERNMENT ("XUARG").

WHEREAS

(A) by a Loan Agreement of even date herewith between the PEOPLE'S REPUBLIC OF CHINA ("Borrower") and ADB, ADB has agreed to make to the Borrower a loan of one hundred fifty million Dollars (\$150,000,000) on the terms and conditions set forth in the Loan Agreement, but only on the condition that the proceeds of the Loan be made available through XUARG to AMG and that XUARG agrees to undertake certain obligations towards ADB set forth herein; and

(B) XUARG, in consideration of ADB entering into the Loan Agreement with the Borrower, has agreed to undertake the obligations set forth herein;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Definitions

Section 1.01. Wherever used in this Project Agreement, unless the context otherwise requires, the several capitalized terms defined in the Loan Agreement and in the Loan Regulations (as so defined) have the respective meanings therein set forth.

ARTICLE II

Particular Covenants

Section 2.01. (a) XUARG shall make the proceeds of the Loan available to AMG promptly upon terms and conditions acceptable to ADB. Except as ADB may otherwise agree, the terms on which the proceeds of the Loan shall be made available to AMG shall include (i) commitment charge and interest at the same rate as that of the Loan; (ii) the same principal repayment period and grace period as that of the Loan; and (iii) AMG bearing the foreign exchange and interest rate variation risks.

(b) XUARG shall carry out the Project with due diligence and efficiency, and in conformity with sound applicable technical, financial, business, and development practices.

(c) In the carrying out of the Project and operation of the Project facilities, XUARG shall perform all obligations set forth in the Loan Agreement to the extent that they are applicable to it, and all obligations set forth in the Schedule to this Project Agreement.

Section 2.02. XUARG shall make available, promptly as needed, and on terms and conditions acceptable to ADB, the funds, facilities, services, land and other resources as required, in addition to the proceeds of the Loan, for the carrying out of the Project.

Section 2.03. (a) In the carrying out of the Project, XUARG shall employ competent and qualified consultants and contractors, acceptable to ADB, to an extent and upon terms and conditions satisfactory to ADB.

(b) Except as ADB may otherwise agree, XUARG shall procure all items of expenditures to be financed out of the proceeds of the Loan in accordance with the provisions of Schedule 4 to the Loan Agreement. ADB may refuse to finance a contract where any such item has not been procured under procedures substantially in accordance with those agreed between the Borrower and ADB or where the terms and conditions of the contract are not satisfactory to ADB.

Section 2.04. XUARG shall carry out the Project in accordance with plans, design standards, specifications, work schedules and construction methods acceptable to ADB. XUARG shall furnish, or cause to be furnished, to ADB, promptly after their preparation, such plans, design standards, specifications and work schedules, and any material modifications subsequently made therein, in such detail as ADB shall reasonably request.

Section 2.05. (a) XUARG shall take out and maintain with responsible insurers, or make other arrangements acceptable to ADB, for insurance of Project facilities to such extent and against such risks and in such amounts as shall be consistent with sound practice.

(b) Without limiting the generality of the foregoing, XUARG shall undertake to insure, or cause to be insured, the Goods to be imported for the Project against hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation, and for such insurance any indemnity shall be payable in a currency freely usable to replace or repair such Goods.

Section 2.06. XUARG shall maintain, or cause to be maintained, records and accounts adequate to identify the items of expenditure financed out of the proceeds of the Loan, to disclose the use thereof in the Project, to record the progress of the Project (including the cost thereof) and to reflect, in accordance with consistently maintained sound accounting principles, its operations and financial condition.

Section 2.07. (a) ADB and XUARG shall cooperate fully to ensure that the purposes of the Loan will be accomplished.

(b) XUARG shall promptly inform ADB of any condition which interferes with, or threatens to interfere with, the progress of the Project, the performance of its obligations under this Project Agreement, or the accomplishment of the purposes of the Loan.

(c) ADB and XUARG shall from time to time, at the request of either party, exchange views through their representatives with regard to any matters relating to the Project, XUARG, AMG and the Loan.

Section 2.08. (a) XUARG shall furnish to ADB all such reports and information as ADB shall reasonably request concerning (i) the Loan and the expenditure of the proceeds thereof; (ii) the items of expenditure financed out of such proceeds; (iii) the Project; (iv) the administration and operations of XUARG and AMG as such relate to the Project; (v) financial condition of XUARG and AMG; and (v) any other matters relating to the purposes of the Loan.

(b) Without limiting the generality of the foregoing, XUARG shall furnish to ADB periodic reports on the execution of the Project and on the operation and management of the Project facilities. Such reports shall be submitted in such form and in such detail and within such a period as ADB shall reasonably request, and shall indicate, among other things, progress made and problems encountered during the period under review, steps taken or proposed to be taken to remedy these problems, and proposed program of activities and expected progress during the following period.

(c) Promptly after physical completion of the Project, but in any event not later than 6 months thereafter or such later date as ADB may agree for this purpose, XUARG shall prepare and furnish to ADB a report, in such form and in such detail as ADB shall reasonably request, on the execution and initial operation of the Project, including its cost, the performance by XUARG of its obligations under this Project Agreement and the accomplishment of the purposes of the Loan.

Section 2.09. (a) XUARG shall (i) maintain separate accounts and records for the Project; (ii) prepare annual financial statements for the Project in accordance with accounting principles acceptable to ADB; (iii) have such financial statements for the Project audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with international standards for auditing or the national equivalent acceptable to ADB; (iv) as part of each such audit, have the auditors prepare a report (which includes the auditors' opinion on the financial statements, use of the Loan proceeds and compliance with the financial covenants of the Loan Agreement as well as on the use of the procedures for imprest funds and statement of expenditures) and a management letter (which sets out the deficiencies in the internal control of the Project that were identified in the course of the audit, if any); and (v) furnish to ADB, no later than 6 months after the close of the fiscal year to which they relate, copies of such audited financial statements, audit report and management letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.

(b) ADB shall disclose the annual audited financial statements for the Project and the opinion of the auditors on the financial statements within 30 days of the date of their receipt by posting them on ADB's website.

(c) XUARG shall enable ADB, upon ADB's request, to discuss the financial statements for the Project, XUARG and AMG and its financial affairs where they relate to the Project with the auditors appointed pursuant to subsections (a)(iii) hereinabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This is provided that such discussions shall be conducted

only in the presence of an authorized officer of XUARG and AMG, unless XUARG shall otherwise agree.

Section 2.10. XUARG shall enable ADB's representatives to inspect the Project, the Goods and Works and any relevant records and documents.

Section 2.11. (a) XUARG shall, promptly as required, take all action within its powers to maintain its corporate existence, to carry on its operations, and to acquire, maintain and renew all rights, properties, powers, privileges and franchises which are necessary in the carrying out of the Project or in the conduct of its operations.

(b) XUARG shall at all times conduct its operations in accordance with sound applicable technical, financial, business, development and operational practices, and under the supervision of competent and experienced management and personnel.

(c) XUARG shall at all times operate and maintain its plants, equipment and other property, and from time to time, promptly as needed, make all necessary repairs and renewals thereof, all in accordance with sound applicable technical, financial, business, development, operational and maintenance practices.

Section 2.12. Except as ADB may otherwise agree, XUARG shall not sell, lease or otherwise dispose of any of its assets which shall be required for the efficient carrying on of its operations or the disposal of which may prejudice its ability to perform satisfactorily any of its obligations under this Project Agreement.

Section 2.13. Except as ADB may otherwise agree, XUARG shall cause AMG to apply the proceeds of the Loan to the financing of expenditures on the Project in accordance with the provisions of the Loan Agreement and this Project Agreement, and shall ensure that all items of expenditures financed out of such proceeds are used exclusively in the carrying out of the Project.

ARTICLE III

Effective Date; Termination

Section 3.01. This Project Agreement shall come into force and effect on the date on which the Loan Agreement comes into force and effect. ADB shall promptly notify XUARG of such date.

Section 3.02. This Project Agreement and all obligations of the parties hereunder shall terminate on the date on which the Loan Agreement shall terminate in accordance with its terms.

Section 3.03. All the provisions of this Project Agreement shall continue in full force and effect notwithstanding any cancellation or suspension under the Loan Agreement.

ARTICLE IV**Miscellaneous**

Section 4.01. Any notice or request required or permitted to be given or made under this Project Agreement and any agreement between the parties contemplated by this Project Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand, mail or facsimile to the party to which it is required or permitted to be given or made at its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

For ADB

Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila
Philippines

Facsimile Numbers:

(632) 636-2444

(632) 636-2407

For XUARG

XUAR Housing and Urban-Rural Development Bureau
No. 462 Zhongshan Road
Urumqi, Xinjiang
People's Republic of China

Facsimile Number:

(86) 991-2841298.

Section 4.02. (a) Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Project Agreement by or on behalf of XUARG may be taken or executed by the Governor of XUARG, or by such other person or persons as he or she shall so designate in writing notified to ADB.

(b) XUARG shall furnish to ADB sufficient evidence of the authority of the person who will act under subsection (a) hereinabove, together with the authenticated specimen signature of such person.

Section 4.03. No delay in exercising, or omission to exercise, any right, power or remedy accruing to either party under this Project Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default; nor shall the action of such party in respect of any default,

or any acquiescence in any default, affect or impair any right, power or remedy of such party in respect of any other or subsequent default.

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

ASIAN DEVELOPMENT BANK

By 
AYUMI KONISHI
Director General
East Asia Department

XINJIANG UYGUR AUTONOMOUS
REGION GOVERNMENT

By 
ZHAO JIANHU
Authorized Representative

SCHEDULE

Execution of Project; Financial Matters

Implementation Arrangements and Reporting

1. The Xinjiang Uygur Autonomous Region Government (XUARG) shall ensure that the Project is implemented in accordance with the detailed arrangements set forth in the PAM. Any subsequent change to the PAM shall become effective only after approval of such change by XUARG and ADB. In the event of any discrepancy between the PAM and this Project Agreement, the provisions of this Project Agreement shall prevail.
2. XUARG shall ensure that all the Project implementation procedures agreed upon with ADB be followed including environmental and social safeguard requirements.

Environmental

3. XUARG shall, and shall cause AMG to, ensure that the preparation, design, construction, implementation and operation of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Borrower's relating to environment, health and safety; (b) the Environmental Safeguards as described in the Safeguard Policy Statement; and (c) all measures and requirements set forth in the Initial Environmental Examination (IEE) and the Environmental Management Plan (EMP) for the Project, and with any corrective or preventative actions (i) set forth in a Safeguards Monitoring Report for the Project prepared pursuant to the SPS or (ii) which are subsequently agreed between ADB and XUARG.
4. XUARG shall cause AMG to ensure that its project management office ("APMO") implements the following measures prior to commencing construction to ensure the Project's environment management readiness: (i) appoint a qualified environment officer within the APMO, (ii) recruit environment specialists as part of the loan administration consultant services, (iii) have a contractual agreement with the municipal environment monitoring station (EMS) to conduct the environmental impact monitoring described in the EMP; and (iv) ensure that the EMS provides monitoring results to the APMO and AMG at least once per year during the construction period.
5. Before and during any Project construction, XUARG shall cause AMG to ensure that the APMO organizes and conducts training on implementation and supervision of the project EMP for appropriate officers of the relevant agencies and all Project contractors.
6. XUARG shall cause AMG to ensure that the necessary noise mitigation measures along the project road are implemented according to the requirements specified in the EMP and applicable national environmental protection regulations.
7. XUARG shall cause AMG to ensure that (i) construction activities in the Akesu Duolang wetlands are appropriately restricted during the waterbird sensitive periods; and (ii) the Akesu Forestry Bureau conducts a bird survey within the wetland perimeter to record the number of migratory water bird species in the wetland area prior to, during and after construction.

Involuntary Resettlement

8. XUARG shall cause AMG to ensure that all land and all rights-of-way required for the Project are made available to the Works contractor in a manner and within timeframes compliant with the RP, and all land acquisition and resettlement activities are implemented in compliance with (a) all applicable laws and regulations of the Borrower relating to land acquisition and involuntary resettlement; (b) the Involuntary Resettlement Safeguards; and (c) all measures and requirements set forth in the RP, and any corrective or preventative actions (i) set forth in the Safeguards Monitoring Report; or (ii) subsequently agreed between ADB and XUARG.

9. Without limiting the application of the Involuntary Resettlement Safeguards or the RP, XUARG shall cause AMG to ensure that no physical or economic displacement takes place in connection with its respective part of the Project until:

- (a) compensation and other entitlements have been provided to the displaced persons under the Involuntary Resettlement Safeguards as described in and in accordance with the relevant RP; and
- (b) a comprehensive income and livelihood restoration program has been established in accordance with the relevant RP.

Ethnic Minorities

10. XUARG shall cause AMG to ensure that the preparation, design, construction, implementation and operation of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Borrower relating to ethnic minorities; (b) the Indigenous Peoples Safeguards; and (c) all measures and requirements set forth in the EMDP and any corrective or preventive actions (i) set forth in a Safeguards Monitoring Report, or (ii) subsequently agreed between ADB and XUARG.

Safeguards-Related, Gender and Social Development Provisions in Bidding Documents and Works Contracts

11. XUARG shall cause AMG to ensure that all bidding documents and contracts for Works contain provisions that require contractors to:

- (a) comply with the measures relevant to the contractors set forth in the IEE, the EMP, EMDP, RP and SGAP (to the extent they concern impacts on the respective affected people under the Environmental Safeguards, Indigenous Peoples Safeguards and the Involuntary Resettlement Safeguards during construction), and any corrective or preventative actions set forth in (i) a Safeguards Monitoring Report or (ii) subsequently agreed between ADB and XUARG;
- (b) monitor relevant environmental impacts caused by the construction and installation activities and report to the project management office;
- (c) make available a budget for all such environmental and social measures; and
- (d) provide XUARG and AMG with a written notice of any unanticipated environmental, or resettlement and social risks or impacts that arise during

construction, implementation or operation of the project that were not considered in the IEE, EMP, EMDP, RP and SGAP.

Safeguards Monitoring and Reporting

12. XUARG shall cause AMG to do the following:

- (a) submit Safeguards Monitoring Reports to ADB:
 - (i) in respect of implementation of and compliance with Environmental Safeguards and the EMP, annually during construction and the implementation of the Project and the EMP until the issuance of ADB's Project completion report unless a longer period is agreed in the EMP;
 - (ii) in respect of implementation of and compliance with Involuntary Resettlement Safeguards and of the RP, semi-annually during construction and the implementation of the Project and the RP until the issuance of ADB's Project completion report unless a longer period is agreed in the RP; and
 - (iii) in respect of implementation and compliance with Indigenous Peoples Safeguards and the EMDP, submit Safeguards Monitoring Reports to ADB semi-annually during construction and the implementation of the Project and the EMDP, until the issuance of ADB's Project Completion Report unless a longer period is agreed in the EMDP;

and disclose relevant information from such reports to respective affected people under Environmental Safeguards, Involuntary Resettlement and Indigenous Peoples Safeguards promptly upon submission;

- (b) if any unanticipated environmental and/or social risks and impacts arise during construction, implementation or operation of the Project that were not considered in the IEE, the EMP, the EMDP and the RP, promptly inform ADB of the occurrence of such risks or impacts, with detailed description of the event and proposed corrective action plan; and
- (c) report any actual or potential breach of compliance with the measures and requirements set forth in the EMP, the EMDP or the RP promptly after becoming aware of the breach.

Safeguards - Human and Financial Resources to Implement Safeguards and Social Requirements

13. XUARG shall cause AMG to make available all necessary budgetary and human resources to fully implement the EMP, the RP, the EMDP, and the SGAP for the Project, and any other measures required under the SPS.

Safeguards – Prohibited List of Investments

14. XUARG shall cause AMG to ensure that no proceeds of the Loan are used to finance any activity included in the list of prohibited investment activities provided in Appendix 5 of SPS.

Safeguards Grievance Redress Mechanism

15. XUARG shall cause AMG to ensure that separate safeguards grievance redress mechanisms acceptable to ADB are established in accordance with the provisions of the IEE, EMP, EMDP and RP at the APMO, within the timeframes specified in the relevant IEE, EMP, EMDP and RP, to consider safeguards complaints.

Applicability of ADB's Safeguard Policies

16. XUARG shall cause AMG to ensure that the provisions of the IEE, EMP, EMDP and RP as well as any requirements under SPS also apply to the portion of the Project to be financed by AMG funded by own resources and/or commercial banks.

Social and Gender Action Plan

17. XUARG shall cause AMG to ensure that (a) the SGAP is implemented in accordance with its terms; (b) the bidding documents and contracts include relevant provisions for contractors to comply with the measures set forth in the SGAP; (c) adequate resources are allocated for implementation of the SGAP; and (d) progress on implementation of the SGAP, including progress toward achieving key gender outcome and output targets, is regularly monitored and reported to ADB.

Works Contracts

18. XUARG shall cause AMG to ensure that the bidding documents for Works contracts include provisions to require the contractors to (a) prioritize employment of local people especially women, the poor and the farmers who lost land due to Project, to comply with the measures set forth in the SGAP and EMDP; (b) provide equal pay for equal work; (c) provide the timely payment of wages; (d) maximize the use of local unskilled labor, as applicable; (e) comply with core labor standards and the Borrower's applicable labor laws and regulations, including stipulations related to employment; and (f) not employ child labor. XUARG shall further cause AMG to ensure that records of labor employment are properly maintained and tracked in the Project's performance and management system.

Public Awareness

19. XUARG shall cause AMG to undertake public awareness campaigns on the Project and its benefits, including but not limited to information related to the EMP, the RP, the EMDP, and the SGAP, to be conducted through information disclosure, education and consultation, in both the local languages and Mandarin.

District Heating

20. XUARG shall cause AMG to ensure that construction of the Zheneng combined heat and power (CHP) plant with estimated total installed capacity of 700 megawatt (MW)

commences within one year following its approval by the Borrower's National Development and Reform Commission (NDRC), and XUARG shall cause AMG to use its best endeavors to ensure that construction is completed and normal operations have commenced at the plant by 2017, allocating necessary heating load to the Project's district heating network.

21. XUARG shall through AMG cause the Akesu Yangguang Heating Company Ltd. to ensure that (a) all permanent employees affected by the closure of such small boilers under the Project are reemployed in a timely manner and in accordance with the Labor Retrenchment and Reemployment Plan, so that they shall be at least as well off as they would have been in the absence of the Project; (b) seasonal workers are provided timely notice of the closure of boilers; (c) adequate staff, resources and budget are committed for monitoring and supervision of the Labor Retrenchment and Reemployment Plan; and (d) implementation of the Labor Retrenchment and Reemployment Plan is reported to the XUARG and ADB through semiannual progress reports, and project completion report.

Counterpart Funding, and Operation and Maintenance

22. XUARG shall cause AMG to provide counterpart funding in a timely manner, including any additional counterpart funding required for any shortfall of funds or cost overruns. XUARG shall cause AMG to ensure that operation and maintenance (O&M) of all Project facilities are fully funded, and that they will be operated and maintained in accordance with applicable engineering practices.

23. XUARG shall cause AMG to ensure that (a) appropriate human and financial resources for operation and maintenance of the project facilities and equipment are allocated and provided; (b) all Project activities are inspected, operated and maintained in accordance with prescribed standards, specifications and regulations and sound practices; (c) all Goods supplied and facilities constructed under the Project are properly installed, maintained and operated.

24. XUARG shall cause AMG and relevant agencies to ensure that all Project facilities are operated, maintained and monitored in strict conformity with all applicable Borrower's national, regional and municipal laws, regulations and standards including interconnected facilities such as (i) the Zheneng combined heat and power plant; (ii) No. 1 and No. 2 water treatment plants; (iii) the Akesu wastewater treatment plant; and (iv) the planned Akesu sanitary landfill. Further, XUARG shall cause AMG to ensure that households residing within the Project area are interconnected with the said Project facilities. Furthermore, XUARG shall cause AMG to ensure that the existing unsanitary landfill, located approx. 9.5 km southwest of Akesu city, is duly closed after completion of the Akesu sanitary landfill.

25. XUARG shall cause AMG to ensure that each agency responsible for operating and/or maintaining any Project facilities (a) prepares a sustainable O&M plan for such Project facilities; and (b) adopts an annual O&M budget with sufficient financial and staffing resources to implement such O&M plan.

Financial Management

26. XUARG shall cause AMG to establish and maintain sound financial management systems in accordance with ADB's Financial Management and Analysis of Projects, including the establishment of separate project accounts and the maintenance of minimum balances to ensure smooth cash flow and the timely settlement of project construction liabilities and

future debt servicing. Project funds, including the Loan proceeds and counterpart funds, will be disbursed from the imprest account established under the Xinjiang Uygur Autonomous Region Finance Bureau or the accounts of the AMG to contractors, consultants, suppliers and affected persons.

Design and Construction Quality and Management

27. Prior to the commencement of construction of any part of the Project, XUARG shall cause AMG to ensure that (a) all the respective Project facilities are designed and constructed in accordance with the national engineering norm and technical standards of the Borrower and the specifications defined in the EMP; and (b) construction supervision, quality control, and contract management for such facilities are carried out in compliance with the laws and regulations of the Borrower.

28. XUARG shall cause AMG to ensure that (a) borrow and spoil as well as construction waste generated in Project construction activities is properly disposed of in a disposal site selected and managed in accordance with the EMP and in consultation with relevant environmental protection authorities and in conformity with all applicable PRC and provincial, municipal and local laws, regulations and standards; (b) all Project construction activities avoid interruptions or damage to water supply, wastewater collection, heating and other utility services.

Transport

29. XUARG and AMG shall cooperate with all relevant agencies to promote public transport and non-motorized transportation ("NMT") and traffic safety provisions for the road constructed under the Project.

30. XUARG shall cause AMG to ensure that all relevant Akesu municipal agencies cooperate to (i) promote traffic safety provisions for all roads supported by the Project, including by providing adequate traffic safety signage, signal lamps, traffic control facilities and other necessary facilities; and (ii) conduct traffic safety education activities in the languages appropriate to the local population to enhance the traffic safety awareness of the local people.

31. XUARG shall cause AMG and the Akesu Forestry Bureau to ensure that (i) no alien and/or invasive species are introduced for the wetland, public parks, and landscaping works; (ii) water saving irrigation is promoted; and (iii) actual water use for irrigation of public parks, the nursery and road landscaping works are monitored and reported in the Project's annual environmental monitoring reports to ADB and in the Project completion report.

Change in Ownership

32. XUARG shall cause AMG to ensure that during the Project implementation, in the event of (a) any change in the ownership or control of Project facilities; or (b) any sale, transfer or assignment of share or interest that results in a change of control in any agency owning or managing any Project facilities is anticipated, they will cause the relevant agency to consult with ADB at least 6 months prior to the implementation of such change. XUARG shall through AMG cause the said agency to further ensure that the new controlling management of the concerned agency complies with (a) all project-related agreements

executed between ADB and the Borrower or XUARG; and (b) the policies of ADB relevant to the Project.

Governance and Anticorruption

33. XUARG (a) acknowledges ADB's right to investigate, directly or through its agents, any alleged corrupt, fraudulent, collusive or coercive practices relating to the Project; and (b) agrees to cooperate, and shall cause all other government offices, organizations and entities involving in implementing the Project 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, XUARG shall cause AMG to ensure that (x) periodic inspections of the Project contractors' activities related to fund withdrawals and settlements are carried out; (y) relevant provisions of ADB's Anticorruption Policy (1998, as amended to date) are included in all bidding documents for the Project; and (z) contracts, financed under the Project, include provisions specifying the right of ADB to audit and examine the records and accounts of XUARG, AMG, contractors, suppliers, consultants, and other service providers as they relate to the Project.

34. XUARG shall cause AMG also to undertake the following anticorruption actions: (a) involving full-time officials from AMG's Discipline Investigation Bureau in the bidding, award and implementation of contracts; (b) introducing a dual-signing system, in which each contract winner signs an anticorruption contract with the employer when they sign and execute the contract; and (c) periodically inspecting the contractors' fund withdrawals and settlements.

35. In furtherance of the principles of transparency, participation, accountability and zero-tolerance for corruption, XUARG shall cause AMG to disclose the Project information on the relevant websites that describe the Project in order to provide the public with information on the Project including (a) a summary of the audited financial statements of the Project; (b) the procurement plan and tracking of procurement contract awards; (c) any proposed tariff increases and associated scheduled public hearings; (d) relevant laws and regulations; and (e) information related to pro-poor subsidies.