

Public Disclosure Authorized

CONFORMED COPY

LOAN NUMBER 8051- CN

Loan Agreement

(Shandong Confucius and Mencius Cultural Heritage Conservation Project)

between

PEOPLE'S REPUBLIC OF CHINA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated July 15, 2011

LOAN AGREEMENT

AGREEMENT dated July 15, 2011 between PEOPLE'S REPUBLIC OF CHINA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank 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 – LOAN

- 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of fifty million Dollars (\$50,000,000) as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.07 of this Agreement ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawal Loan Balance remains unpaid when due and such non-payment continues for a period of thirty (30) days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02(e) of the General Conditions.
- 2.05. The Payment Dates are April 15 and October 15 in each year.
- 2.06. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

- 2.07. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa or from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate.
- (b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
- (c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05(c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section IV of Schedule 2 to this Agreement.

ARTICLE III – PROJECT

- 3.01. The Borrower declares its commitment to the objective of the Project. To this end, the Borrower shall cause the Project to be carried out by the Project Implementing Entity (Shandong) in accordance with the provisions of Article V of the General Conditions and the Project Agreement.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV – TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE V – REPRESENTATIVE; ADDRESSES

5.01. The Borrower's Representative is the Borrower's Minister of Finance.

5.02. The Borrower's Address is:

Ministry of Finance
Sanlihe
Xinchen District
Beijing 100820
People's Republic of China

Facsimile:

(86-10) 6855-1125

5.03. The Bank's Address is:

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

Cable address:

Telex:

Facsimile:

INTBAFRAD
Washington, D.C.

248423(MCI) or
64145(MCI)

1-202-477-6391

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

PEOPLE'S REPUBLIC OF CHINA

By/s/ ZHANG Wencai

Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By/s/ Klaus Rohland

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to assist Shandong Province to enhance cultural heritage conservation, development and tourism management in Qufu and Zoucheng.

The Project consists of the following parts subject to modifications thereof as the Borrower and the Bank may agree upon from time to time to achieve such objective:

Part A. Cultural Heritage Conservation and Presentation

1. Conservation of cultural heritage assets in Qufu Confucius Complex and the Nishan mountain including, *inter alia*, conservation of the Confucius temple, mansion and cemetery buildings, traditional pavements, gardens, stone tablets and inscriptions, modification works for adaptive reuse of heritage buildings; conservation of the Nishan mountain buildings, and slope protection for ancient trees.
2. Conservation of cultural heritage assets in the Ming Old City in Qufu including, *inter alia*, selected historic mansions and buildings, archways, ancient wells, ancient trees, and stone tablets and inscriptions.
3. Conservation, management and display of cultural heritage assets in the Lu Old City in Qufu including, *inter alia*, conservation of stone inscriptions, traditional roads, and walkways; protection and display of ancient city moat and wall; rehabilitation of rivers; and construction of wooden walkways, rest areas and sanitation facilities.
4. Conservation of cultural heritage assets in the Zoucheng Old City including, *inter alia*, conservation of the Mencius temple, mansion and cemetery buildings, traditional pavements, gardens and ancient trees; restoration of the cemetery boundary wall; modification works for adaptive reuse of heritage buildings; construction of a visitor center and parking lot; installation of safety and surveillance systems; and rehabilitation of Xishantou village infrastructure including roads, water supply, drainage, sanitation facilities, and street lighting.
5. (a) Provision of signage, interpretation and digital displays in Qufu and Zoucheng including *inter alia*, sound guiding systems, roads and street signs, descriptions and explanations of significance of cultural heritage assets, directions to other heritage sites and resting areas, production and distribution of brochures and promotional materials, interactive digital display systems. (b) Development of a digital display system in Confucius Academy to depict and disseminate Confucius' teachings.

Part B. Old City Regeneration and Infrastructure Upgrading

1. Carrying out of urban improvements in the Ming Old City in Qufu including, *inter alia*, urban redevelopment of Block A in the Ming Old City, renewal of all trunk infrastructure in the eastern zone of the Ming Old City, remodeling of private houses, and infrastructure improvements in Block A and the Gupan pond block, and construction of fire fighting facilities.
2. Rehabilitation of the city moat and Gupan pond water system in the Ming Old City in Qufu, including diversion of water from the Si River, and landscaping and river course rehabilitation.
3. Carrying out of urban improvements in the Zoucheng Old City, including urban redevelopment of three (3) street blocks; urban redevelopment of Block A in the Zoucheng Old City including remodeling of private houses, construction of infrastructure and fire fighting facilities; construction of archways; and reconstruction of the Mencius primary school.
4. Rehabilitation of the Yinli River in Zoucheng including river dredging and regulation, river bank rehabilitation including footpaths, roads, wastewater interceptors, lighting, bridge, water retention weirs, public sanitation facilities, and landscaping.
5. Cultural heritage conservation and tourism development in Qufu and Zoucheng, using a community participation approach, through:
 - a. Training and technical assistance support for heritage-related small business development, including handicraft development, improving quality of services, and design of marketable products, for selected residents of Qufu and Zoucheng; and
 - b. Conservation of privately-owned historic buildings in Qufu, including essential structural repairs to stabilize the buildings.

Part C. Manuals, Guidelines and other Assistance to Project Implementation:

Development of:

1. conservation techniques for wood, color paintings, stone tablets, and stone inscriptions;
2. infrastructure networks for the Ming Old City in Qufu;
3. guidelines for old city regeneration, planning, and development control;
4. a manual on community participation and sustainable tourism management;

5. a detailed development plan for the Ming Old City in Qufu; and
6. an update of the Qufu Ming Old City conservation plan.

Part D. Capacity Building and Assistance to Project Implementation

Carrying out:

1. assistance for design reviews, Project management and monitoring; and
2. assistance for preparation of a management plan for the World Heritage Site and sites on the Tentative List;
3. training and exchange program on cultural heritage conservation for staff of cultural heritage conservation agencies in Qufu and Zoucheng;
4. training in sustainable tourism development, marketing, and tourism management;
5. training and study tours for Project related capacity building; and
6. Provision of institutional support for the Project through acquisition of office equipments.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Financing Arrangements

1. The Borrower shall make the proceeds of the Loan available to the Project Implementing Entity, under terms and conditions satisfactory to the Bank, and the following principal terms:
 - (a) the principal amount shall be made available in Dollars or any other currency as the Loan may be converted from time to time through a Currency Conversion (such principal amount determined on the date, or respective dates, of withdrawal from the Loan Account) of the value of the currency or currencies so withdrawn;
 - (b) the principal amount so made available (including an amount equal to the fee paid pursuant to Section 2.03 of this Agreement and any Premium for Interest Rate Caps or Interest Rate Collars paid pursuant to Section 2.07(c) of this Agreement and Section 4.05(c) of the General Conditions) shall be recovered over a period of twenty-one (21) years, inclusive of a grace period of eight (8) years; and
 - (c) interest shall be charged on such principal amount withdrawn and outstanding from time to time at a rate equal to the rate of interest applicable from time to time to the Loan pursuant to the provisions of Section 2.04 of this Agreement.

B. Anti-Corruption

The Borrower shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

1. The Borrower shall monitor and evaluate, and shall cause the Project Implementing Entity (Shandong) to monitor and evaluate, the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of the indicators set forth in the Annex of the Schedule to the Project Agreement. Each Project Report shall cover

the period of one (1) calendar semester, and shall be furnished to the Bank not later than March 15 and September 15 in each year, starting on March 15, 2012.

2. The Borrower shall review with the Bank (mid-term review), not later than July 1, 2014 the progress made in the implementation of the Project, together with any recommendations the Borrower, Shandong or the Bank may have on the needs for Project restructuring.

B. Financial Management, Financial Reports and Audits

1. The Borrower shall maintain, or cause to be maintained, a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.
2. Without limitation on the provisions of Part A of this Section, the Borrower shall cause the Project Implementing Entity (Shandong) to prepare and furnish to the Bank as part of the Project Reports by not later than March 15 and September 15 in each year after the end of each calendar semester, interim un-audited financial reports for the Project covering the calendar semester, in form and substance satisfactory to the Bank.
3. The Borrower shall cause the Project Implementing Entity (Shandong) to have the Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works required for the Project and to be financed out of the proceeds of the Loan 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 Loan 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 Bank of particular

contracts refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods and works shall be procured under contracts awarded on the basis of International Competitive Bidding.
2. **Other Methods of Procurement of Goods and Works.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods and works. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Methods	
(a)	<p>National Competitive Bidding. In addition, the procedures to be followed for National Competitive Bidding shall be those set forth in the Law on Tendering and Bidding of the People's Republic of China promulgated by Order No.21 of the President of the People's Republic of China on August 30, 1999, with the following clarifications required for compliance with the Procurement Guidelines:</p> <ol style="list-style-type: none">(i) All invitations to prequalify or to bid shall be advertised in a newspaper of national circulation in the Borrower's country, except for civil works contracts that are estimated cost less than \$2,000,000 equivalent each and for goods contracts that are estimated to cost less than \$300,000 equivalent each, which may be advertised in a provincial daily newspaper. Such advertisement shall be made in sufficient time for prospective bidders to obtain prequalification or bidding documents and prepare and submit their responses. In any event, a minimum of thirty (30) days shall be given to bidders between the date of advertisement in such newspaper and the deadline for submission of bids, and the advertisement and bidding documents shall specify the deadline for such submission.(ii) Qualification requirements of bidders and the method of evaluating the qualification of each bidder shall be specified in detail in the bidding documents.(iii) All bidders that meet the qualification criteria set out in the pre-qualification document shall be allowed to bid and there shall be no limit on the number of pre-qualified bidders.

- (iv) All bidders shall be required to provide security in an amount sufficient to protect the Borrower or the Project Implementing Entity (Shandong), as the case may be, in case of breach of contract by the contractor, and the bidding documents shall specify the required form and amount of such security.
- (v) Bidders will be allowed to submit bids by mail or by hand. The time for opening of all bids shall be the same as the deadline for receipt of such bids.
- (vi) All bids shall be opened in public; all bidders shall be offered an opportunity to be present (either in person or through their representatives) at the time of bid opening, but bidders shall not be required to be present at the bid opening.
- (vii) All bid evaluation criteria shall be disclosed in the bidding documents and quantified in monetary terms or expressed in the form of pass/fail requirements.
- (viii) No bid may be rejected solely on the basis that the bid price falls outside any standard contract estimate, or margin or bracket of average bids established by the Borrower or the Project Implementing Entity (Shandong), as the case may be.
- (ix) Each contract shall be awarded to the lowest evaluated responsive bidder, that is, the bidder who meets the appropriate standards of capability and resources and whose bid has been determined:
(A) to be substantially responsive to the bidding documents; and
(B) to offer the lowest evaluated cost. The winning bidder shall not be required, as a condition of award, to undertake responsibilities for work not stipulated in the bidding documents or otherwise to modify the bid as originally submitted.
- (x) Each contract financed with the proceeds of the Loan shall provide that the suppliers and contractors shall permit the Bank, at its request, to inspect their accounts and records relating to the performance of the contract and to have said accounts and records audited by auditors appointed by the Bank.
- (xi) Government owned enterprises in the Borrower's country may be permitted to bid or submit a proposal of goods and works if they can establish that they: (A) are legally and financially autonomous; (B) operate under commercial law; and (C) are not a dependent agency of the agency conducting the procurement.

<p>(xii) All bids should not be rejected solely because the number of bids is less than three (3), and rejection of all bids or rebidding shall not take place without the Bank’s prior written concurrence.</p> <p>(xiii) The results of bid evaluation and contract award shall be published in the national press or provincial press (as provided under sub-paragraph (i) above) or official gazette or a free and open access website and shall identify the name and offered price of the winning bidder, as well as the duration and summary scope of the awarded contract.</p> <p>(xiv) The Project Implementing Entity (Shandong) shall have in place provisions for bidders to protest.</p>
(b) Shopping
(c) Direct Contracting

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 table specifies the methods of procurement, other than Quality- and Cost-based Selection, which may be used for consultants’ services. The Procurement Plan shall specify the circumstances under which such methods may be used.

Procurement Methods	
(a)	Quality-based Selection
(b)	Selection based on Consultants’ Qualifications
(c)	Single-source Selection
(d)	Procedures set forth in paragraphs 5.2 and 5.3 of the Consultant Guidelines for the Selection of Individual Consultants

D. Review by the Bank of Procurement Decisions

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

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of this Section and such additional instructions as the Bank shall specify by notice to the Borrower (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance: (a) the Front-end Fee in accordance with Section 2.07(b) of the General Conditions; (b) if applicable, the Premium for Interest Rate Caps or Interest Rate Collars in accordance with Section 2.07(c) of the General Conditions; and (c) other 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 Loan ("Category"), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

Category	Amount of the Loan Allocated (expressed in Dollars)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods	6,190,000	100%
(2) Works for:		
(a) Part B.2 of the Project;	5,350,000	80%
(b) Part B.5.2 of the Project;	260,000	100%
(c) Parts A.1, A.2, A.3, B.1 (other than for remodeling of private houses); and	14,395,000	70%
(d) Parts A.4, B.3 (other than for remodeling of private houses), and B.4 of the Project	21,760,000	66%
(3) Consultants' services and Training and Study Tours for:		
(a) Parts B.5.a, D.3, D.4, and D.5 of the Project; and	150,000	50%
(b) Parts C.1, C.2, C.3, C.4, C.5, C.6, D.1, D.2 and all other Parts of the Project	1,770,000	100%

(4) Front-end Fee	125,000	Amount pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions
(5) Premium for Interest Rate Caps or Interest Rate Collars	0	Amount payable pursuant to Section 2.07(c) of this Agreement and Section 4.05(c) of the General Conditions
TOTAL AMOUNT	50,000,000	

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, except that withdrawals up to an aggregate amount not to exceed \$1,000,000 may be made for payments for Eligible Expenditures made prior to this date and within twelve (12) months prior to the date of this Agreement but on or after December 1, 2010.
2. The Closing Date is December 31, 2016.

SCHEDULE 3

Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying:
- (a) Withdrawn Loan Balance as of the first Principal Payment Date; by
 - (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

Principal Payment Date	Installment Share (Expressed as a Percentage)
On each April 15 and October 15 Beginning October 15, 2019 through October 15, 2031	3.85%
On April 15, 2032	3.75 %

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:
- (a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.
 - (b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (“Original Installment Share”) and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such

date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. (a) Amounts of the Loan withdrawn within two (2) calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.
- (b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.
4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.
5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.

APPENDIX

Definitions

1. “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.
2. “Block A” means any of the two city blocks so named in the Ming Old City in Qufu and the Zoucheng Old City, and which are included for redevelopment under Parts B1 and B3 of the Project.
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 by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006 and May 2010.
5. “CPMO” means any of the City project management office referred to in Section I.A.1(d) of the Schedule to the Project Agreement.
6. “Displaced Persons” means persons who, on account of the execution of the Project, have experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets; or (iii) loss of income sources or means of livelihood, whether or not such persons must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such persons; and a “Displaced Person” means any of such Displaced Persons.
7. The acronym “EMP” means, collectively, the Environmental Impact Assessments and Environmental Management Plan prepared by Shandong Province for the Project and dated October 31, 2010, which set out specific actions, measures and policies designed to maximize the benefit of the Project and for the protection of the environment; and eliminate, offset or mitigate any adverse impact on physical cultural resources or the environment, as well as administrative and monitoring arrangements to ensure the implementation of said actions, measures and policies, as said assessments and plans may be revised from time to time with the prior written agreement of the Bank, and such term includes all schedules and annexes to said assessments and plan.
8. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated July 31, 2010.

9. “Jining Municipality” or “Jining” means Jining Municipality within the Borrower’s Shandong Province, or any successor thereto.
10. “MPMO” means the municipal project management office referred to in Section I.A.1(c) of the Schedule to the Project Agreement.
11. “Old City” means the parts of the cities of Qufu and Zoucheng which contain cultural heritage assets within the boundaries described in the respective historic city conservation plans.
12. “PIU” means any of the Implementation Units within the Project Bureau referred to in Section I.A.1(e) of the Schedule to the Project Agreement.
13. “PPMO” means the Provincial Project management offices referred to in Section I.A.1(b) of the Schedule to the Project Agreement.
14. “Procurement Guidelines” means the “Guidelines for Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October 2006 and May 2010.
15. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated April 18, 2011, and referred to in paragraph 1.16 of the Procurement Guidelines and paragraph 1.24 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.
16. “Project Bureau” means, individually, each of the following bureaus and committees: Qufu Cultural Relics and Tourism Bureau, Qufu City Water Resources Bureau, Qufu City Planning Bureau, Management Committee for Qufu Cultural Industry Park, Zoucheng Cultural Relics and Tourism Bureau, Zoucheng City Water Resources Bureau, and Zoucheng City Construction Bureau; and “Project Bureaus” means more than one Project Bureau.
17. “Project Cities” means, collectively, Qufu City and Zoucheng City; and “Project City” means either of the Project Cities.
18. “Project Implementing Entity” or “Shandong” means the Borrower’s Shandong Province, or any successor thereto.
19. “Project Participants” means Jining, and the Project Cities and their respective Project Bureaus.
20. “Qufu City” or “Qufu” means Qufu City in Jining Municipality.

21. “RAP” means the resettlement action plan, dated November 20, 2010, prepared by Shandong Province, which set out the principles and procedures governing the acquisition of land and related assets, and the compensation, resettlement and rehabilitation of Displaced Persons on account of the execution of the Project, as well as monitoring and reporting arrangements to ensure compliance with said plan, as the same may be revised from time to time with the prior written agreement of the Bank, and such term includes all schedules and supplements to said plan.
22. “SACH” means the Borrower’s State Administration for Cultural Heritage, or any successor thereto.
23. “Tentative List” means the sites in Qufu and Zoucheng linked to Confucius and Mencius that are under consideration by UNESCO for inclusion on the World Heritage List.
24. “Training and Study Tours” mean, for purposes of Section IV of Schedule 2 to this Agreement, and based on an annual budget prior approved between the Borrower and the Bank, the reasonable cost of travel, lodging and per diem for trainees attending training, study tours, workshops and seminars and the cost of delivering training (excluding consultants’ fees), including rental of training space and training equipment and other logistical costs, all as agreed between the Borrower and the Bank.
25. “UNESCO” means the United Nations Educational, Scientific and Cultural Organization, or any successor thereto.
26. “World Heritage Site” means the temple, cemetery and family mansion of Confucius recognized by UNESCO as a World Heritage Site.
27. “Zoucheng City” or “Zoucheng” means Zoucheng City within Jining Municipality.