
CREDIT NUMBER 5107-BD

Financing Agreement

(Second Rural Transport Improvement Project)

between

PEOPLE'S REPUBLIC OF BANGLADESH

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *October 23*, 2012

FINANCING AGREEMENT

AGREEMENT dated *October 23*, 2012, entered into between PEOPLE'S REPUBLIC OF BANGLADESH ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount equivalent to one hundred and ninety five million Special Drawing Rights (SDR195,000,000) (variously, "Credit" and "Financing") to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.
- 2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.
- 2.05. The Payment Dates are March 1 and September 1 in each year.

- 2.06. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.
- 2.07. The Payment Currency is Dollars.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall carry out the Project through the Local Government Engineering Department in accordance with the provisions of Article IV of the General Conditions.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 4.02. For purposes of Section 8.05(b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is the Secretary or the Additional Secretary, or any Joint Secretary, Joint Chief, Deputy Secretary, Deputy Chief, Senior Assistant Secretary, Senior Assistant Chief, Assistant Secretary, or Assistant Chief of the Economic Relations Division of its Ministry of Finance.
- 5.02. The Recipient's Address is:

Economic Relations Division
Ministry of Finance
Government of the People's Republic of Bangladesh
Sher-e-Bangla Nagar
Dhaka, Bangladesh

Facsimile:

88028113088

5.03. The Association's Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Facsimile:

1-202-477-6391

AGREED at Dhaka, People's Republic of Bangladesh, as of the day and year first above written.

PEOPLE'S REPUBLIC OF BANGLADESH

By



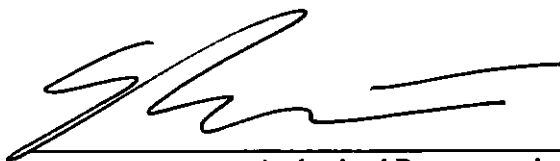
Authorized Representative

Name: Iqbal Mahmood

Title: Senior Secretary

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Ellen A. Goldstein

Title: Country Director

SCHEDULE 1

Project Description

The objectives of the Project are to improve rural accessibility in Project areas (twenty-six Project districts) and strengthen institutional capacity for sustainable rural road maintenance.

The Project consists of the following parts:

Part A. Accessibility Improvement

1. Improvement of about seven hundred fifty (750) kilometers of *Upazila* roads and about five hundred (500) kilometers of Union Parishad roads in twenty-six Project districts through the upgrade of earthen roads to paved roads, including appropriate road safety measures, the acquisition of land for *Upazila* roads, road safety activities and activities by women's groups.
2. (a) Rehabilitation and periodic maintenance of about three thousand five hundred fifty (3,550) kilometers of *Upazila* and Union Parishad roads in twenty-six Project districts, including appropriate road safety measures; and (b) maintenance of about four hundred fifty (450) kilometers of *Upazila* and Union Parishad roads over a period of five (5) years through performance-based maintenance contracts.
3. (a) Pilot of low-cost dredging of two rural waterways; (b) support for removal of temporarily constructed earthen bunds across waterways; (c) carrying out of protection works at erosion-prone and vulnerable points along bank lines; and (d) installation of navigational aids to enhance safety.
4. Construction of river jetties at about twenty (20) locations.
5. Improvement and development of about fifty (50) growth center markets, including strengthening the management and operation of the growth center market committees.
6. Project supervision and monitoring.

Part B. Institutional Strengthening, Capacity Building and Governance Enhancement

1. Support to the implementation of the LGED Management Improvement Plan, including strategic enhancements in LGED's capacity, effectiveness, governance and accountability in: (a) maintenance management (policy, planning and operations); (b) planning, design and

quality management; (c) environmental and social impact management; (d) performance management, including monitoring and evaluation; (e) information and communications technology-management information systems technology, facilities and capacity building; and (f) training and human resource development capacity.

2. Strengthening of the capacity of LGED for Project performance monitoring and management, including performance audits and socio-economic and monitoring surveys.

Part C. Rural Transport Safety

Provision of technical assistance and advisory services to: (a) strengthen road safety capacity of LGED and the central road safety unit within LGED; (b) upgrade LGED design standards, codes, and practices in road safety engineering; (c) develop a comprehensive road safety training program for LGED, including rural road safety engineering, road safety auditing, monitoring and evaluation, safety during road works and other key aspects; (d) improve rural road accident data collection process, database and analysis capacity through piloting local accident data collection at the *Upazila* and Union levels in eight districts; and (e) provide training for representatives of local government entities and communities, traffic police, school teachers, members of the rural rickshaw drivers' associations and other local road transport operators, and local-level works contractors, and associated advocacy, monitoring and survey activities in the concerned Project districts.

Part D. Contingent Emergency Response

Support to emergency response and reconstruction during emergencies or crises.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Recipient shall, not later than three (3) months after the Effective Date, establish and thereafter maintain, throughout the period of Project implementation, a Project Steering Committee, which shall be chaired by the Secretary, Local Government Division, Ministry of Local Government, Rural Development & Cooperatives, and include as members, the Director General, Local Government Division, the Chief Engineer and Additional Chief Engineer (Planning) of LGED, and representatives of the Agriculture, Water Resources and Rural Institutions Division; IMED; Finance Division, Economic Relations Division; and the Ministry of Land. Such Project Steering Committee shall be responsible for policy directives, overseeing the progress of Project implementation, including addressing issues hampering Project implementation.
2. The Recipient shall maintain, throughout the period of Project implementation, the Project Management Unit in LGED, which shall be headed by a Project Director assisted by one (1) headquarters-based Deputy Project Director, two (2) Deputy Project Directors based in the field, and adequate staff and consultants, responsible for carrying out Project implementation activities.
3. The Recipient shall, not later than three (3) months after the Effective Date, designate a Superintending Engineer, LGED as Project Coordinator, responsible for the coordination and supervision of Project activities.

B. Sub-projects

1. The Recipient shall:
 - (a) prepare an annual work plan for civil works, to be carried out during the twelve-month period, commencing on the second year of Project implementation until Project completion;
 - (b) agree on and finalize such annual work plan in consultation with the Association; and
 - (c) carry out the civil works under the Project in accordance with the annual work plan and, except as the Association shall otherwise agree, the Recipient shall not amend or waive any provision of the annual work plan if, in the opinion of the Association, such amendment or waiver may

materially and adversely affect the carrying out of the Project or the achievement of the objectives thereof.

2. The Recipient shall select the roads for rehabilitation and periodic maintenance and the roads for maintenance through performance-based maintenance contracts under Part A.2 of the Project, using criteria and methodologies agreed with the Association, and such selection shall be agreed with the Association.
3. The Recipient shall:
 - (a) bear the costs of any land acquisition and resettlement required for any Sub-project;
 - (b) except as the Association shall otherwise agree, ensure that the land acquisition actions required under a Sub-project are completed before awarding the contract for civil works under said Sub-project; and
 - (c) not displace any affected persons under a Sub-project until and unless the implementation of the Resettlement Action Plan for the Sub-project has been completed.

C. Maintenance Policy and Business Plan

Except as the Recipient and the Association shall otherwise agree, the Recipient shall:

- (a) by not later than December 31, 2012, adopt and thereafter maintain a rural roads maintenance policy acceptable to the Association;
- (b) to this end, take all measures required on its part to ensure that sufficient budgetary resources are allocated for the actual maintenance needs of rural roads on an increasing basis year-on-year;
- (c) by not later than April 1, 2013, prepare and adopt a three-year business plan to carry out the rural roads maintenance policy referred to in subparagraph (a) above; and
- (d) conduct a periodic review of the business plan and its implementation.

D. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines and those of the GAAP.

E. Safeguards

1. The Recipient shall maintain, throughout the period of Project implementation, the Project Environmental Unit within LGED, which shall be headed by an Executive Engineer, assisted by one (1) Assistant Engineer at LGED headquarters and supported by consultants, field level engineers and adequate staff, responsible for carrying out environmental screenings and assessments, preparing Environmental Management Plans and incorporating these in bidding documents, reviewing environmental reports, consulting with the relevant stakeholders and monitoring EMP implementation.
2. The Recipient shall ensure that the Project, including each Sub-project, is carried out in accordance with the provisions of the Environmental Management Framework and the Social Impact Management Framework.
3. To that end, the Recipient shall ensure that:
 - (a) environmental and social screening and, if necessary, assessment, shall be carried out for all Sub-projects and reports shall be prepared in accordance with the EMF and SIMF; provided, however, that a comprehensive environmental and social assessment shall be prepared for the Sub-projects under Part A.3 of the Project;
 - (b) the environmental and social assessment reports for all site-specific roads for the first year and second year of Project implementation, including any Resettlement Action Plan and any Indigenous Peoples Plan related thereto, shall be submitted to the Association for review and clearance;
 - (c) the environmental and social assessment report and any RAP for a Sub-project shall be publicly disclosed in the Recipient's country prior to the award of the contract for works for said Sub-project; provided that, for high-risk Sub-projects, the disclosure period shall be 120 days, and for all other Sub-projects, the disclosure period shall be thirty (30) days;
 - (d) an independent third party evaluation of safeguards performance shall be carried out on an annual basis to supplement the supervision of implementation of the EMP and RAP, including environmental, health and safety measures; and
 - (e) all environmental and social assessment reports, EMPs, RAPS, and IPPs shall be furnished to the Association in a timely manner for public disclosure.

4. The Recipient shall not assign, amend, abrogate or waive, nor permit to be assigned, amended, abrogated or waived, the EMF, the SIMF, any EMP, any RAP or any IPP, without the prior written approval of the Association.
5. In the event of a conflict between the provisions of any of the instruments referred to above in paragraph 4 and those of this Agreement, the provisions of the latter shall prevail.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. (a) The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators set forth below in sub-paragraph (b) of this paragraph. Each Project Report shall cover the period of one (1) fiscal quarter, and shall be furnished to the Association not later than fifteen (15) days after the end of the period covered by such report.
- (b) The performance indicators referred to above in sub-paragraph (a) consist of the following:
 - (i) population living within two (2) kilometers of all-season roads in the twenty-six (26) Project districts;
 - (ii) percentage of roads in good condition in the twenty-six Project districts;
 - (iii) increase in the level of road user and community satisfaction in the Project influence area; and
 - (iv) maintenance funding needs are increasingly met in the Project districts.
- (c) Notwithstanding the provisions of sub-paragraph (a) above and except as the Association shall otherwise agree, the Recipient shall prepare monthly reports indicating the progress of Project activities and any issues arising in relation thereto. Each monthly report shall be furnished to the Association not later than the fifteenth day of the month following the month covered by such report.

2. The Recipient shall:

- (a) prepare, under terms of reference satisfactory to the Association, and furnish to the Association, on or about November 30, 2015, a report integrating the results of the monitoring and evaluation activities performed pursuant to paragraph 1 above, on the progress achieved in the carrying out of the Project during the period preceding the date of said report, and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objectives thereof during the period following such date; and
- (b) review with the Association, by December 31, 2015, or such later date as the Association shall request, the report referred to in sub-paragraph (a) above, and, thereafter, take all measures required to ensure the efficient completion of the Project and the achievement of the objectives thereof, based on the conclusions and recommendations of the said report and the Association's views on the matter.

B. Financial Management, Financial Reports and Audits

- 1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
- 2. The Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
- 3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.
- 4. Except as the Association shall otherwise agree, the Recipient shall, by not later than one (1) month after the Effective Date: (a) appoint a financial management specialist as head of the Project financial management function, with qualifications and terms of reference satisfactory to the Association; and (b) establish and adopt a computerized accounting system, satisfactory to the Association, for the Project.
- 5. The Recipient shall, by not later than six (6) months after the Effective Date, establish and thereafter maintain, throughout the period of Project implementation, a Project Audit Committee, with composition and charter

acceptable to the Association. Said committee shall meet at least twice a year to review the Recipient's audit reports and the status of follow up actions thereon.

Section III. Procurement

A. General

1. **Goods, Works and Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Non-consulting Services

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods, Works and Non-consulting Services**
 - (a) The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services for those contracts specified in the Procurement Plan:
 - (i) National Competitive Bidding, following the procedures of the Procurement Laws subject to paragraph (b) below;
 - (ii) Shopping, following the request for quotation method of the Procurement Laws;
 - (iii) Direct Contracting; and

- (iv) Community Participation procedures which have been found acceptable to the Association.
- (b) The following provisions apply for the contracting of goods, works and non-consulting services under National Competitive Bidding, using bidding documents acceptable to the Association:
 - (i) post bidding negotiations shall not be allowed with the lowest evaluated or any other bidder;
 - (ii) bids should be submitted and opened in public in one (1) location immediately after the deadline for submission;
 - (iii) rebidding shall not be carried out, except with the Association's prior agreement;
 - (iv) lottery in award of contracts shall not be allowed;
 - (v) bidders' qualification/experience requirement shall be mandatory;
 - (vi) bids shall not be invited on the basis of percentage above or below the estimated cost and contract award shall be based on the lowest evaluated bid price of compliant bid from eligible and qualified bidder; and
 - (vii) single stage two (2) envelope procurement system shall not be allowed.

C. Particular Methods of Procurement of Consultants' Services

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants' services shall be procured under contracts awarded on the basis of Quality- and Cost-based Selection.
2. **Other Methods of Procurement of Consultants' Services.** The following methods, other than Quality- and Cost-based Selection, may be used for procurement of consultants' services for those contracts which are specified in the Procurement Plan: (a) Quality-based Selection; (b) Selection under a Fixed Budget; (c) Least Cost Selection; (d) Selection based on Consultants' Qualifications; (e) Single-source Selection of consulting firms; (f) Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants; and (g) Single-source procedures for the Selection of Individual Consultants.

D. Review by the Association of Procurement Decisions

The Procurement Plan shall set forth those contracts which shall be subject to the Association's Prior Review. All other contracts shall be subject to Post Review by the Association.

Section IV. Withdrawal of the Proceeds of the Financing

A. General

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Financing Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works (other than works under Part A.2 of the Project), non-consulting services, and consultants' services	105,400,000	90%
(2) Works under Part A.2 of the Project	64,700,000	60%
(3) Training and Workshops	3,300,000	100%
(4) Contingency for Emergency	0	

Response		
(5) Unallocated	21,600,000	
TOTAL AMOUNT	195,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement.
2. The Closing Date is April 30, 2018.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each March 1 and September 1:	
commencing March 1, 2023 to and including September 1, 2032	1%
commencing March 1, 2033 to and including September 1, 2052	2%

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03(b) of the General Conditions.

APPENDIX

Section I. Definitions

1. "Agriculture, Water Resources and Rural Institutions Division" means the Agriculture, Water Resources and Rural Institutions Division within the Recipient's Planning Commission.
2. "Anti-Corruption Guidelines" means the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.
3. "Category" means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
4. "Consultant Guidelines" means the "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.
5. "Environmental Management Framework" and the acronym "EMF" mean the Recipient's framework, satisfactory to the Association, disclosed to the public on December 22, 2011, which, *inter alia*: (i) sets forth the general policies, guidelines, codes of practice and procedures to be integrated into the implementation of the Project; and (ii) defines the steps, processes and procedures for environmental screening, alternative analysis, assessment, monitoring and management of potential negative impacts of the Project, as said framework may be revised from time to time with the prior written approval of the Association, and such term includes any annexes or schedules to such framework.
6. "Environmental Management Plan" and the acronym "EMP" mean a plan, acceptable to the Association, to be developed for a Sub-project in accordance with the Environmental Management Framework, which sets out the mitigation measures, monitoring program and implementation responsibilities to eliminate any adverse environmental impacts of activities to be implemented under the Sub-project, offset them, or reduce them to acceptable levels, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan, and "Environmental Management Plans" means, collectively, all such plans.
7. "Finance Division" means the Finance Division within the Recipient's Ministry of Finance.
8. "GAAP" means the Recipient's Governance and Accountability Action Plan, dated March 13, 2012, acceptable to the Association, which identifies key

governance issues under the Project and sets forth mitigating actions to address said issues, as said plan may be modified from time to time with the prior written agreement of the Association.

9. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010.
10. "IMED" means the Implementation Monitoring and Evaluation Division within the Recipient's Ministry of Planning.
11. "Indigenous Peoples Plan" and the acronym "IPP" mean the Recipient's plan, satisfactory to the Association, to be developed for a Sub-project in accordance with the Social Impact Management Framework, which sets out basic principles to be applied in the selection, design and implementation of improvement and rehabilitation works under the Sub-project to avoid or minimize adverse impacts and, concurrently, ensure culturally appropriate benefits, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan, and "Indigenous Peoples Plans" means, collectively, all such plans.
12. "LGED Management Improvement Plan" means LGED's plan which sets forth strategic medium-term enhancements in LGED's capacity, effectiveness, governance and accountability, including the establishment of a comprehensive information and communications technology-supported integrated decision support system.
13. "Local Government Engineering Department" and the acronym "LGED" mean the Local Government Engineering Department under the Recipient's Ministry of Local Government, Rural Development & Cooperatives.
14. "Local Government Division" means the Local Government Division within the Recipient's Ministry of Local Government and Rural Development & Cooperatives.
15. "Ministry of Finance" means the Recipient's Ministry of Finance or any successor thereto.
16. "Ministry of Local Government and Rural Development & Cooperatives" and the acronym "MOLGRDC" mean the Recipient's Ministry of Local Government and Rural Development & Cooperatives or any successor thereto.
17. "Ministry of Planning" means the Recipient's Ministry of Planning or any successor thereto.
18. "Ministry of Land" means the Recipient's Ministry of Land or any successor thereto.

19. "Planning Commission" means the Recipient's Planning Commission.
20. "Procurement Guidelines" means the "Guidelines: Procurement of Goods, Works and Non-consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011.
21. "Procurement Laws" means, collectively, the Recipient's Public Procurement Act 2006, the Recipient's Public Procurement Rules, 2008 (as amended in August 2009), and the Recipient's Public Procurement Act (1st Amendment) 2009.
22. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 12, 2012 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
23. "Project Audit Committee" means the committee referred to paragraph 5 of Section II.B of Schedule 2 to this Agreement.
24. "Project Management Unit" means the unit referred to in paragraph 2 of Section I.A of Schedule 2 to this Agreement.
25. "Project Environmental Unit" means the Project Environmental Unit within LGED established under the Rural Transport Improvement Project.
26. "Project Steering Committee" means the committee referred to in paragraph 1 of Section I.A of Schedule 2 to this Agreement.
27. "Resettlement Action Plan" and the acronym "RAP" mean the Recipient's plan, acceptable to the Association, to be developed for a Sub-project in accordance with the Social Impact Management Framework which sets out, *inter alia*, a description of the improvement and rehabilitation works under a Sub-project, summary of impact details, an account of consultations with the affected persons/households, an account of impacts due to the Sub-project and the special assistance to be provided, the grievance redress mechanism, and monitoring and evaluation arrangements, as the same may be modified from time to time with the prior written agreement of the Association, and such term includes any annexes or schedules to such plan, and "Resettlement Action Plans" means, collectively, all such plans.
28. "Rural Transport Improvement Project" means the project described in Schedule 2 to the Development Credit Agreement for a rural transport improvement project between the Recipient and the Association, dated June 30, 2003, as amended to the date of this Agreement (Credit No. 3791-BD), and in Schedule 1 to the Financing Agreement between the Recipient and the Association, dated

February 7, 2008, as amended to the date of this Agreement (Credit No. 3791-1-BD).

29. "Social Impact Management Framework" and the acronym "SIMF" mean the Recipient's framework, satisfactory to the Association, disclosed to the public on December 22, 2011, governing all land acquisition and resettlement planning activities undertaken at sites impacted by the Project and which sets forth the general policies, guidelines, and procedures for integration of required mitigation measures of potential safeguard impacts into the selection, design and implementation of the Sub-projects, as said framework may be revised from time to time with the prior written approval of the Association, and such term includes any annexes or schedules to such framework.
30. "Sub-project" means an activity financed or proposed to be financed under Parts A.1, A.2, A.3, A.4 or A.5 of the Project.
31. "Training and Workshops" means expenditures (other than those for consultants' services) to finance the reasonable cost of the services of trainers, meeting rooms, publications, travel costs, per diem allowances for trainees, workshops, seminars and study tours as agreed with the Association.
32. "Union Parishads" means the elected local government body, established under the Local Government (Union Parishad) Act, 2009 and provided for by the Constitution of the Recipient, and which, *inter alia*, is responsible, within its territorial jurisdiction, for the: (a) coordination of public service delivery and the providers thereof; (b) maintenance of public order and conflict resolution and mediation; and (c) preparation and implementation of plans relating to public services and economic development.
33. "Upazila" means a sub-district, an administrative unit in the territory of the Recipient.