Loan Agreement

(Bangkok Traffic Management Project)

between

KINGDOM OF THAILAND

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

Dated January 25, 1979
LOAN AGREEMENT

AGREEMENT, dated January 25, 1979, between KINGDOM OF THAILAND (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

ARTICLE 1

General Conditions; Definitions

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated March 15, 1974, with the same force and effect as if they were fully set forth herein (said General Conditions Applicable to Loan and Guarantee Agreements of the Bank being hereinafter called the General Conditions).

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) "MOI" means the Borrower's Ministry of the Interior;

(b) "UTPO" means the Urban Transportation Planning Office established by the Borrower in the MOI, or any successor thereto that is acceptable to the Borrower and the Bank;

(c) "Project Area" means the Bangkok Metropolitan Area;

(d) "BMA" means the Bangkok Metropolitan Administration;

(e) "TPD" means the Traffic Police Division of the Metropolitan Police Bureau;

(f) "BMTA" means the Bangkok Mass Transit Authority; and

(g) "National Traffic Board" means the Board established by the Borrower pursuant to Cabinet Resolution No. SR-0202/14994, to formulate national traffic policy and planning, or any successor thereto with similar functions.
ARTICLE II

The Loan

Section 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions in the Loan Agreement set forth or referred to, an amount in various currencies equivalent to sixteen million dollars ($16,000,000).

Section 2.02. The amount of the Loan may be withdrawn from the Loan Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule may be amended from time to time by agreement between the Borrower and the Bank, for expenditures made (or, if the Bank shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project described in Schedule 2 to this Agreement and to be financed out of the proceeds of the Loan.

Section 2.03. Except as the Bank shall otherwise agree, procurement of the goods and civil works to be financed out of the proceeds of the Loan, shall be governed by the provisions of Schedule 4 to this Agreement.

Section 2.04. The Closing Date shall be September 30, 1982, or such later date as the Bank shall establish. The Bank shall promptly notify the Borrower of such later date.

Section 2.05. The Borrower shall pay to the Bank a commitment charge at the rate of three-fourths of one per cent (3/4 of 1%) per annum on the principal amount of the Loan not withdrawn from time to time.

Section 2.06. The Borrower shall pay interest at the rate of seven and thirty-five hundredths per cent (7.35%) per annum on the principal amount of the Loan withdrawn and outstanding from time to time.

Section 2.07. Interest and other charges shall be payable semiannually on June 1 and December 1 in each year.

Section 2.08. The Borrower shall repay the principal amount of the Loan in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.
ARTICLE III

Execution of the Project

Section 3.01. The Borrower shall carry out the Project with the assistance of UTPO, TPD, BMA and BMTA, whose respective responsibilities are set forth in Schedule 5 to this Agreement, with due diligence and efficiency and in conformity with appropriate administrative, traffic engineering and financial practices, and shall provide, promptly as needed, the funds, staff, facilities, services and other resources required for the purpose.

Section 3.02. The Borrower shall in carrying out Parts A and B (iii) of the Project:

(a) maintain in existence, until at least the completion of the Project, the National Traffic Board;

(b) furnish to the Bank by June 30, 1979, detailed proposals made by the National Traffic Board for carrying out such Parts of the Project;

(c) exchange views with the Bank on the proposals made by the National Traffic Board and thereafter take, or cause to be taken, the action required to implement the proposals mutually acceptable to the Borrower and the Bank; and

(d) take, or cause to be taken, all such action as may be necessary to carry out Part A (i) of the Project, in a manner satisfactory to the Borrower and the Bank, by December 31, 1980, or such other date as may be agreed with the Bank.

Section 3.03. The Borrower shall: (i) cause UTPO to be responsible for (A) coordinating the carrying out of the Project, including the monitoring of Project planning and administration; (B) approving and coordinating the preparation and furnishing to the Bank, for its prior approval, of all plans, specifications, contract documents and construction and procurement schedules and any material modifications thereof or additions to such documents; and (C) approving all applications for disbursements in respect of expenditures under the Project; (ii) employ at all times in UTPO suitably qualified personnel in sufficient numbers to carry out the Project and in particular to employ qualified and experienced key staff in accordance with Schedule 6 to this Agreement, to
enable it to carry out efficiently the Parts of the Project for which it is responsible and implement a program of staff training in traffic engineering and traffic control that is satisfactory to the Bank; and (iii) establish a Project Executive Committee, having the Minister of the Interior as its Chairman, with authority to make decisions required for Project implementation and to supervise the overall administration of the Project.

Section 3.04. The Borrower shall: (i) cause TPD to implement a program of staff training in traffic control and law enforcement that is satisfactory to the Bank; and (ii) assign to or, if necessary, recruit sufficient qualified and experienced staff to enable TPD to carry out the Parts of the Project for which it is responsible.

Section 3.05. In order to operate and maintain the equipment procured under Parts B (i) and C (i) of the Project, the Borrower shall provide, or cause to be provided, in a timely manner the resources, staff and facilities required for such purpose.

Section 3.06. (a) In order to assist UTPO in carrying out the Parts of the Project for which it is responsible, the Borrower shall cause UTPO to employ traffic engineering and transportation planning consultants, whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Borrower and the Bank.

(b) In order to assist the Borrower in carrying out Part D (ii) of the Project, the Borrower shall (i) cause BMTA to employ management, accounting and financial consultants, whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Borrower and the Bank; (ii) exchange views with the Bank regarding the recommendations made by such consultants; and (iii) take, or cause to be taken, the action necessary to implement the recommendations of such consultants that are mutually acceptable to the Borrower and to the Bank.

(c) In order to assist the Borrower in carrying out Part B (viii) of the Project, the Borrower shall: (i) employ consultants, whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Borrower and the Bank; and (ii) exchange views with the Bank regarding the recommendations made by such consultants.
Section 3.07. The Borrower, by December 31, 1979, in consultation with the Bank shall define its policy in regard to the role of various modes of public transportation to serve the needs of the travelling public in Bangkok and implement the agreed policy by mid 1980.

Section 3.08. The Borrower shall cause UTPO to introduce and maintain in existence, a monitoring and evaluation system satisfactory to the Borrower and the Bank, which will, inter alia, monitor and evaluate the impact of the Project.

Section 3.09. (a) The Borrower shall cause UTPO, BMA and TPD to: (i) maintain records and procedures adequate to record and monitor the progress of the Project (including its cost and the benefits to be derived from it), to identify the goods and services financed out of the proceeds of the Loan, and to disclose their use in the Project; (ii) permit the Bank's accredited representatives to visit the facilities and construction sites included in the Project and examine the goods financed out of the proceeds of the Loan and any relevant records and documents; and (iii) furnish to the Bank at regular intervals all such information as the Bank shall reasonably request regarding the Project, its cost and, where appropriate, the benefits to be derived from it, the expenditure of the proceeds of the Loan and the goods and services financed out of such proceeds.

(b) Promptly after completion of the Project, but in any event not later than six months after the Closing Date or such later date as may be agreed for this purpose between the Borrower and the Bank, the Borrower shall prepare and furnish to the Bank a report, of such scope and in such detail as the Bank shall reasonably request, on the execution and initial operation of the Project, its cost and the benefits derived and to be derived from it, the performance by the Borrower and the Bank of their respective obligations under the Loan Agreement and the accomplishment of the purposes of the Loan.

Section 3.10. The Borrower shall cause UTPO to prepare and furnish to the Bank, within 30 days of the end of each quarter, commencing with the quarter ending December 31, 1978 and until the completion of the Project, a report in a form satisfactory to the Bank on the progress made in carrying out the Project.

Section 3.11. (a) The Borrower undertakes to insure, or make adequate provision for the insurance of, the imported goods
to be financed out of the proceeds of the Loan 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 by the Borrower to replace or repair such goods.

(b) Except as the Bank shall otherwise agree, all goods and services financed out of the proceeds of the Loan shall be used exclusively for the Project until its completion.

Section 3.12. The Borrower shall take or cause to be taken:

(a) all such action as shall be necessary to acquire by not later than December 31, 1979, all such land and rights in respect of land as shall be required for carrying out the Project and shall furnish to the Bank, promptly after such acquisition, evidence satisfactory to the Bank that such land and rights in respect of land are available; and

(b) all reasonable measures to ensure that the Project is carried out with due regard to ecological and environmental factors.

Section 3.13. The Borrower shall cause BMA, whenever this is necessary, to make satisfactory arrangements to compensate any residents in the Project Area who are required to move as a result of the carrying out of the Project.

ARTICLE IV

Other Covenants

Section 4.01. (a) It is the policy of the Bank, in making loans to, or with the guarantee of, its members not to seek, in normal circumstances, special security from the member concerned but to ensure that no other external debt shall have priority over its loans in the allocation, realization or distribution of foreign exchange held under the control or for the benefit of such member. To that end, if any lien shall be created on any public assets (as hereinafter defined), as security for any external debt, which will or might result in a priority for the benefit of the creditor of such external debt in the allocation, realization or distribution of foreign exchange, such lien shall, unless the Bank shall otherwise agree, ipso facto and at no
cost to the Bank, equally and ratably secure the principal of, and interest and other charges on, the Loan, and the Borrower, in creating or permitting the creation of such lien, shall make express provision to that effect; provided, however, that, if for any constitutional or other legal reason such provision cannot be made with respect to any lien created on assets of any of its political or administrative subdivisions, the Borrower shall promptly and at no cost to the Bank secure the principal of, and interest and other charges on, the Loan by an equivalent lien on other public assets satisfactory to the Bank.

(b) The foregoing undertaking shall not apply to: (i) any lien created on property, at the time of purchase thereof, solely as security for payment of the purchase price of such property; and (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

(c) As used in this Section, the term "public assets" means assets of the Borrower, of any political or administrative subdivision thereof and of any entity owned or controlled by, or operating for the account or benefit of, the Borrower or any such subdivision, including gold and other foreign exchange assets held by any institution performing the functions of a central bank or exchange stabilization fund, or similar functions, for the Borrower.

Section 4.02. The Borrower shall: (i) cause UTPO, BMA and TPD to maintain separate Project accounts adequate to reflect in accordance with consistently maintained sound accounting practices their operations, resources and expenditures, in respect of the parts of the Project being carried out by them; and (ii) cause UTPO to maintain a consolidated Project account in a similar manner, that reflects the operations, resources and expenditures of UTPO, BMA, TPD and BMTA in connection with the carrying out of the Project.

Section 4.03. The Borrower shall cause UTPO, BMA and TPD to: (i) have their separate Project accounts and financial statements (balance sheets, statements of income and expenses and related statements) for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Bank; (ii) furnish to the Bank as soon as available, but in any case not later than six months after the end of each such year, (A) certified copies of
its financial statements for such year as so audited and (B) the report of such audit by said auditors, of such scope and in such detail as the Bank shall have reasonably requested; and (iii) furnish to the Bank such other information concerning the accounts and financial statements of UTPO, BMA and BTP and the audit thereof as the Bank shall from time to time reasonably request.

Section 4.04. The Borrower shall cause UTPO, BMA and TPD to take out and maintain with responsible insurers, or to make other provision satisfactory to the Bank for, insurance against such risks and in such amounts as shall be consistent with appropriate practice for the parts of the Project being carried out by them.

ARTICLE V

Termination

Section 5.01. The date April 25, 1979, is hereby specified for the purposes of Section 12.04 of the General Conditions.

ARTICLE VI

Representatives of the Borrower; Addresses

Section 6.01. The Minister of Finance of the Borrower is designated as representative of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 6.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Minister of Finance  
Ministry of Finance  
Bangkok  
Thailand

Cable address: MINANCE  
Telex: TH-2823  
Bangkok
For the Bank:

International Bank for
Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address: INTBAFRAD
Telex: 440098 (ITT)
              248423 (RCA) or 64145 (WUI)

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

KINGDOM OF THAILAND

By /s/ Klos Visessurakarn
Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Stanley Please
Acting Regional Vice President
East Asia and Pacific
SCHEDULE 1
Withdrawal of the Proceeds of the Loan

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Loan, the allocation of the amounts of the Loan to each Category and the percentage of expenditures for items so to be financed in each Category:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (Expressed in Dollar Equivalent)</th>
<th>% of Expenditures to be Financed</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Civil works</td>
<td>8,900,000</td>
<td>40%</td>
</tr>
<tr>
<td>(2) Goods and vehicles</td>
<td>2,600,000</td>
<td></td>
</tr>
<tr>
<td>(a) directly imported</td>
<td></td>
<td>100% of foreign expenditures</td>
</tr>
<tr>
<td>(b) locally procured</td>
<td></td>
<td>65%</td>
</tr>
<tr>
<td>(c) manufactured locally</td>
<td></td>
<td>100% of local expenditures (ex-factory)</td>
</tr>
<tr>
<td>(3) Consultants' services, technical assistance and training</td>
<td>2,700,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Unallocated</td>
<td>1,800,000</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>16,000,000</td>
<td></td>
</tr>
</tbody>
</table>

2. For the purposes of this Schedule:

   (a) the term "foreign expenditures" means expenditures in the currency of any country other than the Borrower and for goods or services supplied from the territory of any country other than the Borrower; and
(b) the term "local expenditures" means expenditures in the currency of the Borrower and for goods or services supplied from the territory of the Borrower.

3. The disbursement percentages have been calculated in compliance with the policy of the Bank that no proceeds of the Loan shall be disbursed on account of payments for taxes levied by, or in the territory of, the Borrower on goods or services, or on the importation, manufacture, procurement or supply thereof; to that end, if the amount of any such taxes levied on or in respect of any item to be financed out of the proceeds of the Loan decreases or increases, the Bank may, by notice to the Borrower, increase or decrease the disbursement percentage then applicable to such item as required to be consistent with the aforementioned policy of the Bank.

4. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of payments made for expenditures prior to the date of this Agreement, except that withdrawals, in an aggregate amount not exceeding the equivalent of $1,750,000 may be made on account of payments made for such expenditures before that date but after June 1, 1978.

5. Notwithstanding the allocation of an amount of the Loan or the disbursement percentages set forth in the table in paragraph 1 above, if the Bank has reasonably estimated that the amount of the Loan then allocated to any Category will be insufficient to finance the agreed percentage of all expenditures in that Category, the Bank may, by notice to the Borrower: (i) reallocate to such Category, to the extent required to meet the estimated shortfall, proceeds of the Loan which are then allocated to another Category and which in the opinion of the Bank are not needed to meet other expenditures, and (ii) if such reallocation cannot fully meet the estimated shortfall, reduce the disbursement percentage then applicable to such expenditures in order that further withdrawals under such Category may continue until all expenditures thereunder shall have been made.

6. If the Bank shall have reasonably determined that the procurement of any item in any Category is inconsistent with the procedures set forth or referred to in this Agreement, no expenditures for such item shall be financed out of the proceeds of the Loan and the Bank may, without in any way restricting or limiting any other right, power or remedy of the Bank under the
Loan Agreement, by notice to the Borrower, cancel such amount of the Loan as, in the Bank's reasonable opinion, represents the amount of such expenditures which would otherwise have been eligible for financing out of the proceeds of the Loan.
SCHEDULE 2

Description of the Project

The purpose of the Project is to enable more efficient use to be made of existing and planned urban transportation facilities in the Project Area. It consists of the following parts:

**Part A:** Implementation of policy measures designed to discourage the uneconomic use of low occupancy vehicles:

(i) introduction of an appropriate and justified area pricing scheme aimed at discouraging the use of congested roads by low-occupancy vehicles (principally cars) in the central area during the working day;

(ii) parking controls to discourage long-term "commuter parking", to encourage short-term business parking, and to remove obstructions to moving traffic; and

(iii) staggering of working and school hours to reduce passenger overloading of the bus system during peak travel hours.

**Part B:** Improving urban management through the provision of:

(i) specialized police equipment to improve police mobility and communications in improving traffic management and the enforcement of traffic regulations;

(ii) traffic monitoring equipment to quantify changes in traffic volumes and speeds and to determine levels of air and noise pollution;

(iii) a traffic noise abatement and air pollution detection program to reduce noise and air pollution along major road arteries;

(iv) about 120 expert-months of consultancy services to UTPO, to assist in the preparation and implementation of the Project;

(v) about 6 expert-months of consultancy services to UTPO, to augment traffic monitoring activities;
(vi) training programs for the staff of UTPO and TPD;

(vii) public relations assistance to UTPO to advise the public on Project matters, with particular emphasis on policy measures; and

(viii) about 100 expert-months of consultancy services to assist the Borrower in the preparation of regional development projects outside the Project Area.

Part C: A program to increase the capacity and safety of the road system through:

(i) improvements in traffic signalling, including centralized traffic signal control, the modernization of existing signals and the installation of new traffic signals;

(ii) the construction of road flyovers at critical intersections in the road network;

(iii) street improvements, including road widening, junction improvements, and street signing and marking; and

(iv) the construction of missing road links to provide additional road network elements, capable of handling significant traffic volumes.

Part D: The improvement of public transport through:

(i) the introduction of bus priority measures including reserved bus lanes, special bus and pedestrian street priority measures, extended bus bays and bus shelters; and

(ii) about 75 expert-months of consultancy services to assist BMTA in improving its management and financial procedures.

* * *

The Project is expected to be completed by June 30, 1981.
## SCHEDULE 3

**Amortization Schedule**

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Payment of Principal (expressed in dollars)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each June 1 and December 1</td>
<td></td>
</tr>
<tr>
<td>beginning June 1, 1984 through June 1, 1998</td>
<td>535,000</td>
</tr>
<tr>
<td>On December 1, 1998</td>
<td>485,000</td>
</tr>
</tbody>
</table>

* To the extent that any portion of the Loan is repayable in a currency other than dollars (see General Conditions, Section 4.02), the figures in this column represent dollar equivalents determined as for purposes of withdrawal.
Premiums on Prepayment

The following percentages are specified as the premiums payable on repayment in advance of maturity of any portion of the principal amount of the Loan pursuant to Section 3.05 (b) of the General Conditions:

<table>
<thead>
<tr>
<th>Time of Prepayment</th>
<th>Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not more than three years before maturity</td>
<td>1.10%</td>
</tr>
<tr>
<td>More than three years but not more than six years before maturity</td>
<td>2.20%</td>
</tr>
<tr>
<td>More than six years but not more than eleven years before maturity</td>
<td>4.05%</td>
</tr>
<tr>
<td>More than eleven years but not more than sixteen years before maturity</td>
<td>5.90%</td>
</tr>
<tr>
<td>More than sixteen years but not more than eighteen years before maturity</td>
<td>6.60%</td>
</tr>
<tr>
<td>More than eighteen years before maturity</td>
<td>7.35%</td>
</tr>
</tbody>
</table>
A. International Competitive Bidding

1. Except as provided in Part C hereof, goods, vehicles and civil works shall be procured under contracts awarded in accordance with procedures consistent with those set forth in the "Guidelines for Procurement under World Bank Loans and IDA Credits" published by the Bank in March 1977 (hereinafter called the Guidelines), on the basis of international competitive bidding as described in Part A of the Guidelines.

2. For goods and civil works to be procured on the basis of international competitive bidding, in addition to the requirements of paragraph 1.2 of the Guidelines, the Borrower shall cause to be prepared and forwarded to the Bank as soon as possible, and in any event not later than 60 days prior to the date of availability to the public of the first tender or prequalification documents relating thereto, as the case may be, a general procurement notice, in such form and detail and containing such information as the Bank shall reasonably request; the Bank will arrange for the publication of such notice in order to provide timely notification to prospective bidders of the opportunity to bid for the goods and works in question. The Borrower shall cause the Bank to be provided with the necessary information to update such notice annually so long as any goods or works remain to be procured on the basis of international competitive bidding.

3. Bidders for civil works to be procured on the basis of international competitive bidding shall be prequalified as described in paragraph 1.3 of Part A of the Guidelines.

4. For the purpose of evaluation and comparison of bids for the supply of goods to be procured on the basis of international competitive bidding, (i) bidders shall be required to state in their bid the c.i.f. (port of entry) price for imported goods, or the ex-factory price for domestically manufactured goods; (ii) customs duties and other import taxes on imported goods, and sales and similar taxes on domestically supplied goods, shall be excluded; and (iii) the cost to the Borrower of inland freight and other expenditures incidental to the delivery of goods to the place of their use or installation shall be included.
B. Preference for Domestic Manufacturers

In the procurement of goods in accordance with the procedures described in Part A of this Schedule, goods manufactured in the Kingdom of the Thailand may be granted a margin of preference in accordance with, and subject to, the following provisions:

1. All bidding documents for the procurement of goods shall clearly indicate any preference which will be granted, the information required to establish the eligibility of a bid for such preference and the following methods and stages that will be followed in the evaluation and comparison of bids.

2. After evaluation, responsive bids will be classified in one of the following three groups:

   (1) **Group A**: bids offering goods manufactured in the Kingdom of the Thailand if the bidder shall have established to the satisfaction of the Borrower and the Bank that the manufacturing cost of such goods includes a value added in the Kingdom of Thailand equal to at least 20% of the ex-factory bid price of such goods.

   (2) **Group B**: all other bids offering goods manufactured in the Kingdom of the Thailand.

   (3) **Group C**: bids offering any other goods.

3. All evaluated bids in each group shall be first compared among themselves, excluding any customs duties and other import taxes on goods to be imported and any sales or similar taxes on goods to be supplied domestically, to determine the lowest evaluated bid of each group. Such lowest evaluated bids shall then be compared with each other, and if, as a result of this comparison, a bid from group A or group B is the lowest, it shall be selected for the award.

4. If, as a result of the comparison under paragraph 3 above, the lowest bid is a bid from group C, all group C bids shall be further compared with the lowest evaluated bid from group A after adding to the c.i.f. bid price of the imported goods offered in each group C bid, for the purpose of this further comparison only, an amount equal to: (i) the amount of customs duties and other import taxes which a non-exempt importer would
have to pay for the importation of the goods offered in such group C bid; or (ii) 15% of the c.i.f. bid price of such goods if said customs duties and taxes exceed 15% of such price. If the group A bid in such further comparison is the lowest, it shall be selected for the award; if not, the bid from group C which as a result of the comparison under paragraph 3 is the lowest evaluated bid shall be selected.

C. Other Procurement Procedures

The Borrower may: (i) negotiate directly with and, after obtaining the approval of the Bank, cause to be awarded to Traffic Engineering Systems Company Limited contracts in an aggregate amount not exceeding the equivalent of $1,700,000, for the supply and installation of traffic signal and control systems under Part C (i) of the Project; (ii) cause contracts to be awarded for all civil works other than the road-flyovers specified in Part C (ii) of the Project by means of competitive bidding advertised locally, in accordance with its normal procedures; and (iii) cause contracts to be awarded for goods and vehicles in an aggregate amount not exceeding the equivalent of $500,000 by means of competitive bidding advertised locally, in accordance with its normal procedures.

D. Review of Procurement Decisions by the Bank

1. Review of prequalification. The Borrower shall, when prequalification is required under paragraph A.3 of this Schedule and before such qualification is invited, cause the Bank to be informed in detail of the procedure to be followed, and shall cause such modifications to be introduced in said procedure as the Bank shall reasonably request. The Borrower shall cause the list of prequalified bidders, together with a statement of their qualifications and of the reasons for the exclusion of any applicant for prequalification to be furnished to the Bank for its comments before the applicants are notified of the Borrower's decision, and the Borrower shall cause to be made such additions to, deletions from, or modifications in, the said list as the Bank shall reasonably request.

2. Review of invitations to bid and of proposed awards and final contracts:

With respect to all contracts for goods estimated to cost the equivalent of $150,000 or more and civil works to be procured on the basis of international competitive bidding:
(a) Before bids are invited, the Borrower shall cause the Bank to be furnished with, for its comments, the text of the invitations to bid and the specifications and other bidding documents, together with a description of the advertising procedures to be followed for the bidding, and shall cause such modifications in the said documents or procedures as the Bank shall reasonably request to be made. Any further modification to the bidding documents shall require the Bank's concurrence before it is issued to the prospective bidders.

(b) After bids have been received and evaluated, the Borrower shall, before a final decision on the award is made, cause the Bank to be informed of the name of the bidder to which it is intended to award the contract and shall cause to be furnished to the Bank, in sufficient time for its review, a detailed report, on the evaluation and comparison of the bids received, together with recommendations for the award of the said contract and such other information as the Bank shall reasonably request. The Bank shall, if it determines that the intended award would be inconsistent with the Guidelines or this Schedule, promptly inform the Borrower and state the reasons for such determination.

(c) The terms and conditions of the contract shall not, without the Bank's concurrence, materially differ from those on which bids were asked or prequalification invited.

(d) Two conformed copies of the contract shall be furnished to the Bank promptly after its execution and prior to the submission to the Bank of the first application for withdrawal of funds from the Loan Account in respect of such contract.

3. With respect to each contract not governed by the preceding paragraph, the Borrower shall cause to be furnished to the Bank, promptly after its execution and prior to the submission to the Bank of the first application for withdrawal of funds from the Loan Account in respect of such contract, two conformed copies of such contract, together with an analysis of the respective bids, their recommendations for award and such other information as the Bank shall reasonably request. The Bank shall, if it determines that the award of the contract was not consistent with the Guidelines or this Schedule, promptly inform the Borrower and state the reasons for such determination.

4. Before agreeing to any material modification or waiver of the terms and conditions of a contract, or granting an extension of
the stipulated time for performance of such contract, or issuing any change order under such contract (except in cases of extreme urgency) which would increase the cost of the contract by more than 10% of the original price, the Borrower shall cause the Bank to be informed of the proposed modification, waiver, extension or change order and the reasons therefor. The Bank, if it determines that the proposal would be inconsistent with the provisions of this Agreement, shall promptly inform the Borrower and state the reasons for its determination.
SCHEDULE 5

Division of Project Responsibilities Between UTPO, BMA, TPD and BMTA.

<table>
<thead>
<tr>
<th>Project Activity(a)</th>
<th>Planning, Traffic Design, Structural Design, Installation or Operation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Planning, Structural Design, Installation or Operation</td>
</tr>
<tr>
<td></td>
<td>Engineering Design and Installation or Operation</td>
</tr>
<tr>
<td></td>
<td>Related Construction, or Maintenance Enforcement</td>
</tr>
<tr>
<td></td>
<td>Research Maintenance Enforcement</td>
</tr>
</tbody>
</table>

**Part A: Policy Measures**

(i) Road Pricing Scheme

| UTPO | BMA | TPD/BMA |

(ii) Parking Controls

| UTPO | BMA | TPD/BMA(b) |

(iii) Staggered Work and School Hours

| UTPO | - | MOI(c) |

**Part B: Improve Urban Management**

(i) technical assistance for transportation planning, project design and monitoring

| UTPO | - | - |
(ii) equipment, vehicles and training for traffic control and traffic law enforcement

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Planning, Traffic Design and Related Research</th>
<th>Structural Engineering Design and Installation or Construction, Research</th>
<th>Operation or Maintenance, Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(ii)</td>
<td>TPD</td>
<td>TPD</td>
<td>TPD</td>
</tr>
</tbody>
</table>

(iii) noise abatement and air pollution detection in the Project Area

| (iii)              | UTPO                                        | -                                               | TPD                                  |

(iv) technical assistance for Project related public relations

| (iv)              | -                                           | -                                               | UTPO(d)                              |

(v) technical assistance for planning regional urbanization

| (v)               | MOI                                         | -                                               | -                                    |
Part C: Increase Capacity and Safety of Road System

(i) Traffic Signalling Equipment

UTPO(e) UTPO(f) TPD/UTPO(g)

(ii) Road Flyovers, Missing Links, Street Widening, Junction Improvements, Street Signing and Marking

UTPO(e) BMA

Part D: Improve Public Transport

(i) Technical Assistance to BMTA

- - BMTA
### Project Activity

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Planning, Traffic Engineering Design and Related Research</th>
<th>Structural Design, Installation or Operation or Construction, Maintenance, Enforcement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(ii) Bus Lanes, Bus Bays, Bus Shelters</td>
<td>UTPO</td>
<td>BMA</td>
</tr>
</tbody>
</table>

(a) UTPO responsible for review of all Project related procurement.

(b) Collection of all charges will be carried out by parking attendants employed by BMA.

(c) Ministry of Interior acts as agent for Government in assuming plan compliance among all central government and BMA agencies.

(d) UTPO to coordinate all public relations efforts.

(e) Location, traffic engineering details, and priority to be determined by UTPO.

(f) New equipment to be maintained initially under contract with equipment supplier.

(g) TPD responsible for routine daily operation; UTPO engineers to have override authority.
### SCHEDULE 6

**Minimum Staff of UTPO for Project Implementation**

<table>
<thead>
<tr>
<th>Position</th>
<th>Qualifications</th>
<th>Minimum Key Staff Required*</th>
<th>Time Commitment to Project</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>By January 1979</td>
<td>By January 1980</td>
</tr>
<tr>
<td>Chief of Office</td>
<td>Degree in Related Field and 5 years Transport Planning experience, at least 2 supervisory</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Deputy Chief</td>
<td>5 years experience in office management</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Chief Engineer</td>
<td>Degree in Engineering and 5 years experience, at least 2 supervisory</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Senior Engineer</td>
<td>Degree in Engineering and 3 years experience</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Engineer</td>
<td>Degree in Engineering</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>Senior Transport Planner</td>
<td>Advanced Degree in related field and 3 years experience</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Transport Planner</td>
<td>Degree in Related Field</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Senior Transport Economist</td>
<td>Advanced degree in Economics and 3 years experience in Economics</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Transport Economist</td>
<td>Degree in Economics</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Chief Accountant</td>
<td>5 years related experience</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Position</td>
<td>Qualifications</td>
<td>Minimum Key Staff Required*</td>
<td>Time Commitment to Project</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----------------------------------------------------</td>
<td>----------------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Accountant/Bookkeeper</td>
<td>2 years related experience</td>
<td>2</td>
<td>2 (f.t.)</td>
</tr>
<tr>
<td>Chief Draftsman</td>
<td>3 years experience, at least 2 supervisory, or a civil engineer with a degree</td>
<td>1</td>
<td>1 (p.t.)</td>
</tr>
<tr>
<td>Chief of Signal Maintenance</td>
<td></td>
<td>1</td>
<td>1 (f.t.)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>25</strong></td>
<td><strong>46</strong></td>
</tr>
</tbody>
</table>

(f.t.) Full time equivalents for first two years of Project.
(p.t.) At least 50% committed to Project for first two years.
* Assumed to be permanently assigned to UTPO to carry out important mission of office after completion of the Project.