LOAN NUMBER 3757-VIE(COL)

LOAN AGREEMENT
(Ordinary Operations [Concessional])

(Second Greater Mekong Subregion Tourism Infrastructure for Inclusive Growth Project)

between

SOCIALIST REPUBLIC OF VIET NAM

and

ASIAN DEVELOPMENT BANK

DATED 3rd June, 2019

VIE 49387

LOAN AGREEMENT
(Ordinary Operations [Concessional])

LOAN AGREEMENT dated _____ between SOCLIALIST REPUBLIC OF VIET NAM ("Borrower") and ASIAN DEVELOPMENT BANK ("ADB").

WHEREAS

(A) the Borrower has applied to ADB for a loan for the purposes of the Project described in Schedule 1 to this Loan Agreement;

(B) the Project will be carried out, in coordination with the Borrower's Ministry of Culture, Sports and Tourism, by the provinces of Hoa Binh, Nghe An, Quang Binh, Quang Tri and Thua Thien Hue ("Project Provinces"), and for this purpose the Borrower will make available to the Project Provinces the proceeds of the loan provided for herein upon terms and conditions satisfactory to ADB; and

(C) ADB has agreed to make a concessional loan to the Borrower from ADB's ordinary capital resources upon the terms and conditions set forth herein and in the Project Agreement between ADB and the Project Provinces;

NOW THEREFORE the parties agree as follows:

ARTICLE I

Loan Regulations; Definitions

Section 1.01. All the provisions of ADB's Ordinary Operations (Concessional) Loan Regulations, dated 1 January 2017 ("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. Wherever used in this Loan Agreement, the several terms defined in the Loan Regulations have the respective meanings therein set forth unless modified herein or the context otherwise requires. Additional terms used in this Loan Agreement have the following meanings:

(a) "ASEAN" means Association of Southeast Asian Nations;

(b) "Consulting Guidelines" means the Guidelines on the Use of Consultants by Asian Development Bank and its Borrowers (2013, as amended from time to time);

(c) "Consulting Services" means the services to be financed out of the proceeds of the Loan as described in paragraph 3 of Schedule 1 to this Loan Agreement;

(d) "Environmental Management Plan" means the environmental management plans for the Project, including any update thereto, incorporated in the respective IEE;

(e) "Environmental Safeguards" means the principles and requirements set forth in Chapter V, Appendix 1, and Appendix 4 (as applicable) of the SPS;

(f) "GAP" means the gender action plan for the Project, including any update thereto, prepared and submitted by the Project Provinces and cleared by ADB;

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

(h) "IEE" means each initial environmental examination for the Project, including any update thereto, prepared and submitted by the Project Provinces and cleared by ADB;

(i) "Indigenous Peoples Safeguards" means the principles and requirements set forth in Chapter V, Appendix 3, and Appendix 4 (as applicable) of the SPS;

(j) "Involuntary Resettlement Safeguards" means the principles and requirements set forth in Chapter V, Appendix 2, and Appendix 4 (as applicable) of the SPS;

(k) "Loan Disbursement Handbook" means ADB's Loan Disbursement Handbook (2017, as amended from time to time);

(l) "PAM" means the project administration manual for the Project dated 13 November 2018 and agreed between the Borrower, through the Project Provinces, and ADB, as updated from time to time in accordance with the respective administrative procedures of the Borrower and ADB;

(m) "Procurement Guidelines" means ADB's Procurement Guidelines (2015, as amended from time to time);

(n) "Procurement Plan" means the procurement plan for the Project dated 13 November 2018 and agreed between the Borrower, through the Project Provinces and ADB, as updated from time to time in accordance with the Procurement Guidelines, the Consulting Guidelines, and other arrangements agreed with ADB;

(o) "Project Executing Agency" for the purposes of, and within the meaning of, the Loan Regulations means each of the Project Provinces, which is responsible for the carrying out of the Project;

(p) "Project facilities" means facilities developed, constructed, updated and/or maintained under the Project;

(q) "Project Province" means each of the Borrower's provinces of Hoa Binh, Nghe An, Quang Binh, Quang Tri and Thua Thien Hue where the Project is carried out;

(r) "REMDP" means each resettlement and ethnic minority development plan for the Project, including any update thereto, prepared and submitted by the Project Provinces pursuant to the requirements set forth in the REMDF and cleared by ADB;

(s) "Safeguard Policy Statement" or "SPS" means ADB's Safeguard Policy Statement (2009);

(t) "Safeguards Monitoring Report" means each report prepared and submitted by the Project Provinces to ADB that describes progress with implementation of, and compliance with, the EMPs and the REMDPs (as applicable), including any corrective and preventative actions;

(u) "Subsidiary Loan Agreement" means the agreement or agreements entered into between the Borrower and each of the Project Provinces for the purposes of relending a portion of the proceeds of this Loan as specified in Section 3.01 of this Loan Agreement; and

(v) "Works" means construction or civil works to be financed out of the proceeds of the Loan, 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 Loan

Section 2.01. (a) ADB agrees to lend to the Borrower from ADB's ordinary capital resources an amount of forty-five million Dollars ($45,000,000).

(b) The Loan has a principal repayment period of 20 years, and a grace period as defined in subsection (c) hereinafter.

(c) The term "grace period" as used in subsection (a) hereinabove 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 2.02. The Borrower shall pay to ADB an interest charge at the rate of 2% per annum during the grace period and thereafter, on the amount of the Loan withdrawn from the Loan Account and outstanding from time to time.

Section 2.03. The interest charge and any other charge on the Loan shall be payable semiannually on 1 May and 1 November 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 amount 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 Dollar.

ARTICLE III

Use of Proceeds of the Loan

Section 3.01. (a) The Borrower shall (i) make a portion of the proceeds of the Loan available to the Project Provinces through budget allocation, and (ii) relend the balance of the proceeds of the Loan to the Project Provinces under the respective Subsidiary Loan Agreements, all upon terms and conditions acceptable to ADB.

(b) The Borrower shall cause the proceeds of the Loan to be applied exclusively to the financing of expenditures on the Project in accordance with the provisions of this Loan Agreement and the Project Agreement.

Section 3.02. The proceeds of the Loan shall be allocated and withdrawn 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, the Borrower shall procure, or cause to be procured, the items of expenditure to be financed out of the proceeds of the Loan 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 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 Loan Closing Date for the purposes of Section 8.02 of the Loan Regulations shall be 30 June 2024 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 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 and the Project Agreement.

Section 4.02. The Borrower, through the Project Provinces, shall enable ADB's representatives to inspect the Project, the Goods and Works, and any relevant records and documents.

Section 4.03. The Borrower shall take all actions which shall be necessary on its part to enable the Project Provinces to perform their obligations under the Project Agreement and shall not take or permit any action which would interfere with the performance of such obligations.

Section 4.04. The Borrower shall exercise its rights under the Subsidiary Loan Agreement in such a manner as to protect the interests of the Borrower and ADB and to accomplish the purposes of the Loan.

ARTICLE V

Effectiveness

Section 5.01. A date 90 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

Delegation of Authority

Section 6.01. The Borrower hereby designates the Project Provinces as its agent for the purposes of taking any action or entering into any agreement required or permitted under Section 3.03 of this Loan Agreement.

Section 6.02. Any action taken or any agreement entered into by the Project Provinces pursuant to the authority conferred under Section 7.01 of this Loan Agreement shall be fully binding on the Borrower and shall have the same force and effect as if taken by the Borrower.

Section 6.03. The authority conferred on the Project Provinces under Section 7.01 of this Loan Agreement may be revoked or modified by agreement between the Borrower and ADB.

ARTICLE VII

Miscellaneous

Section 7.01. 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 7.02. The following addresses are specified for the purposes of Section 11.01 of the Loan Regulations:

For the Borrower

Ministry of Finance
No. 28 Tran Hung Dao Street
Hoan Kiem District
Ha Noi, Viet Nam

Facsimile Number:

(84-24) 2220-8020

For ADB

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

Facsimile Numbers:

(632) 636-2444.

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 as of the day and year first above written and to be delivered at the principal office of ADB.

SOCIALIST REPUBLIC OF VIET NAM

By _____
TRAN XUAN HA
Deputy Minister
Ministry of Finance

ASIAN DEVELOPMENT BANK

By _____
ERIC SIDGWICK
Country Director
Vietnam Resident Mission

SCHEDULE 1

Description of the Project

1. The objective of the Project is to increase the tourism competitiveness in Viet Nam:

2. The Project shall comprise the following:

(a) Improvement of urban-rural access infrastructure and urban environmental services, through (i) upgrading existing urban and rural roads to tourism sites, (ii) constructing passenger piers, and (iii) improving coastal defenses and public greenspace;

(b) Strengthened capacity to implement ASEAN tourism related standards, through (i) strengthening ASEAN tourism related standards certification bodies as well as assessment frameworks; and (ii) promoting standards adoption by tourism service providers in the Project Provinces; and

(c) Strengthened institutional arrangements for tourism destination management and infrastructure operations and maintenance, through (i) improving destination management and marketing; and (ii) assisting infrastructure management entities prepare operations and maintenance plans and provide targeted training to improve asset management.

3 The Project shall include consulting services for detailed design support and auditing.

4. Activities under paragraph 2(b) and (c) above will be carried out by the Ministry of Culture, Sports and Tourism and the Project Provinces using the Borrower's counterpart financing.

5. The Project is expected to be completed by 31 December 2023.

SCHEDULE 2

Amortization Schedule

Date Payment Due	Payment of Principal (Expressed in US Dollars)
1 May 2024	1,125,000
1 November 2024	1,125,000
1 May 2025	1,125,000
1 November 2025	1,125,000
1 May 2026	1,125,000
1 November 2026	1,125,000
1 May 2027	1,125,000
1 November 2027	1,125,000
1 May 2028	1,125,000
1 November 2028	1,125,000
1 May 2029	1,125,000
1 November 2029	1,125,000
1 May 2030	1,125,000
1 November 2030	1,125,000
1 May 2031	1,125,000
1 November 2031	1,125,000
1 May 2032	1,125,000
1 November 2032	1,125,000
1 May 2033	1,125,000
1 November 2033	1,125,000
1 May 2034	1,125,000
1 November 2034	1,125,000
1 May 2035	1,125,000
1 November 2035	1,125,000
1 May 2036	1,125,000
1 November 2036	1,125,000
1 May 2037	1,125,000
1 November 2037	1,125,000
1 May 2038	1,125,000
1 November 2038	1,125,000
1 May 2039	1,125,000
1 November 2039	1,125,000
1 May 2040	1,125,000
1 November 2040	1,125,000
1 May 2041	1,125,000
1 November 2041	1,125,000
1 May 2042	1,125,000
1 November 2042	1,125,000
1 May 2043	1,125,000
1 November 2043	1,125,000
Total	45,000,000

* The arrangements for payment are subject to the provisions of Sections 3.04 and 4.03 of the Loan Regulations.

SCHEDULE 3

Allocation and Withdrawal of Loan Proceeds

General

1. The table attached to this Schedule sets forth the Categories of items of expenditure to be financed out of the proceeds of the Loan and the allocation of the Loan proceeds to each such Category ("Table"). (Reference to "Category" in this Schedule is to a Category or Subcategory of the Table.)

Basis for Withdrawal from the Loan Account

2. Except as ADB may otherwise agree, the proceeds of the Loan shall be allocated to items of expenditure and disbursed on the basis of the withdrawal percentage for each item of expenditure 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, in consultation with 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 allocated to any Category appears to exceed all agreed expenditures in that Category, ADB may, in consultation with the Borrower, reallocate such excess amount to any other Category.

Disbursement Procedures

4. Except as ADB may otherwise agree, the Loan proceeds shall be disbursed in accordance with the Loan Disbursement Handbook.

Condition for Withdrawals from Loan Account

5. Notwithstanding any other provision of this Loan Agreement, no withdrawals shall be made from the Loan Account for:

(a) Category 1A, until the Borrower shall have certified that the Subsidiary Loan Agreement between the Borrower and the Hoa Binh Province has been duly authorized by, and executed and delivered on

behalf of, the Borrower (or its authorized government entity) and the Hoa Binh Province, and is legally binding upon the parties thereto in accordance with its terms;

(b) Category 1B, until the Borrower shall have certified that the Subsidiary Loan Agreement between the Borrower and the Nghe An Province has been duly authorized by, and executed and delivered on behalf of, the Borrower (or its authorized government entity) and the Nghe An Province, and is legally binding upon the parties thereto in accordance with its terms;

(c) Category 1C, until the Borrower shall have certified that the Subsidiary Loan Agreement between the Borrower and the Quang Binh Province has been duly authorized by, and executed and delivered on behalf of, the Borrower (or its authorized government entity) and the Quang Binh Province, and is legally binding upon the parties thereto in accordance with its terms;

(d) Category 1D, until the Borrower shall have certified that the Subsidiary Loan Agreement between the Borrower and the Quang Tri Province has been duly authorized by, and executed and delivered on behalf of, the Borrower (or its authorized government entity) and the Quang Tri Province, and is legally binding upon the parties thereto in accordance with its terms; and

(e) Category 1E, until the Borrower shall have certified that the Subsidiary Loan Agreement between the Borrower and Thua Thien Hue Province has been duly authorized by, and executed and delivered on behalf of, the Borrower (or its authorized government entity) and the Thua Thien Hue Province, and is legally binding upon the parties thereto in accordance with its terms.

Attachment to Schedule 3

TABLE

ALLOCATION AND WITHDRAWAL OF LOAN PROCEEDS				
Number	**Item**	**Total Amount Allocated for ADB Financing ($)**		**Basis for Withdrawal from the Loan Account**
		Category	**Subcategory**	
1	Project Costs	45,000,000		
1A	Hoa Binh Province*		8,014,000	100% of total expenditure claimed**
1B	Nghe An Province*		10,734,000	100% of total expenditure claimed**
1C	Quang Binh Province*		10,193,000	100% of total expenditure claimed**
1D	Quang Tri Province *		9,615,000	100% of total expenditure claimed**
1E	Thua Thien Hue Province *		6,444,000	100% of total expenditure claimed**
	TOTAL	45,000,000		

* Subject to the condition for withdrawal described in paragraph 5 of Schedule 3.
** Exclusive of taxes and duties imposed within the territory of the Borrower.

SCHEDULE 4

Procurement of Goods, Works and Consulting Services

General

1. The procurement of Goods, Works and Consulting Services shall be subject to and governed by the Procurement Guidelines, and the Consulting Guidelines, respectively.

2. Except as ADB may otherwise agree, Goods and Works shall be procured and Consulting Services shall be selected and engaged only on the basis of the procurement methods and the selection methods set forth below. These methods are subject to, among other things, the detailed arrangements and threshold values set forth in the Procurement Plan. The Borrower may only modify the procurement methods and the selection methods or threshold values with the prior agreement of ADB, and modifications must be set out in updates to the Procurement Plan.

3. All terms used in this Schedule and not otherwise defined in this Loan Agreement have the meanings provided in the Procurement Guidelines and/or the Consulting Guidelines, as applicable.

Goods and Works

4. Goods and Works shall be procured on the basis of the procurement methods set forth below:

(a) International Competitive Bidding;

(b) National Competitive Bidding; and

(c) Shopping.

National Competitive Bidding

5. The Borrower, through the Project Provinces, and ADB shall ensure that, prior to the commencement of any procurement activity under national competitive bidding, the Borrower's national competitive bidding procedures are consistent with the Procurement Guidelines. Any modifications or clarifications to such procedures agreed between the Borrower, through the Project Provinces, and ADB shall be set out in the Procurement Plan. Any subsequent change to the agreed modifications and clarifications shall become effective only after approval of such change by the Borrower, through the Project Provinces, and ADB.

Conditions for Award of Contract

6. The Borrower shall ensure that the Project Provinces shall not award any Works contract which involves environmental impacts until it has:

(a) obtained the final approval of the IEE from the Borrower's competent authority; and

(b) incorporated the relevant provisions from the EMP into the Works contract.

7. The Borrower shall ensure that the Project Provinces shall not award any Works contract which involves involuntary resettlement impacts and/or indigenous peoples impacts, until the relevant Project Province has prepared and submitted to ADB the final REMDP based on the Project's detailed design and obtained ADB's clearance of such REMDP.

Consulting Services

8. Except as set forth in the paragraph below, the Borrower shall cause the Project Provinces to apply Quality- and Cost-Based Selection for Consulting Services.

9. The Borrower shall cause the Project Provinces to apply the following selection method for the specified Consulting Services, in accordance with, among other things, the procedures set forth in the Procurement Plan: Least-Cost Selection for auditing services.

Industrial or Intellectual Property Rights

10. (a) The Borrower shall cause the Project Provinces to 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 cause the Project Provinces to 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 cause the Project Provinces to 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.

ADB's Review of Procurement Decisions

12. 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; Financial Matters

Implementation Arrangements

1. The Borrower shall ensure or cause the Project Provinces to 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 the Borrower, though the Project Provinces, and ADB. In the event of any discrepancy between the PAM and this Loan Agreement, the provisions of this Loan Agreement shall prevail.

Environment

2. The Borrower shall ensure or cause the Project Provinces to ensure that the preparation, design, construction, implementation, operation and decommissioning of the Project and all Project facilities comply with (a) all applicable laws and regulations of the Borrower relating to environment, health and safety; (b) the Environmental Safeguards; and (c) all measures and requirements set forth in the IEE, the EMP, and any corrective or preventative actions set forth in a Safeguards Monitoring Report.

Land Acquisition and Involuntary Resettlement

3. The Borrower shall ensure or cause the Project Provinces to ensure that all land and all rights-of-way required for the Project are made available to the Works contractor in accordance with the schedule agreed under the related Works contract 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 REMDP, and any corrective or preventative actions set forth in the Safeguards Monitoring Report.

4. Without limiting the application of the Involuntary Resettlement Safeguards or the RP, the Borrower shall ensure or cause the Project Provinces to ensure that no physical or economic displacement takes place in connection with the Project until:

(a) compensation and other entitlements have been provided to affected people in accordance with the REMDP; and

(b) a comprehensive income and livelihood restoration program has been established in accordance with the REMDP.

Indigenous Peoples

5. The Borrower shall ensure or cause the Project Provinces 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 indigenous peoples; (b) the Indigenous Peoples Safeguards; and (c) all measures and

requirements set forth in the REMDP, and any corrective or preventative actions set forth in a Safeguards Monitoring Report.

Human and Financial Resources to Implement Safeguards Requirements

6. The Borrower shall make available and cause the Project Provinces to make available necessary budgetary and human resources to fully implement the EMPs and the REMDPs.

Safeguards – Related Provisions in Bidding Documents and Works Contracts

7. The Borrower shall ensure or cause the Project Provinces to ensure that all bidding documents and contracts for Works contain provisions that require contractors to:

(a) comply with the measures and requirements relevant to the contractor set forth in the IEE, the EMP, and the REMDP (to the extent they concern impacts on affected people during construction), and any corrective or preventative actions set out in a Safeguards Monitoring Report;

(b) make available a budget for all such environmental and social measures; and

(c) provide the relevant Project Provinces with a written notice of any unanticipated environmental, resettlement or indigenous peoples risks or impacts that arise during construction, implementation or operation of the Project that were not considered in the IEE, the EMP or the REMDP.

Safeguards Monitoring and Reporting

8. The Borrower shall do the following or cause the Project Provinces to do the following:

(a) submit semi-annual Safeguards Monitoring Reports to ADB and disclose relevant information from such reports to affected persons 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 or the REMDP, 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 or the REMDP promptly after becoming aware of the breach.

Prohibited List of Investments

9. The Borrower shall cause the Project Provinces 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 the SPS.

Labor Standards, Health and Safety

10. The Borrower shall cause the Project Provinces to ensure that the core labor standards and the Borrower's applicable laws and regulations are complied with during Project implementation. The Borrower shall cause the Project Provinces to include specific provisions in the bidding documents and contracts financed by ADB under the Project requiring that the contractors, among other things: (a) comply with the Borrower's applicable labor law and regulations and incorporate applicable workplace occupational safety norms; (b) do not use child labor; (c) do not discriminate workers in respect of employment and occupation; (d) do not use forced labor; (e) do not restrict the workers from using a legally permissible means of expressing their grievances and protecting their rights regarding working conditions and terms of employment; and (f) disseminate, or engage appropriate service providers to disseminate, information on the risks of sexually transmitted diseases, including HIV/AIDS, to the employees of contractors engaged under the Project and to members of the local communities surrounding the Project area, particularly women.

11. The Borrower shall cause the Project Provinces to strictly monitor compliance with the requirements set forth in paragraph 10 above and provide ADB with regular reports.

Gender and Development

12. The Borrower shall cause the Project Provinces to ensure that (a) the GAP 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 GAP; (c) adequate resources are allocated for implementation of the GAP; and (d) progress on implementation of the GAP, including progress toward achieving key gender outcome and output targets, are regularly monitored and reported to ADB.

Counterpart Support

13. The Borrower shall ensure or cause the Project Provinces to ensure (a) counterpart funds for Project implementation are available on time; (b) sufficient funds to satisfy the liabilities arising from any Works, Goods and Consulting Services contract are available; and (c) that there will be budget allocation to finance any shortfall in the operation and maintenance of the Project facilities within each Project Province.

14. The Borrower shall cause the Project Provinces to include the annual Project-related operation and maintenance and debt service requirements in the annual provincial budget.

Consultation with Stakeholders

15. The Borrower shall ensure or cause the Project Provinces to ensure that consultation with the Project stakeholders takes place during Project implementation in accordance with the stakeholder communication strategy set out in the PAM.

Governance and Corruption

16. The Borrower and the Project Provinces shall (a) comply with ADB's Anticorruption Policy (1998, as amended to date) and acknowledge that ADB reserves the right to investigate directly, or through its agents, any alleged corrupt, fraudulent, collusive or coercive practice relating to the Project; and (b) cooperate with any such investigation and extend all necessary assistance for satisfactory completion of such investigation.

17. The Borrower and the Project Provinces shall ensure that the anticorruption provisions acceptable to ADB are included in all bidding documents and contracts, including provisions specifying the right of ADB to audit and examine the records and accounts of the executing and implementing agencies and all contractors, suppliers, consultants, and other service providers as they relate to the Project.