

CONFORMED COPY

CREDIT NUMBER 4459 AL

Financing Agreement

(Secondary and Local Roads Project)

between

ALBANIA

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 2, 2008

CREDIT NUMBER 4459 AL

FINANCING AGREEMENT

AGREEMENT dated July 2, 2008, entered into between ALBANIA (“Recipient”) and the 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.

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 twelve million two hundred thousand Special Drawing Rights (SDR 12,200,000) (the “Credit”) to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Recipient may withdraw the proceeds of the Credit 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 Credit 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 The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.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 April 15 and October 15 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 Euro.

ARTICLE III - PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV 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 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 - REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely, that the Project Implementing Entity's Legislation has been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Project Implementing Entity to perform any of its obligations under the Project Agreement.
- 4.02. The Co-financing Deadline for the effectiveness of the Co-financing Agreement is December 31, 2008.
- 4.03. The Additional Event of Acceleration consists of the following, namely, that the event specified in Section 4.01 of this Agreement occurs.

ARTICLE V - EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Subsidiary Agreement has been executed on behalf of the Recipient and the Project Implementing Entity.
- 5.02. The Additional Legal Matter consists of the following, namely, that the Subsidiary Agreement has been duly authorized by the Recipient and the Project Implementing Entity and is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.
- 5.03. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 5.04. 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 VI - REPRESENTATIVE; ADDRESSES

6.01. The Recipient's Representative is the Minister of Finance.

6.02. The Recipient's Address is:

Ministry of Finance
Bulevardi "Deshmoret e Kombit", Nr. 1
Tirana
Albania

Facsimile:

(355)-42-228494

6.03. The Association's Address is:

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

Cable:

Telex:

Facsimile:

INDEVAS
Washington, D.C.

248423 (MCI)

(1)-202-477-6391

AGREED at Tirana, Albania, as of the day and year first above written.

ALBANIA

By: /s/ Ridvan Bode

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By: /s/ Camille Nuamah

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to improve access to essential services and economic markets, via the provision of all weather roads, for the resident population in the hinterland of the Project roads, including: (i) the improvement of priority sections of the secondary (regional) road network across the Recipient's territory; (ii) the improvement of priority sections of the local road network across the Recipient's territory; and (iii) strengthening of the management of the secondary and local road network.

The Project consists of the following parts:

Part 1: Improvement of Priority Sections of the Secondary (regional) Road Network

Financing of Sub-projects to rehabilitate and reconstruct selected priority sections of the secondary (regional) road network, including the provision of road safety infrastructure where necessary.

Part 2: Improvement of Priority Sections of the Local (commune) Road Network

Financing of Sub-projects to rehabilitate and fully reconstruct selected priority sections of the local (commune) road network, including the provision of road safety infrastructure where necessary.

Part 3: Implementation and Institutional Support

Provision of technical support, goods (including vehicles, computers, air conditioning units, a generator, and office furniture), training, study tours, conferences and the financing of Operational Costs to assist the Project Implementing Entity in the implementation of the Project, specifically for: (i) the selection and employment of consultants' services to supervise the civil works and improve the design for the duration of the Project; (ii) the selection and employment of a technical assistant with a strong background in highway engineering for the duration of the Project; (iii) training of the Project Implementing Entity staff responsible for Project implementation; (iv) the carrying out of a review of the functional classification for all levels of roads; (v) an inventory of the core secondary and local road network; (vi) the preparation of a strategy and action plan for the development of the secondary and local road network; (vii) capacity building in the communities to contract and undertake maintenance; (viii) the establishment of an Asset Management System for secondary (regional) and local roads; and (ix) the preparation of design and bidding documents for the first and second year of Project implementation.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Subsidiary Agreement

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Credit allocated from time to time to Categories (1) and (2) available to the Project Implementing Entity on a grant basis under a subsidiary agreement between the Recipient and the Project Implementing Entity (“Subsidiary Agreement”).

2. The Recipient shall exercise its rights under the Subsidiary Agreement in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Credit. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive the Subsidiary Agreement or any of its provisions.

B. Anti-Corruption

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

C. Sub-projects

1. Criteria for Selection of Roads

In order to maximize the benefits to be accomplished from the Project, the Recipient shall take all action necessary on its behalf to ensure that the following procedure is followed in the preliminary stages of the selection of the Sub-projects proposed for rehabilitation and/or construction under Parts 1 and 2 of the Project:

(a) LGUs shall identify potential Sub-projects for submission on the basis of the following criteria: (i) the road must have substantial development potential (agricultural potential, production, tourism); (ii) the road must have substantial current or potential use; (iii) the existence of a significant number of beneficiaries (population, poverty); and (iv) there must be no significant negative impact on the environment or the population living in the hinterland of the road; and

(b) The Sub-projects so identified shall be the highest priority ones to be submitted to the Project Implementing Entity for further prioritization and selection.

2. Additional Eligibility for Roads Located in Certain Geographical Areas

The Recipient shall take all measures necessary to ensure that no Sub-project proposal relates to, and no proceeds of the Credit are used to finance, a Sub-Project located:

(a) in the area covered by the Southern Coastal Development Plan, until and unless such Plan has been formally approved by the Territory Adjustment Council; and

(b) in the coastal area on the remainder of the Albanian coast, until and unless a development plan has been approved by, or has been submitted to the approval of, the Territory Adjustment Council.

D. Administration and Management of Secondary Regional Roads

The Recipient, through its Ministry of Public Works, Transport and Telecommunications, shall prepare a Council of Minister's draft decision satisfactory to the Association, to be passed not later than December 31, 2008, transferring the rights for the administration and management of all secondary regional roads from the Regional Councils to the General Road Directorate.

E. Provision of Funds and Other Resources

Without limitation upon the provisions of Section 4.03 of the General Conditions, the Recipient shall take all action necessary on its behalf to ensure that:

(a) the team responsible for Project implementation within the Project Implementing Entity is adequately staffed and provided with sufficient and timely financial, human and technical resources throughout the life of the Project; and

(b) starting with Fiscal Year 2009 and through Fiscal Year 2013, adequate funds are allocated in its annual budget to cover its annual contribution to the financing of the Project.

Section II. Project Monitoring and Evaluation

A. Completion Report

For purposes of Section 4.08 (c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished by the Recipient to the Association not later than June 30, 2013.

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. Without limitation on the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association as part of the Project Report, 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 Fiscal Year of the Recipient, commencing with the Fiscal Year in which the first withdrawal under the Project Preparation Advance was made. 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.

Section III. Procurement

A. General

1. **Goods, Works and Services (other than Consultants' Services).** All goods, works and services (other than consultants' services) required for the Project and to be financed out of the proceeds of the Credit 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 Credit 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 the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods, Works and Services (Other than Consultants' Services)

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, Works and Services (other than Consultants' Services).** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works and services (other than consultants' services). The Procurement Plan shall specify the circumstances under which such methods may be used:

Procurement Method	
(a)	National Competitive Bidding, subject to the modifications and additions set forth in paragraph 3 below.
(b)	Shopping
(c)	Direct Contracting

3. The National Competitive Bidding procedures shall be based on the Open Tendering procedures as defined in the Public Procurement Law of Albania, and the following additional provisions:

- (i) "Open Tendering" procedures as defined in the Procurement Law of Albania shall apply to all contracts;
- (ii) foreign bidders shall not be precluded from bidding and no preference of any kind shall be given to national bidders in the bidding process. Government-owned enterprises in Albania shall be permitted to bid only if they are legally and financially autonomous and operate under commercial law of the Recipient;
- (iii) procuring entities shall use sample bidding documents approved by the Association;
- (iv) in case of higher bid prices compared to the official estimate, all bids shall not be rejected without the prior concurrence of the Association;
- (v) a single-envelope procedure shall be used for the submission of bids;
- (vi) post-qualification shall be conducted only on the lowest evaluated bidder; no bid shall be rejected at the time of bid opening on qualification grounds;
- (vii) bidders who contract as a joint venture shall be held jointly and severally liable;

- (viii) contracts shall be awarded to the lowest evaluated, substantially responsive bidder who is determined to be qualified to perform in accordance with pre-defined and pre-disclosed evaluation criteria;
- (ix) post-bidding negotiations shall not be allowed with the lowest evaluated or any other bidders; and
- (x) contracts of long duration (more than 18 months) shall contain appropriate price adjustment provisions.

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 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 Method	
(a)	Selection Based on Consultants' Qualifications
(b)	Selection under a Fixed Budget
(c)	Least-Cost Selection
(d)	Single-Source Selection
(e)	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 Credit

A. General

1. The Recipient may withdraw the proceeds of the Credit 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 Credit (“Category”), the allocations of the amounts of the Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (Expressed in SDR)	Percentage of Expenditures to be Financed
(1) Goods, Consultants’ Services, Training, Study Tours, Conferences and Operational Costs	6,600,000	80%
(2) Works	5,000,000	80%
(3) Refund of Project Preparation Advance	600,000	Amount payable pursuant to Section 2.07 of the General Conditions
TOTAL AMOUNT	<u>12,200,000</u>	

3. For the purposes of this paragraph, the term “Operational Costs” means expenditures incurred to finance the cost under Part 3 of the Project of: (i) salaries of the Project Implementing Entity staff and state contributions thereon; (ii) per diem and travel expenses of the Project Implementing Entity staff to perform responsibilities under the Project; (iii) fuel and vehicle maintenance, insurance and rental; (iv) communication technology (including without limitation internet, telephone); (v) building security, maintenance and rental; (vi) stationary and publications; and (vii) bank commissions, assorted tariffs, and notary services.

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

(a) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 2,400,000 equivalent may be made for payments made prior to this date but on or after March 1, 2008, for Eligible Expenditures under Category (1); or

(b) under Category (2), until and unless the Project Implementing Entity has submitted to the Association a written attestation for the Sub-project in respect of which the withdrawal is requested that: (i) the Sub-project does not require the submission, preparation and disclosure of a site-specific EIA, EMP or RAP, as the case may be; or (ii) the Sub-project does require the submission, preparation and disclosure of a site-specific EIA, EMP or RAP, as the case may be, and such requirements have been fulfilled to the satisfaction of the Association.

2. The Closing Date is December 31, 2012.

SCHEDULE 3

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (Expressed as a Percentage)*
On each April 15 and October 15, commencing on October 15, 2018, to and including April 15, 2028	5%

* 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

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.
2. “Asset Management System” means the system for determining the priorities for rehabilitation and maintenance of the secondary and local road network to be established in the Project Implementing Entity with the assistance of the Project Preparation Advance under Part 3 of the Project.
3. “Bank’s Roads Economic Decision Model” means the model developed by the Bank under the Road Maintenance Initiative for purposes of managing low volume road networks.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “Co-financier” means the OPEC Fund for International Development, referred to in paragraph 10 of the Appendix to the General Conditions.
6. “Co-financing” means an amount of equivalent to fifteen million Dollars (\$15,000,000), to be provided by the Co-financier to assist in financing Parts 1 and 2 of the Project.
7. “Co-financing Agreement” means the agreement to be entered into between the Recipient and the Co-financier providing for the Co-financing.
8. “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.
9. “Environmental Impact Assessment” or “EIA” means a report identifying and assessing the potential environmental impacts of a proposed Sub-project (as hereinafter defined), evaluating alternatives, and designing appropriate mitigation, management, and monitoring measures.
10. “Environmental Management Plan” or “EMP” means a site-specific environmental management plan prepared in accordance with the parameters laid down in the ESF, acceptable to the Association, to be developed by the Project Implementing Entity for each applicable Sub-project, setting forth a set of mitigation, monitoring, and institutional measures to be taken during Sub-project implementation and operation to eliminate adverse environmental and social

impacts, offset them, or reduce them to acceptable levels, and including the actions needed to implement these measures.

11. “Environmental Safeguard Framework” or “ESF” means the environmental safeguard framework adopted by the Recipient on March 13, 2008, setting forth the procedures to be used by the Project Implementing Entity for the preparation and approval of a Sub-project (as hereinafter defined) specific Environmental Impact Assessment and/or Environmental Management Plan (as hereinafter defined) for any road segment where there exists environmental issues of a type and scale sufficient to trigger the Bank’s safeguard policies.
12. “Fiscal Year” means the twelve (12) month period corresponding to any of the Recipient’s or Project Implementing Entity’s (as hereinafter defined) fiscal years, which period commences on January 1 and ends on December 31 in each calendar year.
13. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 1, 2005 (as amended through October 15, 2006).
14. “General Road Directorate” means the Directorate in charge of national road under the Recipient’s Ministry of Public Works, Transport and Telecommunications.
15. “Highway Development and Management Model” means the model developed by the Bank and the Permanent International Association of Road Congresses for purposes of developing and managing the road network.
16. “Investment Agreement” or “IA” means an investment agreement to be concluded between the ADF, on the one side, and the General Road Directorate or a LGU, as the case may be, and referred to in paragraph 5 (b) of Section I.C of the Schedule to the Project Agreement.
17. “LGU” means a local government unit within the territory of the Recipient, which entails a commune or Regional Council.
18. “Local Road Network” means the network of commune roads in the Recipient’s territory.
19. “Monitoring and Evaluation Indicators” means the agreed monitoring and evaluation indicators set forth in a letter of even date herewith to be utilized by the Project Implementing Entity to measure the progress in the implementation of the Project and the degree to which the objectives thereof are being achieved.
20. “Operation and Management Agreement” or “OMA” means an operation and management agreement to be concluded between the ADF and a LGU and

referred to in paragraph 5 (a) of Section I.C of the Schedule to the Project Agreement.

21. "Procurement Guidelines" means the "Guidelines: Procurement under IBRD Loans and IDA Credits" published by the Bank in May 2004 and revised in October, 2006.
22. "Procurement Plan" means the Recipient's procurement plan for the Project, dated April 9, 2008, 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.
23. "Project Implementing Entity" means the Albanian Development Fund or ADF, a foundation with administrative, financial and technical autonomy.
24. "Project Implementing Entity's Legislation" means, collectively, the Decision No. 12 of the Recipient's Council of Ministers, dated January 9, 1993, registered on June 16, 1993, pursuant to the provisions of the Recipient's Law No. 7512, as amended by the Decision No. 427 of the Recipient's Council of Ministers, dated September 8, 1994, pursuant to the provisions of the Recipient's Law No. 7695, and the following Decisions of the Recipient's Council of Ministers: Decision No. 527, dated August 12, 1996; Decision No. 324, dated August 22, 1997; Decision No. 262, dated April 30, 1998; Decision No. 544, dated July 29, 1998; Decision No. 207, dated April 28, 1999; Decision No. 106, dated February 27, 2004; Decision No. 599, dated September 10, 2004, and Decision No. 681, dated November 2, 2005.
25. "Project Preparation Advance" means the advance referred to in Section 2.07 of the General Conditions, granted by the Association to the Recipient pursuant to the letter agreement No. P4360-ALB, signed on behalf of the Association on October 5, 2007, and on behalf of the Recipient on October 25, 2007.
26. "Regional Council" means a second-level LGU which is indirectly elected (composed by mayors and chairmen of communes), and is vested some exclusive and delegated functions.
27. "Resettlement" means: (i) the involuntary (i.e., an action that may be taken without a person's informed consent or power of choice) taking of land, including anything growing on or permanently affixed to such land, such as buildings and crops, resulting in: (A) relocation or loss of shelter; (B) loss of assets or access to assets; or (C) loss of income sources or means of livelihood, whether or not the affected persons must move to another location; or (ii) the involuntary restriction of access to legally designated parks and protected areas resulting in adverse impacts on the livelihoods of the affected persons, and encompassing restrictions on the use of resources imposed on people living

outside a park or protected area, or on those who continue living inside the park or protected area during and after Project implementation.

28. “Resettlement Action Plan” or “RAP” means a site-specific resettlement action plan prepared in accordance with the parameters laid down in the RPF (as hereinafter defined), acceptable to the Association, to be developed by the Project Implementing Entity for each Sub-project which involves Resettlement, and covering the following: (i) a baseline census and socioeconomic survey information; specific compensation rates and standards; policy entitlements related to any additional impacts identified through the census or survey; description of Resettlement sites and programs for improvement or restoration of livelihoods and standards of living; an implementation schedule for Resettlement activities; and detailed cost estimate; (ii) measures designed to ensure that the displaced persons: (A) are informed about their options and rights pertaining to Resettlement, consulted on, offered choices among, and provided with technically and economically feasible Resettlement alternatives; and (B) provided prompt and effective compensation at full replacement cost for losses of assets attributable directly to the Project; (iii) if the impacts include physical relocation, that the displaced persons are: (A) provided assistance (such as moving allowances) during relocation; (B) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, locational advantages, and other factors is at least equivalent to the advantages of the old site; and (C) offered support after displacement, for a transition period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standards of living; (iv) affordable and accessible grievance procedures, taking into account the availability of judicial recourse and community and traditional dispute settlement mechanisms; and (v) provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, training, or job opportunities.
29. “Resettlement Policy Framework” or “RPF” means the resettlement policy framework adopted by the Recipient on March 13, 2008, setting forth: (i) a brief description of the Project and components for which land acquisition and Resettlement are required; (ii) principles and objectives governing Resettlement preparation and implementation; (iii) a description of the process for preparing and approving Resettlement Action Plans; (iv) estimated population displacement and likely categories of displaced persons, to the extent feasible; (v) eligibility criteria for defining various categories of displaced persons; (vi) a legal framework reviewing the fit between Recipient’s laws and regulations and the Association’s policy requirements and measures proposed to bridge any gaps between them; (vii) methods of valuing affected assets; (viii) organizational procedures for delivery of entitlements, including the responsibilities of the Recipient, the Project Implementing Entity, and the Beneficiaries; (ix) a description of the implementation process, linking Resettlement implementation

to civil works to be carried out under the Project; (x) a description of the grievance redress mechanisms; (xi) a description of the arrangements for funding Resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements; (xii) a description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring; and (xiii) arrangements for monitoring by the Project Implementing Entity and, if required, by independent monitors.

30. "Secondary Road Network" means the network of regional roads in the Recipient's territory.
31. "Southern Coastal Development Plan" means the draft plan prepared by the Recipient's Ministry of Public Works, Transport and Telecommunications setting forth the development framework for the southern coastal region (from Orikum to the Greek border) of the Recipient's territory.
32. "Sub-project" means a specific development project to be carried out by the Project Implementing Entity utilizing the proceeds of the Credit.
33. "Subsidiary Agreement" means the agreement referred to in Section I.B of Schedule 2 to this Agreement pursuant to which the Recipient shall make the proceeds of the Credit available to the Project Implementing Entity.
34. "Territory Adjustment Council" means the Recipient's highest decision-making authority body attached to the Recipient's Council of Ministers, or any successor thereto."